

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

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2025/26		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total 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
Total Departmental Capital Expenditure	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
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.	772,739	49,357	822,096
Delivering Hospital and Specialist Services (M36) (A21) This appropriation is limited to hospital and specialist health services (including mental health services).	15,728,691	469,226	16,197,917
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.	9,703,427	33,792	9,737,219
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
National Management of Pharmaceuticals (M36) (A21) This appropriation is limited to services relating to the national management of pharmaceuticals.	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
Total Non-Departmental Output Expenses	28,037,626	552,375	28,590,001

Titles and Scopes of Appropriations by Appropriation Type	2025/26		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$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.	3,100	325	3,425
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.	1,208	2,349	3,557
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	4,308	20,404	24,712
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
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.	325,000	271,432	596,432
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
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	560,000	289,132	849,132
Multi-Category Expenses and Capital Expenditure			
Redress for Abuse in Care MCA (M36) (A21) 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.	1,610	11,193	12,803
Departmental Output Expenses			
<i>Delivering redress for abuse in care</i> This category is limited to responding to, designing, implementing and delivering redress for abuse in care.	210	447	657
Non-Departmental Other Expenses			
<i>Redress Payments</i> This category is limited to providing financial redress to people who experienced abuse in care.	1,400	10,746	12,146

Titles and Scopes of Appropriations by Appropriation Type	2025/26		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Stewardship of the New Zealand health system MCA (M36) (A21)	228,692	(8)	228,684
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.			
Departmental Output Expenses			
<i>Equity, Evidence and Outcomes</i>	31,838	2,649	34,487
This category is limited to health science research, leadership, analysis and publishing quality evidence, data and insights.			
<i>Policy Advice and Related Services</i>	32,234	(2,177)	30,057
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.			
<i>Public health and population health leadership</i>	95,377	(6,453)	88,924
This category is limited to providing leadership on policy, strategy, regulatory, intelligence, surveillance and monitoring related to public and population health.			
<i>Regulatory and Enforcement Services</i>	50,710	2,006	52,716
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.			
<i>Sector Performance and Monitoring</i>	18,533	3,967	22,500
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.			
Total Multi-Category Expenses and Capital Expenditure	230,302	11,185	241,487
Total Annual Appropriations and Forecast Permanent Appropriations	28,832,736	873,096	29,705,832

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	-
Commences: 01 July 2024	Adjustments for 2025/26	-
Expires: 30 June 2029	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

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
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
Non-Departmental Capital Expenditure		
Health Capital Envelope (M36) (A21)	Original Appropriation	4,864,162
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.	Adjustments to 2024/25	1,152,697
	Adjustments for 2025/26	306,250
Commences: 01 July 2022	Adjusted Appropriation	6,323,109
Expires: 30 June 2027	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)	Original Appropriation	1,327,578
This appropriation is limited to capital expenditure on the construction of the new Dunedin Hospital and associated projects.	Adjustments to 2024/25	120,000
	Adjustments for 2025/26	62,705
Commences: 01 November 2021	Adjusted Appropriation	1,510,283
Expires: 30 June 2026	Actual to 2024/25 Year End	401,307
	Estimated Actual for 2025/26	1,108,976
	Estimate for 2026/27	-
	Estimated Appropriation Remaining	-

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

	2025/26		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	28,832,736	873,096	29,705,832
Total Forecast MYA Departmental Output Expenses	6,823	450	7,273
Total Forecast MYA Non-Departmental Output Expenses	25,670	-	25,670
Total Forecast MYA Non-Departmental Capital Expenditure	2,186,988	4,357	2,191,345
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	31,052,217	877,903	31,930,120

Capital Injection Authorisations

	2025/26		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Ministry of Health - Capital Injection (M36) (A21)	-	707	707

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2025/26				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	28,070,119	450	552,375	552,825	28,622,944
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	4,308	-	20,404	20,404	24,712
Capital Expenditure	2,747,488	-	293,489	293,489	3,040,977
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	228,902	439	-	439	229,341
<i>Other Expenses</i>	1,400	-	10,746	10,746	12,146
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	31,052,217	889	877,014	877,903	31,930,120
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	1,647,356	N/A	80,556	80,556	1,727,912
Capital Receipts	47,499	N/A	300,000	300,000	347,499
Total Crown Revenue and Capital Receipts	1,694,855	N/A	380,556	380,556	2,075,411

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

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2025/26		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Annual costed workplan activities for the Polynesian Health Corridors Programme are delivered to an acceptable standard as agreed by the New Zealand Ministry of Foreign Affairs and Trade and Public Health Agency Programme Delivery Steering Committee	Achieved	Measure removed	Measure removed
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)	Replacement measure	10 out of 15	10 out of 15

Note 1 - This measure has been updated to reflect the adoption of the agreed costed workplan delivery rating scale, approved by the Strategic Governance Group (SSG). The scale provides a more accurate and consistent way to assess delivery against annual costed workplan activities across the Polynesian Health Corridors Programme.

The costed workplan delivery rating scale is presented to the SSG annually. Members of the SGG report against the extent to which they believe the Polynesian Health Corridors work programme has delivered against workplans.

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 Injections and Movements in Departmental Net Assets

Ministry of Health

Details of Net Asset Schedule	2025/26 Main Estimates Projections \$000	2025/26 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2025/26
Opening Balance	3,069	1,514	Supplementary Estimates opening balance reflects the audited results as at 30 June 2025.
Capital Injections	-	707	A capital injection of \$707,000 is provided in 2025/26 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	3,069	2,221	

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

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.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2025/26		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Percentage of Hauora Māori partners that are meeting their contracted outcome targets as defined in the new outcomes-based contracts	85%	Measure removed	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)	Replacement measure	90%	90%
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 (see Note 1)	New measure	16 out of 16	16 out of 16

Note 1 - This measure focuses on Health New Zealand's (Health NZ's) responsibilities and accountabilities for engaging with Māori and supporting opportunities for Māori to contribute to decision-making. It aligns with the functions of Iwi-Māori Partnership Boards set out in section 30 of the Pae Ora (Healthy Futures) Act 2022 and reflects legislative changes before the House.

Reasons for Change in Appropriation

This appropriation increased by \$49.357 million to \$822.096 million for 2025/26 due to:

- \$47.200 million carried forward from 2024/25 to support the Immunising Our Tamariki programme and other specific Māori Health programmes that will contribute towards Health Targets for Māori
- \$2.289 million for a 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
- \$473,000 for a transfer to reflect the expected increase in costs with corresponding revenue recovery from the Ministry of Social Development (MSD) for sleepovers delivered by mental health providers who are contracted by Health New Zealand

- \$387,000 for a transfer from the Delivering Hospital and Specialist Services appropriation to support the partnership between hauora Māori Services and the Kahungunu Executive to improve the dental services in Wairoa
- \$140,000 for a transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to support the immunisation by Te Hiku Hauora and the operational costs of the immunisation mobile van in the Far North, Muriwhenua
- \$127,000 for a transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to enable hauora Māori services to bolster the existing mental health services in the Nelson/Tasman/Marlborough area
- \$93,000 for a transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to enable hauora Māori services to deliver oral health services closer to home for children and youth on the East Coast, Tairāwhiti
- \$91,000 for a transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to support hauora Māori services for the eligible childhood vaccinations requiring community outreach within Eastern Bay of Plenty, and
- \$56,000 for a transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to enable hauora Māori services to fund suicide prevention programmes in line with the new Suicide Prevention Action Plan.

This increase was partly offset by:

- \$1.499 million for a transfer to the Delivering Primary, Community, Public and Population Health Services appropriation and the Stewardship of the New Zealand health system MCA to align the funding allocation for alcohol-related programmes with current costs forecast.

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	2025/26		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Health New Zealand			
Rate of renal failure hospitalisations, age-standardised per 100,000 people with diabetes (see Note 1)	Improve from baseline as at June 2022	Improve from baseline at prior financial year end	Improve from baseline at prior financial year end
New Zealand Blood and Organ Service			
Provide quarterly reports to the Ministry of Health summarising the performance of the organ donation function (see Note 2)	4	Measure removed	Measure removed

Note 1 - The Budget Standard has been updated to remove fixed end dates and reference the most recent available baseline, improving year-to-year comparability. Baseline for financial year 2024/25 is 2,422.

Note 2 - This measure has been transferred from the Delivering Hospital and Specialist Services appropriation to the Delivering Primary, Community, Public and Population Health Services appropriation to reflect the transfer of the associated funding.

Reasons for Change in Appropriation

This appropriation increased by \$469.226 million to \$16,197.917 million for 2025/26 due to:

- \$200 million carried forward from 2024/25 for Health NZ to meet its cost pressures in 2025/26
- \$115 million carried forward from 2024/25 to provide funding for final settlements of Health NZ's collective agreements in 2025/26
- \$83.800 million for an adjustment to fund the increase in Health NZ's capital charge payments following the revaluation of Health NZ's assets
- \$38.954 million of additional funding to meet the increases in capital charge associated with the impact of capital contributions for the new capital projects for Health NZ
- \$25.500 million for a capital to operating swap from the Health Capital Envelope MYA for the establishment of the Centre for Digital modernisation of health and the implementation of the HealthX Innovation and AI programme
- \$7.750 million carried forward from 2024/25 for the data and digital Payroll System Remediation and Stabilisation initiatives, reflecting the rephasing of the programme
- \$5.400 million for a capital to operating swap from the Health Capital Envelope MYA to cover the cost of the early-stage infrastructure planning required for implementation of the Health Infrastructure Plan
- \$3 million carried forward from 2024/25 to support the initiatives for accelerating delivery of projects in the mental health portfolio, reflecting the rephasing of the programme
- \$2.624 million carried forward from 2024/25 for mental health and addiction workforce development, reflecting the rephasing of the programme
- \$1.400 million for a capital to operating swap from the Capital Contributions for the New Medical School at the University of Waikato appropriation to cover Health NZ's one-off costs relating to clinical placement establishment coordination and development work for the new medical school at the University of Waikato, and
- \$1.013 million carried forward from 2024/25 for the Southern Health System Digital Transformation Programme, reflecting the rephasing of the programme.

This increase was partly offset by:

- \$14.828 million for the return of depreciation funding in 2025/26 for the Southern Health System Digital Transformation Programme due to the delay of the physical build of the New Dunedin Hospital and the associated delivery of the data and digital aspects for the build, and
- \$387,000 for a transfer to the Delivering hauora Māori services appropriation to support the partnership between hauora Māori services and the Kahungunu Executive to improve the dental services in Wairoa.

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	2025/26		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Health New Zealand			
Rate of hospital admissions (per 100,000) for children aged 0-4 years for an illness that might have been prevented or better managed in the community (see Note 1)	Improve from baseline (trend to decrease)	Improve from baseline at prior financial year end	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 (see Note 1)	Improve from baseline (trend to decrease)	Improve from baseline at prior financial year end	Improve from baseline at prior financial year end
Increase in percentage of pregnant women who register with a Primary Maternity Carer in the first trimester of their pregnancy of all registrations (see Note 2)	Achieved	Measure removed	Measure removed
Percentage of pregnant women who register with a Primary Maternity Carer in the first trimester of their pregnancy of all registrations	Replacement measure	82%	82%
Number of Primary Health Organisation (PHO) enrolments (see Note 2)	5,023,471	Measure removed	Measure removed
Percentage of people enrolled with a general practice or kaupapa Māori provider delivering general practice care	Replacement measure	95%	95%
Number of General Practice Qualifying Encounters (GPQEDs) (see Note 1)	21,368,589	Improve from baseline at prior calendar year end	Improve from baseline at prior calendar year end
New Zealand Blood and Organ Service			
Provide quarterly reports to the Ministry of Health summarising the performance of the organ donation function (see Note 3)	New measure	4	4

Note 1 - The Budget Standard has been updated to reference an explicit baseline year, improving the clarity and usefulness of performance expectations and supporting more meaningful assessment of performance over time.

Note 2 - This measure has been replaced to align with Health NZ's Statement of Performance Expectations and improve clarity of performance assessment.

Note 3 - This measure has been transferred from the Delivering Hospital and Specialist Services appropriation to the Delivering Primary, Community, Public and Population Health Services appropriation to reflect the transfer of the associated funding.

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.

Reasons for Change in Appropriation

This appropriation increased by \$33.792 million to \$9,737.219 million for 2025/26 due to:

- \$20.500 million carried forward from 2024/25 to support the reprioritised data and digital initiatives to align with the current organisational and clinical priorities
- \$10.251 million carried forward from 2024/25 for the Primary Care Tactical Action Plan, reflecting the rephasing of the programme
- \$9.500 million carried forward from 2024/25 to support the build and test of the BreastScreen Aotearoa Programme Information and Communications Technology infrastructure in 2025/26
- \$6.700 million for a transfer from the Stewardship of the New Zealand health system MCA to reflect the transfer of responsibility and management of the Sanitary Works Subsidy Scheme from the Ministry of Health to Health NZ
- \$6 million for the funding brought forward from the out years for the Health Sector Agreements and Payments programme to support continued acceleration of programme delivery
- \$5.860 million carried forward from 2024/25 to enable the districts to continue with the recruitment and implementation for the National Bowel Screening Programme (NBSP) Age Range Extension programme
- \$3 million carried forward from 2024/25 for the Data and Digital Capability Uplift initiative, reflecting the rephasing of the programme
- \$2.647 million carried forward from 2024/25 for the contracts and service delivery of the Mental Health and Addiction Community Sector Innovation Fund
- \$2.253 million for a transfer to reflect the expected increase in costs with corresponding revenue recovery from the Ministry of Social Development (MSD) for sleepovers delivered by mental health providers who are contracted by Health NZ
- \$2.188 million of additional funding from the Proceeds of Crime Fund for the Methamphetamine Demand Reduction campaign
- \$2.179 million carried forward from 2024/25 to enable the scale-up and roll-out of innovative HIV testing as part of the HIV Action plan, reflecting the rephasing of the programme
- \$2 million carried forward from 2024/25 to support the development and delivery of application programming interfaces between Aotearoa Immunisation Register and Patient Management System, reflecting the rephasing of the programme
- \$1.116 million carried forward from 2024/25 to enable the maintenance, testing and maturation of the existing Quarantine and Isolation Capacity Readiness Plan while the long-term strategy for pandemic readiness is being developed

- \$1 million carried forward from 2024/25 to support the onboarding of up to 57 primary birthing units to deliver antenatal and childhood immunisations
- \$1 million carried forward from 2024/25 for the development of the Aotearoa-wide Public Health Operational System to replace the previous 13 systems
- \$819,000 for a transfer from the Delivering hauora Māori services appropriation to align the funding allocation for alcohol-related programmes with current costs forecast
- \$640,000 of additional funding as part of the Government's fuel response to increase in mileage rates to the In Between Travel and National Travel Assistance Schemes, and
- \$300,000 of additional funding to expand positive parenting programmes as part of the implementation of the Child and Youth Strategy priorities.

This increase was partly offset by:

- \$19.167 million for the return of funding not required for the Primary Care Tactical Action Plan in 2025/26
- \$8.743 million for a transfer to out years to realign with the phased recruitment and training profile for international doctors' pathway into primary care
- \$7.280 million for a transfer to 2026/27 for initiatives to increase national bowel screening participation rates in specific population groups, reflecting the rephasing of the programme
- \$3.200 million for an operating to capital funding swap to the Health Capital Envelope MYA for the Radiology Stabilisation project as part of the reprioritisation of Data and Digital Foundations and Innovation funding to align with the current organisational and clinical priorities
- \$2.289 million for a 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
- \$1.600 million for an operating to capital funding swap to the Health Capital Envelope MYA for the development of the Shared Digital Health Record as part of the Data and Digital Capability Uplift programme
- \$910,000 for a transfer to 2026/27 for Health NZ to update health practitioner patient management systems to identify children and young people within the care of Oranga Tamariki, reflecting the rephasing of the programme
- \$465,000 for a transfer to 2026/27 for implementing rights-based healthcare for children and young people with innate variations of sex characteristics and their whānau, reflecting the rephasing of the programme
- \$140,000 for a transfer to the Delivering hauora Māori services appropriation to support the immunisation by Te Hiku Hauora and the operational costs of the immunisation mobile van in the Far North, Muriwhenua
- \$127,000 for a transfer to the Delivering hauora Māori services appropriation to enable hauora Māori services to bolster the existing mental health services in the Nelson/Tasman/Marlborough area

- \$93,000 for a transfer to the Delivering hauora Māori services appropriation to enable hauora Māori services to deliver oral health services closer to home for children and youth on the East Coast, Tairāwhiti
- \$91,000 for a transfer to the Delivering hauora Māori services appropriation to support hauora Māori Services for the eligible childhood vaccinations requiring community outreach within Eastern Bay of Plenty, and
- \$56,000 for a transfer to the Delivering hauora Māori services appropriation to enable hauora Māori services to fund suicide prevention programmes in line with the new Suicide Prevention Action Plan.

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 \$325,000 to \$3.425 million for 2025/26 reflecting a fiscally neutral transfer from the Stewardship of the New Zealand health system MCA to cover the cost pressures for the World Health Organisation membership 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 \$2.349 million to \$3.557 million for 2025/26 due to:

- \$2.300 million for transfers 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 inquiries, and
- \$49,000 carried forward from 2024/25 for the Ministry of Health to process Lake Alice and other historical abuse claims.

Writing-off Equity Investments in Former Health Crown Entities (M36) (A21)

Scope of Appropriation

This appropriation is limited to the writing-off of equity investments in three former health Crown entities.

Expenses

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	17,730	17,730

What is Intended to be Achieved with this Appropriation

This appropriation is intended to enable the writing-off of equity investments in three former health Crown entities.

How Performance will be Assessed and End of Year Reporting Requirements

	2025/26		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Exempt	Exempt	Exempt	Exempt

End of Year Performance Reporting

An exemption has been granted under section 15D(2)(b)(ii) of the Public Finance Act 1989, as end-of-year performance information is not likely to be informative in the light of the nature of the transaction giving rise to the expenses. This appropriation is limited to the writing off of equity investments in three former health Crown entities.

Reasons for Change in Appropriation

This appropriation is newly established in 2025/26. The \$17.730 million of funding in 2025/26 is to write off fully impaired Crown equity investments in three former health Crown entities.

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		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	17,700	17,700

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		
	Estimates Standard	Supplementary Estimates Standard	Total 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	New measure	Achieved	Achieved

A new capital appropriation has been established for the Crown's contribution to the Waikato Medical School project. A measure has been introduced to provide meaningful and traceable information on early-stage progress, using the construction milestones specified in the funding agreement between the Crown and the University of Waikato.

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).

Reasons for Change in Appropriation

This appropriation is newly established in 2025/26. The \$17.700 million of funding in 2025/26 includes:

- \$18.461 million of funding to support the construction of the main teaching facility and its associated equipment programme for the new medical school at the University of Waikato, and
- \$639,000 for an adjustment to align the funding profile with the payment arrangements for the new medical school.

This increase was partly offset by:

- \$1.400 million for a capital to operating swap to the Delivering Hospital and Specialist Services appropriation to cover Health NZ's one-off costs relating to clinical placement establishment coordination and development work for the new medical school at the University of Waikato.

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	-

Reasons for Change in Appropriation

This appropriation increased by \$306.250 million to \$6,323.109 million for 2025/26 due to:

- \$145 million of additional funding to progress priority health infrastructure projects
- \$100 million of additional funding to enable the accelerated delivery of the National Remediation Programme and Small-Scale Infrastructure Projects
- \$72.886 million of additional funding for Tranche 3 of the Facilities Infrastructure Remediation Programme to reduce the risk of asset failure at Auckland City Hospital and Greenlane Clinical Centre
- \$12.464 million of additional funding to lower the eligibility age for the National Bowel Screening Programme from 58 to 56 years
- \$5 million of additional funding to enable delivery of Tranche One of the Making the Care System Safe - Improving Mental Health Inpatient Unit Environments initiative
- \$3.200 million for an operating to capital swap from the non-departmental output expense Delivering Primary, Community, Public and Population Health Services appropriation for the Radiology Stabilisation project as part of the reprioritisation of Data and Digital Foundations and Innovation funding to align with the current organisational and clinical priorities, and
- \$1.600 million for an operating to capital swap from the non-departmental output expense Delivering Primary, Community, Public and Population Health Services appropriation for the development of the Shared Digital Health Record as part of the Data and Digital Capability Uplift programme.

This increase was partly offset by:

- \$25.500 million for a capital to operating swap to the non-departmental output expense Delivering Hospital and Specialist Services appropriation for the establishment of the Centre for Digital modernisation of health and the implementation of the HealthX Innovation and AI programme, and
- \$8.400 million for a capital to operating swap to the non-departmental output expense Delivering Hospital and Specialist Services appropriation across 2025/26 and 2026/27 to cover the cost of the early-stage infrastructure planning required for implementation of the Health Infrastructure Plan.

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: <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 conditions apply 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 2021-2026 (M36) (A21)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
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	-	

Reasons for Change in Appropriation

This appropriation increased by \$62.705 million to \$1,510.283 million for 2025/26 due to:

- \$464.284 million of additional funding for the cost pressures faced by the New Dunedin Hospital and to enable Health NZ to enter into a construction contract for the Inpatient Building.

This increase was partly offset by:

- \$401.579 million for a transfer to the New Dunedin Hospital 2026-2030 MYA to cover the forecast cost for the programme in 2026/27.

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 2021-2026 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 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.

Reasons for Change in Appropriation

This appropriation increased by \$271.432 million to \$596.432 million for 2025/26 due to:

- \$1,366.327 million carried forward from 2024/25 to cover the expected remediation payments in 2025/26 associated with historical non-compliance with the Holidays Act 2003.

This increase was partly offset by:

- \$1,092.680 million for a transfer to 2026/27 to reflect the uncertainty in the timing to settle the tail of remediation settlements for former staff as this will depend on when they register and the validation process before payments can be made, and
- \$2.215 million for a fiscally neutral transfer to the Stewardship of the New Zealand health system MCA in 2025/26 only to enable the Ministry of Health to secure the expert resources to provide assurance on Holidays Act remediation issues.

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

4 - Multi-Category Expenses and Capital Expenditure

Redress for Abuse in Care (M36) (A21)

Overarching Purpose Statement

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

Scope of Appropriation

Departmental Output Expenses

Delivering redress for abuse in care

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

Non-Departmental Other Expenses

Redress Payments

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

Expenses, Revenue and Capital Expenditure

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,610	11,193	12,803
Departmental Output Expenses			
Delivering redress for abuse in care	210	447	657
Non-Departmental Other Expenses			
Redress Payments	1,400	10,746	12,146
Funding for Departmental Output Expenses			
Revenue from the Crown	210	447	657
Delivering redress for abuse in care	210	447	657

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

Assessment of Performance	2025/26		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Institute an updated redress process by June 2026 for people who report harm while in care	Achieved	Achieved	Achieved

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

Assessment of Performance	2025/26		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
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	95%	Measure removed	Measure removed
The percentage of claimants who receive a settlement offer within 3 months following submission of a claim for a decision (see Note 1)	Replacement measure	95%	95%

Note 1 - The date reference has been removed to avoid tying the measure to the financial year cycle, which does not reflect how the claims process operates, and to align the wording with similar redress measures in other Votes. The submission of a claim for a decision is the point where claimants are referred for a decision.

Reasons for Change in Appropriation

This appropriation increased by \$11.193 million to \$12.803 million for 2025/26 due to:

- \$10.393 million carried forward from 2024/25 to allow the remaining top-up redress payments to be made in 2025/26 as claimants come forward, and
- \$800,000 carried forward from 2024/25 from the Legal Expenses appropriation to cover both new Lake Alice claims and legal fee repayments for remaining eligible claimants.

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

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	228,692	(8)	228,684
Departmental Output Expenses			
Equity, Evidence and Outcomes	31,838	2,649	34,487
Policy Advice and Related Services	32,234	(2,177)	30,057
Public health and population health leadership	95,377	(6,453)	88,924
Regulatory and Enforcement Services	50,710	2,006	52,716
Sector Performance and Monitoring	18,533	3,967	22,500

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Funding for Departmental Output Expenses			
Revenue from the Crown	202,404	(4,437)	197,967
Equity, Evidence and Outcomes	30,957	2,353	33,310
Policy Advice and Related Services	30,873	(1,844)	29,029
Public health and population health leadership	91,223	(8,959)	82,264
Regulatory and Enforcement Services	31,462	124	31,586
Sector Performance and Monitoring	17,889	3,889	21,778
Revenue from Others	26,288	4,429	30,717
Equity, Evidence and Outcomes	881	296	1,177
Policy Advice and Related Services	1,361	(333)	1,028
Public health and population health leadership	4,154	2,506	6,660
Regulatory and Enforcement Services	19,248	1,882	21,130
Sector Performance and Monitoring	644	78	722

How Performance will be Assessed for this Appropriation

	2025/26		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Departmental Output Expenses			
Equity, Evidence and Outcomes			
Child and Youth Mental Health and Addiction Prevalence Survey project meets project milestones, including completing survey design and pilot testing by 30 June 2026	Achieved	Measure removed	Measure removed
Child and Youth Mental Health Survey project meets project milestones, including completing survey design and pilot testing by 30 June 2026	Replacement measure	Achieved	Achieved
Percentage of Treaty settlement commitments for which the Ministry of Health is responsible that are completed or on track, as recorded in Te Haeata (see Note 1)	New measure	95%	95%
Public health and population health leadership			
The Public Health Agency delivers quarterly immunisation monitoring reports to the Immunisation Oversight Board, which provides strategic oversight for the immunisation system	4	100%	100%
Deliver regular surveillance reports to the Border Executive Board, and periodically to the Minister of Health when appropriate, summarising public health threats to provide awareness and assessment of the international situation	45 reports per year	Measure removed	Measure removed
Number of surveillance reports delivered to the Border Executive Board summarising public health threats	Replacement measure	At least 45 reports per year	At least 45 reports per year
The Ministry contracts the Institute of Environmental Science and Research to have sampled, analysed and reported pathogen genome levels in a minimum of six wastewater sites each week (see Note 2)	50	Measure removed	Measure removed

	2025/26		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Number of weeks in which genome levels from at least 6 wastewater sites are sampled, analysed and reported (see Note 3)	Replacement measure	50	50
The Ministry contracts the Institute of Environmental Science and Research to have performed and reported at least 100 genomic sequences per month, with associated insights, in accordance with pathogens of public health interest (see Note 2)	12	Measure removed	Measure removed
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 3)	Replacement measure	12	12
Regulatory and Enforcement Services			
The start of the Mental Health Tribunal reviews is held within 28 days of receipt of the applications	80%	Measure removed	Measure removed
Mental Health Tribunal reviews start within 28 days of receiving an application (see Note 4)	Replacement measure	80%	80%
Annual Ministry of Health Regulatory Maturity Assessment reflects improved maturity	10% increase in score from previous year	Measure removed	Measure removed
Annual Ministry of Health Regulatory Maturity Assessment score reflects improved maturity (see Note 5)	Replacement measure	Improved from previous year	Improved from previous year
Registrar (Assisted Dying) annual report submitted to the Minister of Health by 30 June each year	New measure	Achieved	Achieved
Mean rating for statutory committee satisfaction with secretariat services provided by the Ministry of Health for the assisted dying regime (see Note 6)	New measure	4 out of 5	4 out of 5
Abortion Services annual report published by the Ministry of Health by December each year	New measure	Achieved	Achieved
Sector Performance and Monitoring			
The percentage of quarterly monitoring reports about Crown entities provided to the Minister within agreed timeframes	100%	Measure removed	Measure removed
The percentage of quarterly monitoring reports on Crown entity performance provided to the responsible Minister within agreed timeframes	Replacement measure	100%	100%
Develop a monitoring plan for Health New Zealand by 30 June 2025 that assures progress against the Health Delivery Plan and other key Ministerial priorities and keep this updated over time	Achieved	Measure removed	Measure removed
Percentage of Crown entity monitoring plans completed for the following financial year by 30 June (see Note 7)	Replacement measure	100%	100%

Performance measures in the Stewardship of the New Zealand health system MCA have been updated to improve clarity, transparency, and consistency, including through the replacement of several measures where wording or Budget Standards have been refined. New performance measures in the Regulatory and Enforcement Services category provide assurance over specific statutory regimes by strengthening visibility of the Ministry of Health's delivery of regulatory oversight, secretariat support, and public reporting functions.

Note 1 - This measure demonstrates the Ministry of Health's performance in delivering its Treaty settlement commitments as recorded in *Te Haeta*. It provides clear visibility of progress against obligations that underpin the Crown-Māori relationship.

Note 2 - These measures have been updated to clarify that they focus on the minimum level of wastewater sampling and genomic sequencing activity delivered and reported, rather than the contractual arrangements. As of 1 July 2025, the Institute of Environmental Science and Research (ESR) changed its name to the New Zealand Institute for Public Health and Forensic Science.

Note 3 - The Ministry of Health contracts the New Zealand Institute for Public Health and Forensic Science to undertake the services that support these measures.

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

Note 5 - The wording now explicitly refers to the Regulatory Maturity Assessment score, rather than the assessment more generally, to clarify what is being measured. The previous target of a 10% increase has been replaced with "Improved from previous year" to better reflect the intention of year-on-year improvement. An additional note identifies the maximum possible score (256) to improve transparency of the Budget Standard.

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

Note 7 - This measure has been updated to reflect changes in the Ministry of Health's work programme. The Ministry of Health no longer reports progress against the Health Delivery Plan. The updated measure aligns with the current scope of work in this category and is consistent with similar Crown entity monitoring measures within the appropriation.

Reasons for Change in Appropriation

This appropriation decreased by \$8,000 to \$228.684 million for 2025/26 due to:

- \$6.700 million for a transfer to the Delivering Primary, Community, Public and Population Health Services appropriation to reflect the transfer of responsibility and management of the Sanitary Works Subsidy Scheme from the Ministry of Health to Health NZ
- \$3 million for a transfer to 2026/27 to support the extended implementation of the Medical Products Bill Secondary Legislation
- \$2.300 million for transfers to the Legal Expenses appropriation to cover the cost pressures for legal expenses resulting from new proceedings, ongoing historic abuse claims and inquiries
- \$1.964 million for a reduction in the funding for the alcohol levy in 2025/26 to offset the deficit in 2024/25 due to the actual revenue received being lower than the funding provided to Health NZ, and
- \$325,000 for a transfer to the International Health Organisations appropriation to cover the cost pressures for the World Health Organisation membership and related projects.

This decrease was mostly offset by:

- \$4.500 million carried forward from 2024/25 to support the organisational changes and process improvements required for the Ministry of Health
- \$2.215 million for a transfer from the Remediation and resolution of Holidays Act 2003 historical claims appropriation in 2025/26 only to enable the Ministry of Health to secure the expert resources to provide assurance on Holidays Act remediation issues
- \$2 million for an increase in the third-party revenue forecast for the MedSafe Memorandum Account (refer to memorandum account below) to account for increased personnel and contract services costs for administering the regulations
- \$913,000 carried forward from 2024/25 to contribute to the alcohol-related activities in 2025/26
- \$854,000 for a transfer to reflect the expected increase in costs with corresponding revenue from Ministry of Foreign Affairs and Trade relating to the deployment costs of personnel and resources for health-related emergencies in the south-west Pacific regions
- \$750,000 carried forward from 2024/25 for the Ministry of Health to continue engaging with experts on the final stages of the Holidays Act Remediation programme and ensure appropriate assurance processes are in place
- \$680,000 for a transfer from the Delivering hauora Māori services appropriation to align the funding allocation for alcohol-related programmes with current costs forecast
- \$540,000 carried forward from 2024/25 to enable the Horizon Europe Pandemic Preparedness Partnership Programme to progress on the evolving timeline
- \$530,000 for a transfer to reflect the additional information technology and facilities expenses incurred by the Ministry of Health on behalf of Health NZ and the Health Quality and Safety Commission and the corresponding revenue recovery received
- \$500,000 carried forward from 2024/25 to provide assurance and project support for the care and support workers' pay equity claims
- \$365,000 for a transfer to reflect the expected increase in costs with corresponding revenue from New Zealand College of Public Health Medicine for the contracts with public health medical registrars
- \$364,000 carried forward from 2024/25 to support the public consultation on the new Mental Health and Wellbeing Strategy, and
- \$70,000 carried forward from 2024/25 for the Ministry of Health to process Lake Alice and other historical abuse claims.

Memorandum Account

	2025/26		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
MedSafe			
Opening Balance at 1 July	(2,534)	399	(2,135)
Revenue	10,891	2,000	12,891
Expenses	10,891	2,000	12,891
Closing Balance at 30 June	(2,534)	399	(2,135)