

The Treasury

Budget 2022 Information Release

August 2022

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- [34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
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- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
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2022 Budget Package: Vote Health

Appropriation Administrator: Ministry of Health

It is recommended that the relevant Appropriation Minister and the Minister of Finance jointly:

- 1 **note** that Cabinet has approved the Budget initiatives for the above Vote for inclusion in the 2022 Budget package, as detailed in the summary tables below:

Summary of funded initiatives agreed by Cabinet:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
13981	Addressing Historical and Future Health System Cost Pressures (2022/23)	-	1,275.592	1,275.592	1,275.592	1,275.592
13884	Addressing the Burden of Diabetes for Pacific Communities	-	3.000	5.000	6.000	6.000
14022	Allowing Payment to Family Members for Support Services	-	11.000	17.000	22.000	22.000
13878	Comprehensive Primary Care Teams	-	5.854	61.146	35.000	-
14311	Continuing the Alcohol and Other Drug Treatment Courts: Waikato, Auckland and Waitakere	-	8.119	8.119	8.119	8.119
14446	Crown Response to Abuse in Care Inquiry	-	0.200	-	-	-
13966	Dementia Mate Wareware Action Plan - Implementation Support Funding	-	1.820	2.860	3.660	3.660
13986	Disability Support Services - Cost Pressures	31.000	-	-	-	-
14001	Emergency Air Ambulance Services – Additional Support Funding	-	23.087	22.512	22.550	22.563
13999	Emergency Road Ambulance Services – Additional Support Funding	-	31.732	44.776	44.776	44.776
13965	Extending School Based Health Services	-	3.137	3.137	3.137	3.137
13860	Hauora Māori Commissioning	-	33.069	44.777	45.077	45.077
13858	Health Reform - Consumer/Whānau Voice Framework	-	2.130	2.300	2.200	2.200
13863	Health Workforce Development	-	11.000	21.000	22.000	22.000
13885	Improving Access to Primary Health Care Services for Transgender People	-	0.589	0.583	0.481	0.529

14007	Increase in the Combined Pharmaceutical Budget	-	71.000	120.000	-	-
13886	Introducing a Rights-based Approach to Health Care for Intersex Children and Young People	-	0.699	0.699	0.684	0.434
13857	Iwi-Māori Partnership Boards	-	3.660	5.510	5.460	5.460
13960	Mana Ake – Continuation and Expansion of Mental Wellbeing Support for Primary and Intermediate School-aged Students	-	14.333	21.817	24.456	28.734
13875	Māori Primary and Community Care Provider Development – Securing Future Capability and Shifting into New Models of Care	-	6.000	8.000	8.000	8.000
14240	Meeting the Demand for Organ Donation and Transplantation	-	0.750	2.750	3.750	3.750
13964	Neonatal Retinopathy Screening	-	-	2.332	2.332	2.332
13876	Pacific Primary and Community Care Provider Development – Securing Future Capability and Shifting into New Models of Care	-	7.768	14.044	14.044	14.044
13996	Piki – Continuation of Integrated Primary Mental Health and Addiction Support for Young People in Greater Wellington	-	1.750	3.500	3.500	3.500
13983	Population Health and Disease Management Digital Capability	-	37.402	29.281	29.316	29.316
14464	Preventing Family Violence and Sexual Violence: Services for Victims of Non-fatal Strangulation	-	2.028	2.028	2.028	2.028
14479	Preventing the harm from serious and organised crime in New Zealand	-	0.094	0.188	0.188	0.188
13865	Primary Care Funding Formula – Equity Adjustments to Capitation	-	12.758	24.414	24.414	24.414
13864	Service Integration for Locality Provider Networks	-	4.794	27.624	-	-
14573	Smokefree Aotearoa 2025 Action Plan – Initial Implementation Support Funding	-	3.500	0.500	0.500	0.500
13970	Specialist Mental Health and Addiction Services – Increasing Availability of Focused Supports	-	9.400	14.700	25.900	50.000
13963	Well Child Tamariki Ora – Continuation of the Enhanced Support Pilots	-	-	1.250	2.450	2.450
Total Operating		31.000	1,586.265	1,787.439	1,637.614	1,630.743

Capital Initiative (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2021/22	2022/23	2023/24	2024/25	2025/26
13991	Capital for Health Sector Infrastructure	-	75.000	100.000	150.000	982.000
Total Capital		-	75.000	100.000	150.000	982.000

Summary of contingency initiatives agreed by Cabinet:

Operating Contingencies

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
14572	Addressing Historical and Future Health System Cost Pressures (2022/23) – Contingency	-	520.793	520.793	520.793	520.793
14063	Addressing Future Health System Cost Pressures (2023/24) - Contingency	-	-	1,297.191	1,297.191	1,297.191
14262	Data and Digital Foundations and Innovation – Contingency	-	47.330	58.490	58.150	56.030
14236	Establishing the National Public Health Service – Digital and Data Infrastructure - Contingency	-	4.356	3.358	3.086	-
14533	Health Workforce Development - Contingency	-	7.000	8.000	8.000	8.000
14566	HIV Action Plan Implementation	-	3.550	5.150	4.650	4.650
14026	National Bowel Screening Programme – Lowering the Screening Age for Māori and Pacific Peoples - Contingency	-	-	10.096	12.956	13.089
13869	New Public Health Agency and National Public Health Service Establishment - Contingency	-	16.197	17.853	15.290	11.902
14450	Return of Tagged Contingency Funding: Assisted Dying Services / End of Life Choice Act 2019 Implementation – Contingency	-	(1.800)	(1.350)	(0.900)	(0.450)*
13985	Smokefree Aotearoa 2025 Action Plan – Remaining Implementation Funding - Contingency	-	3.000	10.000	7.750	7.250
13994	Southern Health System Digital Transformation Programme – Contingency	-	15.500	14.800	13.500	20.400
13872	Strengthening the Ministry of Health in its Role as Chief Steward of the Health and Disability System - Contingency	-	14.519	25.788	25.788	25.788

13972	Well Child Tamariki Ora – Strengthening Services - Contingency	-	3.570	5.241	8.811	10.578
Total Operating		-	634.015	1,975.410	1,975.065	1,975.221

* Note that this return of funding ends in 2025/26 and does not continue in outyears.

Capital Contingencies

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2021/22	2022/23	2023/24	2024/25	2025/26
[33]						
14262	Data and Digital Foundations and Innovation – Contingency	-	25.000	25.000	25.000	25.000
13994	Southern Health System Digital Transformation Programme – Contingency	-	35.300	33.600	14.400	7.800*
Total Capital		[33]				

*Note that this contingency extends to 2029/30 with variable amounts in each year. The funding profile is illustrated in the initiative recommendations.

2. note that Cabinet has:

- 2.1 **authorised** the relevant Appropriation Minister and the Minister of Finance (Joint Ministers) jointly to agree to the changes to appropriations (including establishment of new appropriations if necessary) and/or capital injections and related recommendations necessary to give effect to the initiatives included in the 2022 Budget package for the above Vote, as detailed in the summary tables above;
- 2.2 **authorised** Joint Ministers jointly to agree that the proposed changes to appropriations and/or capital injections for 2021/22 approved by Joint Ministers as authorised above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 2.3 **agreed** that expenses or capital expenditure against appropriations and capital injection authorisations set out in the 2022/23 Estimates and being sought in the Appropriation (2022/23 Estimates) Bill may be met from Imprest Supply until that Bill is enacted and comes into force;
- 2.4 **authorised** Joint Ministers, for each contingency initiative, to agree:
 - 2.4.1 the work that needs to be completed or other conditions that need to be satisfied before the contingency is drawn down into appropriations;
 - 2.4.2 whether the draw down into appropriations requires Cabinet approval or the approval of Joint Ministers;
 - 2.4.3 the expiry date of contingency funding;
 - 2.4.4 any related recommendations necessary to give effect to the contingency initiative;

- 2.5 **authorised** Joint Ministers to approve any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2021/22 Supplementary Estimates, the 2022/23 Estimates and the fiscal forecasts;
- 2.6 **authorised** the chief executives of departments that monitor Crown entities directly affected by Budget decisions taken by Cabinet or taken by Joint Ministers as authorised by Cabinet to inform the chair and/or chief executive of a Crown entity, on a Budget-in-confidence-until-Budget-day basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent and/or Statement of Performance Expectations;
- 2.7 **noted** that all communications relating to the 2022 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office;
- 3 **agree** to establish new appropriations where required to implement the initiatives included in the summary tables above, as detailed in the attached initiative documents;
- 4 **approve** changes to appropriations and/or the capital injections to the administering department (where applicable) to implement the initiatives included in the summary tables above, as set out in the attached initiative documents;
- 5 **approve** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
- 6 **agree** that the proposed changes to appropriations and/or capital injections for 2021/22 detailed in the attached initiative documents be included in the 2021/22 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Addressing Historical and Future Health System Cost Pressures (2022/23)

Description: This initiative will support new national funding settings for Vote Health by providing funding to address historic funding shortfalls for services previously funded through or provided by district health boards, and to ensure the sustainable provision of health services to the public. It is a key enabler in supporting new entities to manage the system effectively and sustainably within the funding provided. This initiative will support improved overall health for all New Zealanders.

This initiative, in combination with Initiative 14572 “Addressing Historical and Future Health System Cost Pressures (2022/23) – Contingency”, is for the first year of a combined two-year funding uplift to health system entities and should be read in conjunction with Initiative 14063 “Addressing Future Health System Cost Pressures (2023/24) – Contingency.”

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	1,275.592	1,275.592	1,275.592	1,275.592
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1,275.592	1,275.592	1,275.592	1,275.592

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Aged Care Commissioner	-	0.078	0.078	0.078	0.078
Delivering hauora Māori services	-	6.809	6.809	6.809	6.809
Delivering Hospital and Specialist Services	-	961.443	961.443	961.443	961.443
Delivering Primary, Community, Public and Population Health Services	-	304.723	304.723	304.723	304.723
Monitoring and Protecting Health and Disability Consumer Interests	-	1.429	1.429	1.429	1.429
National Management of Pharmaceuticals	-	1.110	1.110	1.110	1.110

Total Operating	-	1,275.592	1,275.592	1,275.592	1,275.592
Total Capital	-	-	-	-	-

Additional Recommendations

- 7 **note** that in October 2021 Cabinet agreed to provide a two-year transitional funding package at Budget 2022 that supports the health sector through to Budget 2024, and that this package would provide sufficient funding so that at establishment, Health New Zealand would have a starting balance with no deficits, be able to meet its expected costs, and not be forecasting a deficit position on Day One (refer SWC-21-MIN-0157);
- 8 **note** that on 11 April 2022, consistent with recommendation 7 above, Cabinet agreed:
- 8.1 to a cumulative operating uplift for Vote Health of \$1.8 billion in 2022/23 to be managed against the Budget 2022 operating allowance so that Health New Zealand can have a starting balance with no deficits, meet its expected costs, and not be forecasting a deficit position on Day One; and
- 8.2 that, because Health New Zealand is still in the process of reviewing its initial budget consolidation and preparing the interim New Zealand Health Plan, and there remains uncertainty about the best allocation of available funding over the transitional period, to initially hold \$500 million per annum of the \$1.8 billion uplift above in contingency;
- 8.3 to a further \$1.3 billion uplift in 2023/24, to be held in contingency until there is more certainty on the best allocation of that funding across appropriations;
- 9 **note** this initiative, in combination with Initiative 14572 “Addressing Historical and Future Health System Cost Pressures (2022/23) – Contingency”, is for the first year of a combined two-year funding uplift to health system entities, and should be read in conjunction with Initiative 14063: “Addressing Future Health System Cost Pressures (2023/24) – Contingency;”
- 10 **note** that, of the \$1.8 billion funding uplift for Vote Health cost pressures for 2022/23, \$10.5 million for the Ministry of Health cost pressures has been provided through Initiative 13872 “Strengthening the Ministry of Health in its Role as Chief Steward of the Health and Disability System – Contingency;”
- 11 [34]
- 12 **note** that Cabinet has agreed to establish a multi-year funding arrangement for Vote Health from Budget 2024, to align with the delivery of the first full New Zealand Health Plan (refer SWC-21-MIN-0157);
- 13 **note** that Ministry of Health and Treasury officials will provide advice to the Ministers of Finance and Health by November 2022 on the detailed settings for the Budget 2024 multi-year funding arrangement;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Addressing Historical and Future Health System Cost Pressures (2022/23) – Contingency

Description: This initiative will support new national funding settings for Vote Health by providing funding to address historic funding shortfalls for services previously funded through or provided by district health boards, and to ensure the sustainable provision of health services to the public. It is a key enabler in supporting new entities to manage the system effectively and sustainably within the funding provided. This initiative will support improved overall health for all New Zealanders.

This initiative, in combination with Initiative 13981 “Addressing Historical and Future Health System Cost Pressures (2022/23)”, is for the first year of a combined two-year funding uplift to health system entities and should be read in conjunction with Initiative 14063 “Addressing Future Health System Cost Pressures (2023/24) – Contingency.”

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	520.793	520.793	520.793	520.793
Capital Contingency	-	-	-	-	-
Total	-	520.793	520.793	520.793	520.793

Additional Recommendations

- 14 **note** that additional recommendations 7 to 13 above also apply to this initiative;
- 15 **authorise** the health reform Ministerial Oversight Group (the Prime Minister, Minister of Finance, Minister of Health and Associate Minister of Health (Māori)) to draw down this tagged operating contingency funding, subject to their satisfaction with the outcome of the further advice from Health New Zealand, the Ministry of Health, the Treasury, and the Transition Unit in June 2022 on:
- 15.1 Health NZ’s budget and service plan for 2022/23 and 2023/24 with a focus on key risks and opportunities, based on:
- 15.1.1 further scrutiny of DHB's submitted costs;
- 15.1.2 any additional information on revenue streams available to cover costs;
- 15.1.3 an assessment of respective funding need across hospital and specialist and primary and community services throughout the transition period;

- 15.1.4 understanding of workforce requirements, including wage increases, unsettled contracts, and workforce planning (including the feasibility of FTE growth)
 - 15.1.5 implications for volumes and productivity (including maintenance of expectations for service delivery levels in line with need, and/or as outlined by Vote Health estimates and service coverage)
 - 15.1.6 early opportunities for efficiencies in 2022/23 and 2023/24 (ie related to consolidated system improvements)
 - 15.1.7 expected COVID-19 costs and planning;
 - 15.1.8 approach to risk reserves;
 - 15.2 Opportunities for performance improvement over the first two years, including how shifts (ie strategic choices or trade-offs) in the allocation of funding might support the directions of reform, for example:
 - 15.2.1 reducing variability across districts or geographic areas and building consistency in other areas;
 - 15.2.2 rebalancing of the system towards primary and community care, whilst maintaining service stability in other areas;
 - 15.2.3 outlining the respective priority of budget components, and any reprioritisation or deferral of discretionary costs that may be desirable to achieve reform shifts;
 - 15.2.4 improvements in productivity, equity, and sustainability;
- 16 **agree** that the expiry date for the above tagged contingency be 1 February 2023;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Addressing Future Health System Cost Pressures (2023/24) – Contingency

Description: This initiative will support new national funding settings (including the move towards multi-year funding) for Vote Health by providing funding to ensure the ongoing provision of health services to the public through the interim reform period, and is a key enabler in supporting new entities to manage the system effectively. This initiative will also support improved overall health for all New Zealanders. This occurs in relation to; an increase in the number of people receiving health services, people receiving additional supports that they may not have needed before, and people continuing to receive the sorts of services that are currently available compared with the counterfactual position where services may be rationed/quality declines (or are otherwise unable to be provided to them) leading to a deterioration in the overall health.

This initiative is for the second year of a combined two-year funding uplift to health system entities, and should be read in conjunction with initiative ID 13981 “Addressing Historical and Future Health System Cost Pressures (2022/23)” and initiative ID 14572: “Addressing Historical and Future Health System Cost Pressures (2022/23) – Contingency”

Tagged Contingency

	Sm - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	-	1,297.191	1,297.191	1,297.191
Capital Contingency	-	-	-	-	-
Total	-	-	1,297.191	1,297.191	1,297.191

Additional Recommendations

- 17 **note** that additional recommendations 7 to 13 above also apply to this initiative;
- 18 **note** that, of the \$1.3 billion funding uplift for 2023/24, \$11.6 million for the Ministry of Health cost pressures has been provided through initiative ID 13872: “Strengthening the Ministry of Health in its Role as Chief Steward of the Health and Disability System – Contingency”;
- 19 **authorise** the health reform Ministerial Oversight Group (the Prime Minister, Minister of Finance, Minister of Health and Associate Minister of Health (Māori)) to draw down this tagged operating contingency funding, subject to their satisfaction with the outcome of the further advice from Health New Zealand, the Ministry of Health, the Treasury, and the Transition Unit in June 2022 on:

- 19.1 Health NZ's budget and service plan for 2022/23 and 2023/24 with a focus on key risks and opportunities, based on:
 - 19.1.1 further scrutiny of DHB's submitted costs;
 - 19.1.2 any additional information on revenue streams available to cover costs;
 - 19.1.3 an assessment of respective funding need across hospital and specialist and primary and community services throughout the transition period;
 - 19.1.4 understanding of workforce requirements, including wage increases, unsettled contracts, and workforce planning (including the feasibility of FTE growth);
 - 19.1.5 implications for volumes and productivity (including maintenance of expectations for service delivery levels in line with need, and/or as outlined by Vote Health estimates and service coverage);
 - 19.1.6 early opportunities for efficiencies in 2022/23 and 2023/24 (ie. related to consolidated system improvements);
 - 19.1.7 expected COVID-19 costs and planning;
 - 19.1.8 approach to risk reserves;
- 19.2 Opportunities for performance improvement over the first two years, including how shifts (e.g., strategic choices or trade-offs) in the allocation of funding might support the directions of reform, for example:
 - 19.2.1 reducing variability across districts or geographic areas and building consistency in other areas;
 - 19.2.2 rebalancing of the system towards primary and community care, whilst maintaining service stability in other areas;
 - 19.2.3 outlining the respective priority of budget components, and any reprioritisation or deferral of discretionary costs that may be desirable to achieve reform shifts;
 - 19.2.4 improvements in productivity, equity, and sustainability;

20 **agree** that the expiry date for the above tagged contingency be 1 February 2024;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Addressing the Burden of Diabetes for Pacific Communities

Description: The initiative provides funding to implement a diabetes prevention and treatment programme for targeted Pacific communities in South Auckland. It will include a mix of primary, community, and tertiary care interventions to help families manage and treat diabetes based on Pacific models of care. The programme includes an evaluation component, which will identify and validate learnings to inform a potentially wider programme for Pacific communities in the future.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	3.000	5.000	6.000	6.000
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	3.000	5.000	6.000	6.000

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	3.000	5.000	6.000	6.000
Total Operating	-	3.000	5.000	6.000	6.000
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Allowing Payment to Family Members for Support Services

Description: This initiative will ensure that people receiving disability supports have the option to choose to pay a family member to provide those supports.

This applies to supports that would otherwise be provided by a support worker through Ministry for Disabled People-funded disability support services and Health New Zealand-funded support services.

A small number of exceptions to this rule will likely apply where the purpose of the support would be undermined by allowing a family member to deliver it. For example, paying a family member to deliver a service where the intended outcome of that service is to give the family member and client a break from the usual caring responsibilities/relationship.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	11.000	17.000	22.000	22.000
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	11.000	17.000	22.000	22.000

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	11.000	17.000	22.000	22.000
Total Operating	-	11.000	17.000	22.000	22.000
Total Capital	-	-	-	-	-

Additional Recommendations

- 21 **note** that because of the shift of Disability Support Services from Vote Health to Vote Social Development funding for this initiative has been split across Votes, with a corresponding initiative in Vote Social Development (Initiative 14542);
- 22 **note** that there is considerable uncertainty in the cost estimates supporting this initiative;

23 **note** that information collected about the financial implications of this policy change through implementation will support greater certainty of costings and will likely inform future funding requests should additional funding be required;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Capital for Health Sector Infrastructure

Description: This initiative provides a pool of funding for priority capital projects and to progress core investment planning within the health sector. The funding will support delivery of safe and appropriate health care by providing facilities and infrastructure that can support current and future demand.

New Appropriation Approval

Title	Appropriation Minister	Period	Type	Scope
Health Capital Envelope MYA	Minister of Health	Multi-Year Appropriation Start: 1/07/2022 Finish: 30/06/2026 Amount (\$m): 4,864.162	Non-Departmental Capital Expenditure	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.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Balance Impact*	-	-	-	-	-
Net Core Crown Debt Impact Only	-	75.000	100.000	150.000	982.000
No Impact	-	-	-	-	-
Total	-	75.000	100.000	150.000	982.000

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Non-Departmental Capital Expenditure:					
Health Capital Envelope 2020-2025 MYA	-	(1,229.530)	(1,419.600)	(908.032)	-
Health Capital Envelope MYA	-	1,304.530	1,519.600	1,058.032	982.000
Total Operating	-	-	-	-	-
Total Capital	-	75.000	100.000	150.000	982.000

Additional Recommendations

24 **note** that priorities and expectations for health infrastructure investments from the Capital for Health Sector Infrastructure funding will be communicated to Health New Zealand by the Minister of Health;

- 25 **note** that allocation of this funding will be subject to approval thresholds for Health New Zealand investments expected to be considered by Cabinet on 11 April 2022;
- 26 **agree** to adjust the existing Multi Year Appropriation: “Health Capital Envelope 2020-2025” by (\$3,557.162) million;
- 27 **note** the amounts for the existing Multi Year Appropriation: “Health Capital Envelope 2020-2025” in the appropriation changes table reflect the changes to the indicative annual spending profile;
- 28 **agree** to revoke the existing 2020-2025 Multi Year Appropriation: "Health Capital Envelope 2020-2025" at the close of 30 June 2022;
- 29 **agree** that the new 2022-2027 Multi Year Appropriation “Health Capital Envelope” be established at \$4,864.162 million;
- 30 **note** that the amounts shown in the appropriation changes table for the Multi Year Appropriation: "Health Capital Envelope" reflect the indicative annual spending profile;
- 31 **agree in principle** that the unspent balance of the “Health Capital Envelope 2020-2025 MYA” as at 30 June 2022 be transferred to the new 2022-2027 “Health Capital Envelope MYA” subject to confirmation by Joint Ministers at the October Baseline Update (once audited financial statements for 2021/22 are available) of the amount to be transferred;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Comprehensive Primary Care Teams

Description: This initiative provides funding for the establishment of tightly integrated primary care teams within locality provider networks. These will combine traditional primary care services (GPs and registered nurses) with physiotherapists, practice-based pharmacists, care coordinators, and registered social workers/kaiāwhina.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	5.854	61.146	35.000	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	5.854	61.146	35.000	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	5.854	61.146	35.000	-
Total Operating	-	5.854	61.146	35.000	-
Total Capital	-	-	-	-	-

Additional Recommendation

32 **note** that this initiative and Initiative 13864 “Service Integration for Locality Provider Networks” together form the core components of the locality rollout in the reformed system;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Continuing the Alcohol and Other Drug Treatment Courts: Waikato, Auckland and Waitakere

Description: This initiative provides funding to continue the existing Alcohol and Other Drugs Treatment Courts initiative in Auckland, Waitakere and the Waikato on a permanent basis. This funding will allow the Ministry of Justice, New Zealand Police, Department of Corrections and Health New Zealand to retain the necessary resources and services that support offenders to participate in the court process and treatment programmes.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	8.119	8.119	8.119	8.119
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	8.119	8.119	8.119	8.119

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Hospital and Specialist Services	-	8.119	8.119	8.119	8.119
Total Operating	-	8.119	8.119	8.119	8.119
Total Capital	-	-	-	-	-

Additional Recommendation

33 **note** that related funding has also been provided through each of Vote Justice (Initiative 14510), Vote Courts (Initiative 14125), Vote Police (Initiative 14511), and Vote Corrections (Initiative 14512);

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Crown Response to Abuse in Care Inquiry

Description: This initiative will provide funding to ensure the Crown can continue to engage with the Royal Commission of Inquiry into Historical Abuse in State Care and Faith-Based Institutions in a timely, collaborative and coordinated manner. This will be achieved through continued funding for a Secretariat to drive the coordinated Crown approach, legal support for representation, specialist records support, training and support to non-governmental organisations and Crown entities, support for affected staff, and responding to Inquiry recommendations. The funding will ensure the Crown's response is proportionate to the Inquiry's scale ahead of its scheduled completion by June 2023.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	0.200	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.200	-	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Other Expenses:					
Legal Expenses	-	0.200	-	-	-
Total Operating	-	0.200	-	-	-
Total Capital	-	-	-	-	-

Additional Recommendation

34 **note** that related funding has also been provided through each of Vote Justice (Initiative 14445), Vote Education (Initiative 14447), Vote Internal Affairs (Initiative 14448), Vote Police (Initiative 14444), and Vote Oranga Tamariki (Initiative 13905);

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Data and Digital Foundations and Innovation – Contingency

Description: Building on the funding provided at Budget 2021, this initiative will fund further investment in data and digital infrastructure and capability to improve health system performance and achieve the aims of health system reform. Investment priorities will be aligned to the broader New Zealand Health Plan (NZHP) activities and reform objectives. It is anticipated that investments from this contingency will include, but not be limited to:

- Data and Intelligence
- Digital Enablement and innovation
- Hira Tranche 2
- Data and digital foundations.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	47.330	58.490	58.150	56.030
Capital Contingency	-	25.000	25.000	25.000	25.000
Total	-	72.330	83.490	83.150	81.030

Additional Recommendations

35 **note** that in April 2021, Cabinet agreed:

35.1 to establish a tagged contingency of \$400 million over the forecast period to enable investment in data and digital infrastructure and capability that is needed to implement health system reforms and improve health system performance;

35.2 that the allocation of funding from this tagged contingency was subject to Cabinet's approval of health data and digital investment principles, guidance, and processes for investment approval;

[CAB-21-MIN-0116.14, Initiative 13164]

36 **note** that in October 2021, Cabinet:

36.1 noted that the highest priority initiatives include:

36.1.1 Hira: which will, through improved access to, and use of, secure and trusted data and digital services across the health system, improve ways of working

for our workforce; and empower people and whānau to manage their health, wellbeing, and independence;

36.1.2 Cyber security: which has been identified as an initiative to proceed under urgency to enable immediate remediation of sector cyber security risk;

36.1.3 Capability uplift: a portfolio of ten priority areas investing in data and digital infrastructure and capability for a range of health provider organisations to support a foundational standard of data and digital capability which will reduce risk, begin to address historic under investment and enable health system reform;

36.2 approved the funding drawdown of \$380.600 million (including \$220.700 million in operating and \$159.900 million in capital) to support implementation of tranche one of Hira, cyber security and the capability uplift initiatives;

36.3 noted that further investment and an increase in ongoing operating funding will be required to continue to build a more cohesive and technology enabled healthcare system, and subject to the invitation of the Minister of Finance, a further Budget bid will be prepared for capability uplift funding over and above that sought for the required cybersecurity investment for Budget 2022 onwards;

[SWC-21-MIN-0158]

37 **note** that health data and digital investment is needed in a range of areas to support health system reform, and that investment decisions will be guided by alignment to the agreed New Zealand Health Plan priorities;

38 **agree** to draw down this tagged contingency and approve any changes to appropriations, subject to our satisfaction with:

38.1 priority areas for investment and a high-level investment strategy that aligns to the New Zealand Health Plan priorities;

38.2 advice on governance and decision making arrangements (including financial delegations) for allocating the funding to specific investments, which draw on the investment and governance frameworks and delegations agreed in SWC-21-MIN-0158 and update these if necessary;

39 **agree** that the expiry date for the above tagged contingency be 1 February 2023;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Dementia Mate Wareware Action Plan - Implementation Support Funding

Description: This initiative provides funding to deliver four post-diagnostic support trials, which include a six-session programme for all newly diagnosed people with dementia, and interventions that support cognitive health and wellbeing. It also provides funding to deliver innovative respite care to enable family and whānau carers to continue caring for their whānau members.

Funding will improve access to, and outcomes from, appropriate and person-centred post-diagnostic support, navigation and respite care. The initiative supports the implementation of the Dementia Mate Wareware Action Plan and focuses on addressing the needs of one or more of the priority groups, such as Māori, Pacific, rural populations and people with younger onset dementia.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	1.820	2.860	3.660	3.660
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.820	2.860	3.660	3.660

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	1.820	2.860	3.660	3.660
Total Operating	-	1.820	2.860	3.660	3.660
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Disability Support Services - Cost Pressures

Description: This initiative funds cost pressures on the Government disability support services budget, including price increases due to inflationary pressures and increases in service volumes due to demand for services.

Funding has been provided in Vote Health for pressures in the current financial year (2021/22). Funding provided in Vote Social Development is for anticipated ongoing pressures on the disability budget managed by the Ministry for Disabled People in the 2022/23 financial year.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	31.000	-	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	31.000	-	-	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
National Disability Support Services	31.000	-	-	-	-
Total Operating	31.000	-	-	-	-
Total Capital	-	-	-	-	-

Additional Recommendation

45 **note** that because of the shift of Disability Support Services from Vote Health to Vote Social Development funding for this initiative has been split across Votes, with a corresponding initiative in Vote Social Development (Initiative 14490);

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Emergency Air Ambulance Services – Additional Support Funding

Description: This initiative provides additional funding to ensure that emergency air ambulance services continue to be available to all New Zealanders with the required level of infrastructure and resource availability. The rotary air ambulance service provides emergency patient treatment and transport services throughout New Zealand, with on-board clinical capability.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	23.087	22.512	22.550	22.563
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	23.087	22.512	22.550	22.563

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	23.087	22.512	22.550	22.563
Total Operating	-	23.087	22.512	22.550	22.563
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Emergency Road Ambulance Services – Additional Support Funding

Description: This initiative provides additional funding to support essential emergency road ambulance services for Aotearoa New Zealand’s urban and rural communities. This funding will support the required capacity and response performance, so all New Zealanders have continued access to effective emergency road ambulance and communication services.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	31.732	44.776	44.776	44.776
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	31.732	44.776	44.776	44.776

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	31.732	44.776	44.776	44.776
Total Operating	-	31.732	44.776	44.776	44.776
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Establishing the National Public Health Service – Digital and Data Infrastructure - Contingency

Description: This contingency provides funding to establish necessary digital and data capabilities to enable National Public Health Service (NPHS) to operate as a single national service for public health and enhance public and population health surveillance. It includes funding for a national/common platform to support a standard operating model and delivery of core Public Health Unit (PHU) functions. It also includes funding to establish access to aggregated, population level data drawn from primary care data sources for public health surveillance and analysis.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	4.356	3.358	3.086	-
Capital Contingency	-	-	-	-	-
Total	-	4.356	3.358	3.086	-

Additional Recommendations

- 46 **note** that related funding is also provided under Initiative 13869 “New Public Health Agency and National Public Health Service Establishment – Contingency”;
- 47 **agree** to draw down this tagged contingency and approve any changes to appropriations, subject to our approval of an implementation plan that includes:
- 47.1 the proposed data and digital solution for the National Public Health Service, why this solution was chosen, and other options considered;
 - 47.2 how the data and digital solution aligns with the public health operating model and other proposed data and digital investment, including for the COVID-19 response;
 - 47.3 any key delivery and implementation risks and how these will be managed;
 - 47.4 initial consideration of the longer term direction of public health data and digital investment and how the short term investment will support this longer term direction; and
 - 47.5 next steps, including future reporting to Ministers;
- 48 **agree** that the expiry date for the above tagged contingency be 1 February 2023;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Extending School Based Health Services

Description: This initiative will expand School Based Health Services (SBHS) into activity centres and increase service delivery levels in kura kaupapa. The expansion will contribute to improving health equity for high need students and preventing the development of more serious mental and physical health conditions among youth, and their associated costs.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	3.137	3.137	3.137	3.137
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	3.137	3.137	3.137	3.137

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	3.137	3.137	3.137	3.137
Total Operating	-	3.137	3.137	3.137	3.137
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Hauora Māori Commissioning

Description: This initiative funds a range of initiatives targeted at improving primary and community care responsive to Māori and supporting a Māori-led approach to population health and prevention. The package includes: a blended Te Ao Māori population health and prevention programme targeting the wider determinants influencing Māori health and wellbeing; specific interventions for Māori whānau at different life stages to supplement and improve current primary and community service models; and a programme to identify, uplift and develop mātauranga Māori services, programmes and resources across the health system.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	33.069	44.777	45.077	45.077
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	33.069	44.777	45.077	45.077

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering hauora Māori services	-	33.069	44.777	45.077	45.077
Total Operating	-	33.069	44.777	45.077	45.077
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Health Reform - Consumer/Whānau Voice Framework

Description: This initiative funds for resources and capability to develop, implement, and maintain the “consumer and whānau voice” framework in the health system. This framework will support the health system to continuously use consumer and whānau voices in the design, delivery, and evaluation of health services.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	2.130	2.300	2.200	2.200
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.130	2.300	2.200	2.200

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Monitoring and Protecting Health and Disability Consumer Interests	-	2.130	2.300	2.200	2.200
Total Operating	-	2.130	2.300	2.200	2.200
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Health Workforce Development

Description: This initiative provides funding for workforce training and development to underpin critical reform initiatives. This includes pipeline growth for delivering services as part of locality provider networks. It also includes funding for workforce training to support the delivery of kaupapa Māori and Pacific services.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	11.000	21.000	22.000	22.000
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	11.000	21.000	22.000	22.000

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering hauora Māori services	-	7.000	8.000	12.000	12.000
Delivering Primary, Community, Public and Population Health Services	-	4.000	13.000	10.000	10.000
Total Operating	-	11.000	21.000	22.000	22.000
Total Capital	-	-	-	-	-

Additional Recommendation

49 **note** there is also a corresponding initiative (14533) with an amount in a tagged contingency for “Health Workforce Development – Contingency”;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Health Workforce Development - Contingency

Description: This contingency provides funding to address critical workforce issues that underpin the sustainability of the wider system. It includes funding for addressing historic issues with specific workforces (e.g. Pacific health, public health) as well as funding for innovations in training to improve long-term sustainability of the wider health workforce pipeline.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	7.000	8.000	8.000	8.000
Capital Contingency	-	-	-	-	-
Total	-	7.000	8.000	8.000	8.000

Additional Recommendations

- 50 **note** that there is also a corresponding initiative (13863) with appropriated funding for “Health Workforce Development”;
- 51 **agree** to draw down funding from this tagged contingency and approve any changes to appropriations, subject to our agreement to advice from Health officials on:
- 51.1 a health workforce development work programme, aligned to the interim Government Policy Statement and interim New Zealand Health Plan; and
 - 51.2 priorities for new spending within that work programme;
- 52 **agreed** that the expiry date for the above tagged contingency be 1 February 2024;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: HIV Action Plan Implementation

Description: This initiative aligns with the establishment of the Public Health Agency and National Public Health Service from July 2022 and demonstrates the Government's commitment to focus on public health and achieving pae ora. It funds the strategic work programme in public health to prevent, detect, treat, and eliminate the transmission of HIV, as well as ensuring that people living with HIV live healthy lives free from stigma. The investment targets groups experiencing the greatest burden of disease, such as Māori and Pacific populations and rainbow communities.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	3.550	5.150	4.650	4.650
Capital Contingency	-	-	-	-	-
Total	-	3.550	5.150	4.650	4.650

Additional Recommendations

- 53 **agree** that the expiry date for the above tagged contingency be 1 February 2023;
- 54 **agree** to draw down funding from this tagged contingency and approve any changes to appropriations, subject to our agreement to a costed implementation plan;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Improving Access to Primary Health Care Services for Transgender People

Description: The initiative provides funding for primary and community health providers to deliver gender-affirming services to transgender patients, updated national guidelines for gender-affirming health care and a lead referral pathway for gender-affirming services and supports, and training and workforce development resources to improve workforce responsiveness to transgender patients.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	0.589	0.583	0.481	0.529
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.589	0.583	0.481	0.529

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	0.589	0.583	0.481	0.529
Total Operating	-	0.589	0.583	0.481	0.529
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Increase in the Combined Pharmaceutical Budget

Description: This initiative provides funding to ensure more medicines are available to more New Zealanders through an increase to the Combined Pharmaceutical Budget, which is the medicines budget managed by PHARMAC. This will improve patients' access to well-evidenced medicinal treatments and contribute to improved health outcomes.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	71.000	120.000	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	71.000	120.000	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
National Pharmaceuticals Purchasing	-	71.000	120.000	-	-
Total Operating	-	71.000	120.000	-	-
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Introducing a Rights-based Approach to Health Care for Intersex Children and Young People

Description: This initiative provides funding to support health practitioners to provide best practice health care to intersex children and young people and to empower intersex children and young people and their whānau to make informed decisions about medical interventions. This will better protect the rights of intersex children and young people within the health system and prevent unnecessary medical interventions from occurring.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	0.699	0.699	0.684	0.434
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.699	0.699	0.684	0.434

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	0.699	0.699	0.684	0.434
Total Operating	-	0.699	0.699	0.684	0.434
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Iwi-Māori Partnership Boards

Description: This initiative provides Iwi-Māori Partnership Boards (IMPBs) with dedicated support for whānau and hāpori Māori engagement, policy analysis and data analysis to deliver upon IMPBs' new functions in the reformed health system. It funds additional capability to support IMPBs to strengthen the understanding and response of the health system to the health needs, aspirations and priorities of local Māori communities.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	3.660	5.510	5.460	5.460
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	3.660	5.510	5.460	5.460

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering hauora Māori services	-	3.660	5.510	5.460	5.460
Total Operating	-	3.660	5.510	5.460	5.460
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Mana Ake – Continuation and Expansion of Mental Wellbeing Support for Primary and Intermediate School-aged Students

Description: This initiative provides funding to enable ongoing service delivery of Mana Ake – Stronger for Tomorrow in Canterbury and Kaikōura and the commencement of ongoing service delivery of locally co-designed supports for primary and intermediate school-aged students in Northland, Counties Manukau, Bay of Plenty, Lakes and West Coast areas.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	14.333	21.817	24.456	28.734
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	14.333	21.817	24.456	28.734

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	14.333	21.817	24.456	28.734
Total Operating	-	14.333	21.817	24.456	28.734
Total Capital	-	-	-	-	-

Additional Recommendation

55 **note** that related funding has also been provided through Vote Education (Initiative 14536);

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Māori Primary and Community Care Provider Development – Securing Future Capability and Shifting into New Models of Care

Description: This initiative provides a funding uplift to the Māori Provider Development Scheme. It is designed to secure primary and community care innovation developed by Māori providers during COVID-19 and transition this capability into the new health system. It will also ensure Māori providers have the capacity to shift their models of care, implement digital enabled services, and undertake improved service planning and reporting in support of the reformed system and its locality approach rollout.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	6.000	8.000	8.000	8.000
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	6.000	8.000	8.000	8.000

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering hauora Māori services	-	6.000	8.000	8.000	8.000
Total Operating	-	6.000	8.000	8.000	8.000
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Meeting the Demand for Organ Donation and Transplantation

Description: This initiative provides funding for an increase in the rate of organ donation in New Zealand through the implementation of the Increasing Deceased Organ Donation and Transplantation: A National Strategy published in 2017.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	0.750	2.750	3.750	3.750
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.750	2.750	3.750	3.750

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Hospital and Specialist Services	-	0.750	2.750	3.750	3.750
Total Operating	-	0.750	2.750	3.750	3.750
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: National Bowel Screening Programme – Lowering the Screening Age for Māori and Pacific Peoples - Contingency

Description: This contingency provides funding for the National Bowel Screening Programme to lower the age of screening for all Māori and Pacific peoples from 60-74 years of age to 50-74 years of age. The initiative is expected to be equity enhancing given the younger age structure of these populations and the proportion of bowel cancers occurring below the current screening eligibility.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	-	10.096	12.956	13.089
Capital Contingency	-	-	-	-	-
Total	-	-	10.096	12.956	13.089

Additional Recommendations

56 **note** that in February 2022 the Cabinet Social Wellbeing Committee (SWC):

56.1 authorised the Minister of Health to initiate work from the Ministry of Health to implement the screening age extension for Māori and Pacific peoples from 60 years to 50 years on a small scale (in one or two District Health Boards) using an evaluative implementation approach from 2022;

56.2 noted that findings from the evaluative implementation will be used to inform a business case and a Budget 2022 bid is seeking tagged contingency funding for a national roll out;

56.3 invited the Minister of Health to report back to Cabinet on progress and findings of the evaluative implementation in November 2022;

[SWC-22-MIN-0012]

57 **note** that the evaluative implementation will come under Health New Zealand management from 1 July 2022;

58 **agree** to draw down funding from this tagged contingency and approve any changes to appropriations, subject to:

58.1 Cabinet consideration of the findings of the evaluative implementation of the age extension; and

58.2 our satisfaction with advice from officials on health system capacity and readiness for a national rollout of the age extension;

59 **agree** that the expiry date for the above tagged contingency be 1 February 2024;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Neonatal Retinopathy Screening

Description: This initiative provides funding for the operation of portable retinal cameras to ensure equitable access to Retinotherapy screening for premature babies. This initiative seeks to prevent one of the leading causes of blindness, Retinopathy of Prematurity, and supports comprehensive local screening of premature babies consistently across the country.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	2.332	2.332	2.332
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	-	2.332	2.332	2.332

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Hospital and Specialist Services	-	-	2.332	2.332	2.332
Total Operating	-	-	2.332	2.332	2.332
Total Capital	-	-	-	-	-

Additional Recommendation

60 **note** that capital funding required for the purchase of the portable retinal cameras is funded under Initiative 13991 “Capital for Health Sector Infrastructure”;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: New Public Health Agency and National Public Health Service Establishment - Contingency

Description: This contingency provides funding to support the establishment of the Public Health Agency (PHA) within the Ministry of Health and the National Public Health Service (NPHS) within Health New Zealand, as part of the new health system operating model.

The funding will support the capacity and capability building of the PHA, which will be responsible for leading population and public health policy, strategy, regulation, intelligence, surveillance, and monitoring.

The contingency also includes funding for resources to manage and support the change and transition to the NPHS, as well as new capability and capacity to enable the NPHS to undertake its new role.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency					
<i>National Public Health Service</i>	-	10.197	11.853	9.290	5.902
<i>Public Health Agency</i>	-	6.000	6.000	6.000	6.000
Total	-	16.197	17.853	15.290	11.902

Additional Recommendations

- 61 **note** that this contingency includes funding for building capacity and capability of the two agencies to undertake their new and expanded roles;
- 62 **note** that the funding split is indicative only, and subject to joint advice from the PHA (Ministry of Health) and the NPHS (Health New Zealand) on the Public Health Operating Model, outlining the funding requirements for both entities;
- 63 **agree** to draw down funding from this contingency subject to our approval of the joint advice in recommendation 62 above, which will cover:
- 63.1 The new public health operating model, including a map of key public health functions across entities and how the new model will make use of public health systems and infrastructure that have been built through the response to COVID-19;
- 63.2 A costed implementation plan for the National Public Health Service and Public Health Agency, including an outline of capability gaps and a resourcing plan across

the two entities, that will explain how these gaps will be addressed with the new funding;

64 **agree** that the expiry date for the above tagged contingency be 1 February 2023;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Pacific Primary and Community Care Provider Development –Securing Future Capability and Shifting into New Models of Care

Description: This initiative provides a funding uplift to the Pacific Provider Development Fund. It will secure the advanced primary and community care capability developed by Pacific providers and funded by time-limited COVID-19 funding and ensure these are transitioned into the reformed system. The funding will also help Pacific providers sustain and improve back-office capability, hire and retain high-quality staff, and develop, validate and implement Pacific-specific, digitally enabled models of care as part of the reformed system’s locality approach.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	7.768	14.044	14.044	14.044
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	7.768	14.044	14.044	14.044

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	7.768	14.044	14.044	14.044
Total Operating	-	7.768	14.044	14.044	14.044
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Piki – Continuation of Integrated Primary Mental Health and Addiction Support for Young People in Greater Wellington

Description: This initiative provides funding to continue the Integrated Psychological Therapies Pilot, now known as Piki. This will enable continued access to free integrated primary mental health and addiction support for young people aged 18–25 years in the Greater Wellington area.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	1.750	3.500	3.500	3.500
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.750	3.500	3.500	3.500

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	1.750	3.500	3.500	3.500
Total Operating	-	1.750	3.500	3.500	3.500
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Population Health and Disease Management Digital Capability

Description: This initiative provides ongoing funding to retain selected capability and infrastructure developed in response to the COVID-19 pandemic and to provide a basis for future population health and disease management digital capability. This capability will help transform the delivery of public health programmes including any future pandemic response.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	37.402	29.281	29.316	29.316
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	37.402	29.281	29.316	29.316

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	37.402	29.281	29.316	29.316
Total Operating	-	37.402	29.281	29.316	29.316
Total Capital	-	-	-	-	-

Additional Recommendations

- 65 **note** that since the start of the pandemic, over \$190 million has been allocated for data and digital capability and infrastructure, including costs for high volumes of service delivery (as well as significant cost savings on traditional delivery models) to support the COVID-19 response across contact tracing, testing, border, vaccine and care in the community;
- 66 **note** that this initiative provides ongoing funding for the retention of selected capability and infrastructure, with the intention of moving it to a more stable business as usual state;
- 67 **note** that, over time, the data and digital capability and infrastructure established for the COVID-19 response will provide a basis for improving delivery of other public health responses, including any future pandemic response;
- 68 **direct** officials to provide us with advice by October 2022 on:

- 68.1 the current portfolio of COVID-19 data and digital investment, including key milestones, risks and mitigations; fit with other COVID-19 work streams and funding, including any interdependencies with other investments; and upcoming strategic investment choices;
 - 68.2 governance, monitoring and assurance arrangements for the programme of COVID-19 data and digital investment, including arrangements for ongoing technical quality assurance;
 - 68.3 initial consideration of how this investment could transition over time to a broader disease management model, including fit with other proposed public health data and digital investment and the future public health operating model;
- 69 **direct** officials to provide us with six-monthly progress reporting on the progress and performance of this investment, including transition to the new public health operating model and management of any key risks;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Preventing Family Violence and Sexual Violence: Services for Victims of Non-fatal Strangulation

Description: This initiative will increase funding to ensure all victims of non-fatal strangulation are able to receive appropriate specialist services. In response to a new offence for strangulation and suffocation created under the Family Violence Act 2018, funding was provided in Budget 2020 to establish a service for victims of non-fatal strangulation. This funding was intended to provide 1361 specialist health assessments, referrals and medico-forensic reports. However, negotiations with the service provider found that the cost for health professionals to provide this service was underestimated in Budget 2020, meaning only an estimated 785 victims could receive services. This additional funding will address the current shortfall of 576 victims.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	2.028	2.028	2.028	2.028
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.028	2.028	2.028	2.028

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Hospital and Specialist Services	-	2.028	2.028	2.028	2.028
Total Operating	-	2.028	2.028	2.028	2.028
Total Capital	-	-	-	-	-

Additional Recommendation

70 **note** that this initiative forms part of the package to eliminate family violence and sexual violence, led by the Minister for the Prevention of Family and Sexual Violence with the support of family violence and sexual violence Ministers;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Preventing the Harm from Serious and Organised Crime in New Zealand

Description: This initiative will enable effective cross-agency implementation of the Government's end-to-end response to organised crime, including the Cabinet mandated Resilience to Organised Crime in Communities work programme and Transnational Organised Crime Strategy, as well as other complementary initiatives focused on preventing the harm to New Zealand communities caused and exacerbated by drugs, firearms violence, and serious criminal offences.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	0.094	0.188	0.188	0.188
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.094	0.188	0.188	0.188

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	0.094	0.188	0.188	0.188
Total Operating	-	0.094	0.188	0.188	0.188
Total Capital	-	-	-	-	-

Additional Recommendation

71 **note** that related funding has also been provided through Vote Police (Initiative 14255) and Vote Corrections (Initiative 14478);

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Primary Care Funding Formula – Equity Adjustments to Capitation

Description: This initiative provides additional funding to more equitably allocate primary care funding to general practices on the basis of their enrolled high needs populations.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	12.758	24.414	24.414	24.414
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	12.758	24.414	24.414	24.414

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	12.758	24.414	24.414	24.414
Total Operating	-	12.758	24.414	24.414	24.414
Total Capital	-	-	-	-	-

Additional Recommendation

72 **note** that work is underway across Health New Zealand, the Māori Health Authority and the Transition Unit to review capitation rates in the primary care funding formula and options to improve distribution in order to support more equitable health outcomes, and that initial advice will be provided to the Minister of Health in the coming months;

Vote: Health
Appropriation Administrator: Ministry of Health

Title: Return of Tagged Contingency Funding: Assisted Dying Services / End of Life Choice Act 2019 Implementation – Contingency

Description: This initiative returns a portion of funding previously held in the Assisted Dying Services / End of Life Choice Act 2019 Implementation – Tagged Operating Contingency for reallocation in Budget 2022. This funding is no longer required due to an expectation of lower funding requirements for this service over the next few years.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Contingency	-	(1.800)	(1.350)	(0.900)	(0.450)
Capital Contingency	-	-	-	-	-
Total	-	(1.800)	(1.350)	(0.900)	(0.450)

Additional Recommendation

73 **note** that, following the changes detailed in the table above, the balance of the “Assisted Dying Services / End of Life Choice Act 2019 Implementation” tagged operating contingency is \$11.900 million across the forecast period;

74 **note** that the balance of the “Assisted Dying Services / End of Life Choice Act 2019 Implementation” tagged operating contingency will expire on 1 February 2024;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Service Integration for Locality Provider Networks

Description: This initiative provides funding for network integration and change management to enable the delivery of joint, multidisciplinary services within locality provider networks. These will primarily cover back-office roles for bringing providers and services together to complement local comprehensive primary care teams within locality provider networks.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	4.794	27.624	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	4.794	27.624	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	4.794	27.624	-	-
Total Operating	-	4.794	27.624	-	-
Total Capital	-	-	-	-	-

Additional Recommendation

75 **note** that this initiative and Initiative 13878 “Comprehensive Primary Care Teams”, together form the core components of the locality rollout in the reformed system;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Smokefree Aotearoa 2025 Action Plan – Initial Implementation Support Funding

Description: This initiative aligns with the establishment of the Public Health Agency and National Public Health Service from July 2022 and demonstrates the Government’s commitment to focus on public health and achieving pae ora. It provides initial funding for the establishment of a tobacco products regulator in 2022/23 and ongoing funding for supporting the implementation of the Smokefree Aotearoa 2025 Action Plan. This initiative is expected to have a disproportionate positive effect on Māori and Pacific populations.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	3.500	0.500	0.500	0.500
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	3.500	0.500	0.500	0.500

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Stewardship of the New Zealand health system (MCA)					
<i>Departmental Output Expenses:</i>					
Public health and population health leadership (funded by revenue Crown)	-	0.500	0.500	0.500	0.500
Regulatory and Enforcement Services (funded by revenue Crown)	-	3.000	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Stewardship of the New Zealand health system (MCA)	-	3.500	0.500	0.500	0.500
Total Operating	-	3.500	0.500	0.500	0.500
Total Capital	-	-	-	-	-

Additional Recommendation

- 76 **note** there is a corresponding initiative (13985) with an amount in a tagged contingency for “Smokefree Aotearoa 2025 Action Plan – Remaining Implementation Funding – Contingency”;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Smokefree Aotearoa 2025 Action Plan – Remaining Implementation Funding - Contingency

Description: This contingency supports the implementation of Smokefree Aotearoa 2025 Action Plan, subject to legislative changes. It provides future funding for the tobacco products regulator to be established, as well as funding to ensure compliance and enforcement with the Smokefree regulation. This initiative is expected to have a disproportionate positive effect on Māori and Pacific populations.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	3.000	10.000	7.750	7.250
Capital Contingency	-	-	-	-	-
Total	-	3.000	10.000	7.750	7.250

Additional Recommendations

- 77 **note** there is a corresponding initiative (14573) with appropriated funding for “Smokefree Aotearoa 2025 Action Plan – Initial Implementation Support Funding”;
- 78 **note** that in November 2021 the Cabinet Social Wellbeing Committee (SWC):
- 78.1 approved the Smokefree Aotearoa 2025 Action Plan;
- 78.2 agreed to amend the Smokefree Environments and Regulated Products Act 1990 and the Customs and Excise Act 2018 to, among other things, provide for a regulatory regime to oversee and monitor the import, manufacture, sale and supply of smoked tobacco products in New Zealand;
- 78.3 agreed that the regulatory regime established by the policy be cost recovered from industry through fees and levies, consistent with Treasury’s Guidelines for Setting Charges in the Public Sector;
- 78.4 noted that the Associate Minister of Health (Hon Dr Ayesha Verrall) intends to report back to SWC in early 2022 with additional detail on establishment and operational costs relating to product notification, compliance and enforcement activities and the retail scheme, and proposals for cost recovery from industry through fees and levies;

[SWC-21-MIN-0192]

- 79 **agree** to draw down this tagged contingency and approve any changes to appropriations, subject to the proposed legislative changes referred receiving Royal Assent;
- 80 **agree** that the expiry date for the above tagged contingency be 1 February 2024;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Southern Health System Digital Transformation Programme – Contingency

Description: This contingency provides funding for the digital infrastructure required for the New Dunedin Hospital, as well as a Digital Transformation via investment in digital solutions that spans across the whole of the Southern health system and will lead to better sharing of clinical information and improvements in how care is provided.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Contingency	-	15.500	14.800	13.500	20.400
Capital Contingency	-	35.300	33.600	14.400	7.800
Total	-	50.800	48.400	27.900	28.200
	2026/27	2027/28	2028/29	2029/30	2030/31
Operating Contingency	20.400	20.400	20.400	20.400	20.400
Capital Contingency	12.500	27.600	26.300	3.800	-
Total	32.900	48.000	46.700	24.200	20.400

Additional Recommendations

81 **note** that in September 2021, the Cabinet Government Administration and Expenditure Review Committee (GOV):

81.1 noted that Southern District Health Board (DHB) had submitted an indicative business case for their digital programme, which is a workstream of the Southern DHB transformation programme that includes the New Dunedin Hospital;

81.2 endorsed the direction set out in the digital programme indicative business case and that Southern DHB advance their detailed business case development;

81.3 authorised the Minister of Finance and Minister of Health to jointly endorse the detailed business case, expected to be finalised in September 2021;

81.4 noted that any decision to endorse the detailed business case by joint Ministers would be subject to funding decisions in Budget 2022;

[GOV-21-MIN-0028]

82 **note** that Southern DHB has continued to develop the detailed business case for this work, including to reflect the context of health system reforms;

- 83 **agree** to draw down this tagged contingency and approve any changes to appropriations, subject to:
- 83.1 our endorsement of the detailed business case;
 - 83.2 our satisfaction with further information to be provided by officials on programme implementation and management of key risks, including plans for change and programme assurance;
 - 83.3 regular progress reporting by officials to us on the programme;
- 84 **agree** that the expiry date for the above tagged contingency be 1 February 2023;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Specialist Mental Health and Addiction Services – Increasing Availability of Focused Supports

Description: This initiative provides funding to increase the availability and trial new models of specialist mental health and addiction services to support people with specific needs in targeted areas across the country. This includes funding for crisis responses; maternal and infant mental health services; child and adolescent mental health and addiction services; eating disorders services; and kaupapa Māori services.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	9.400	14.700	25.900	50.000
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	9.400	14.700	25.900	50.000

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Hospital and Specialist Services	-	9.400	14.700	25.900	50.000
Total Operating	-	9.400	14.700	25.900	50.000
Total Capital	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Strengthening the Ministry of Health in its Role as Chief Steward of the Health and Disability System - Contingency

Description: This contingency provides funding to ensure that the Ministry of Health has the capability and capacity needed for its enhanced stewardship and monitoring role in the new health system, including meeting departmental cost pressures.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	14.519	25.788	25.788	25.788
Capital Contingency	-	-	-	-	-
Total	-	14.519	25.788	25.788	25.788

Additional Recommendations

- 85 **agree** to draw down up to \$1 million from this contingency in the 2022/23 financial year for the work associated with designing the change management programme and implementation plan, if this is required;
- 86 **agree** to draw down the remaining funding from this contingency subject to our approval of:
- 86.1 the new operating model for the Ministry of Health, including a list of key functions required for the new system and identified capability and resourcing gaps and how these will be addressed;
 - 86.2 a costed change management programme and implementation plan, which accounts for the Ministry's enhanced monitoring function, the new Public Health Agency, and the transition of COVID-19 activities into the future operating model;
- 87 **agree** that the expiry date for the above tagged contingency be 1 February 2023;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Well Child Tamariki Ora – Continuation of the Enhanced Support Pilots

Description: This initiative provides funding to continue the current three Well Child Tamariki Ora (WCTO) Enhanced Support Pilots in Lakes, Counties Manukau and Tairāwhiti. These Pilots provide intensive, relationship-based, wrap around support to young parents and their whānau commencing in pregnancy, and encompassing support with health, housing, employment, and mental wellbeing.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	1.250	2.450	2.450
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	-	1.250	2.450	2.450

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Delivering Primary, Community, Public and Population Health Services	-	-	1.250	2.450	2.450
Total Operating	-	-	1.250	2.450	2.450
Total Capital	-	-	-	-	-

Additional Recommendation

88 **note** there is also funding provided for “Well Child Tamariki Ora – Strengthening Services – Contingency” under Initiative 13972;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Well Child Tamariki Ora –Strengthening Services - Contingency

Description: This initiative provides funding to strengthen and reduce inequities in the WCTO programme. The WCTO programme is currently delivered by a range of providers, including Whānau Āwhina Plunket and over 60 Māori and Pacific non-government organisations.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	3.570	5.241	8.811	10.578
Capital Contingency	-	-	-	-	-
Total	-	3.570	5.241	8.811	10.578

Additional Recommendations

- 89 **note** there is also funding provided for “Well Child Tamariki Ora – Continuation of the Enhanced Support Pilots” under Initiative 13963;
- 90 **note** that a review of Well Child Tamariki Ora (WCTO) in 2019/20 identified that issues with the design and resourcing of WCTO are contributing to persistent inequities for tamariki and whānau who are Māori, Pacific, have disabilities, are in state care or have high and complex needs;
- 91 **agree** to draw down funding from this tagged contingency and approve any changes to appropriations, subject to our agreement to a proposal to strengthen WCTO services which responds to the findings of the WCTO review;
- 92 **note** this is the initial tranche of funding required in response to the findings of the WCTO review [33] and
- 93 **agree** that the expiry date for the above tagged contingency be 1 February 2024.