

Hon Dr Ayesha Verrall

Minister of Health
Minister of Research, Science and Innovation



27 MAR 2023

Mr Hayden Wano
Board Chair
Te Hiringa Mahara | Mental Health and Wellbeing Commission
Hayden.Wano@mhwc.govt.nz

Tēnā koe Hayden

Letter of Expectations 2023/24 for Te Hiringa Mahara | Mental Health and Wellbeing Commission

As Minister of Health, and your shareholding Minister, I want to thank you for your commitment over the past year to delivering your agreed objectives during a period of significant change in the Health System. This letter sets out my expectations to you as Chair for your organisation for 2023/24.

I am confident your organisation will deliver on these expectations as part of the reformed health system. The roles, functions, and performance expectations of your entity are reconfirmed under the Pae Ora (Healthy Futures) Act 2022. I expect you to continue to maintain and improve your good performance of those functions in keeping with the aspirations of the reforms. You have an important role to support the health system to meet the obligations under Te Tiriti o Waitangi, achieve equitable health outcomes, be accessible, cohesive, and whānau-centred. Approaches that are focused on quality, learning, and continuous improvement will support improved health outcomes.

My current priorities are to support and develop the health workforce, address ongoing planned care challenges, and plan for winter resilience. I also want to focus on bedding in the health reforms. Mental wellbeing remains a priority for this Government, and we have embarked on a long-term programme of change. I expect us to maintain momentum with the collective, whole-of-government approach to mental wellbeing outlined in *Kia Manawanui Aotearoa: Long-term pathway to mental wellbeing*.

While Te Whatu Ora and Te Aka Whai Ora are primarily responsible for meeting the expectations set through the interim Government Policy Statement (iGPS), Te Hiringa Mahara should also consider how it can contribute to the iGPS priorities of:

1. achieving equity in health outcomes
2. embedding Te Tiriti o Waitangi across the health sector
3. keeping people well in their communities
4. developing the health workforce of the future
5. ensuring a financially sustainable health sector, and
6. laying the foundations for the ongoing success of the health sector.

Further detail is available on the iGPS at: www.health.govt.nz/publication/interim-government-policy-statement-health-2022-2024

I expect that your reporting, and monitoring undertaken by Manatū Hauora, will enable me to assess both the performance of your entity and how you are contributing to overall system performance. Manatū Hauora will engage with you further on the proposed approach to monitoring collective and system performance as work in these areas develops.

It will be important for you to think about the valuable insights into wider system performance that your organisation could provide. In the spirit of the reforms, I expect you to identify and pursue any opportunities to work collaboratively and collectively with other entities where this is appropriate within your independent role and will result in health gains.

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The free flow of information between parties is a core principle of monitoring that I expect both your organisation and Manatū Hauora to follow. It is critical that the advice I receive from Manatū Hauora about your Board and entity's performance is well informed. Please continue collaborating and sharing information with Manatū Hauora so that it has the information it needs to assess your financial and non-financial performance.

As part of that sharing of information, I am requesting that you now provide copies of Board meeting agendas, minutes, and associated papers as agreed with Manatū Hauora. This will ensure Manatū Hauora, as my agent, has an understanding of the quality of information the Board is receiving and can see how risks are effectively identified, managed, and reported to the Board. This requirement will be reflected in your 2023/24 Output Agreement.

As you will be aware, for the first time Budget 22 provided two years (2022/23 and 2023/24) of funding for Vote Health. From Budget 24 onwards, future health budgets will move to three-year funding cycles. Multi-year health budgets are fixed. What this means is that there will not be a Budget 23 process for new spending initiatives or new cost pressures for Vote Health.

However, I can confirm that you will receive cost pressure funding in 2023/24 to address current and future Vote Health cost pressures as this was agreed and announced through Budget 22. The quantum of funding you will receive will be confirmed in May 2023, and it is likely to be based upon a similar uplift to your baseline funding as was received through Budget 22. I trust that you will prioritise this funding towards addressing your key budget pressures.

Manatū Hauora is now developing its work programme for Budget 24 to ensure that the health system is well placed to take advantage of the first three-year budget. To inform this planning, please continue to raise any current or future financial pressures you may face with Manatū Hauora. Further guidance on Budget 24 processes will be made available to you closer to the time. Given the Government's shift to multi-year budgets, you should focus on strengthening your longer-term financial planning and forecasting.

The code of expectations for health entities' engagement with consumers and whānau was approved in August 2022. Although the Pae Ora (Healthy Futures) Act 2022 does not require you to act in accordance with the code, I would like you to consider how the principles and intent of the code, including Te Tiriti o Waitangi, can be built into your work when engaging with consumers and whānau.

Te Hiringa Mahara-specific expectations

The breadth of functions outlined in the Mental Health and Wellbeing Commission Act makes Te Hiringa Mahara uniquely placed to assess mental wellbeing outcomes and approaches across government. As we know, addressing the determinants of mental wellbeing is critical to improving outcomes for New Zealanders. I expect you to place a stronger emphasis on how Te Hiringa Mahara uses its functions to advance and support a collective, whole-of-government approach to mental wellbeing.

Acknowledging the breadth of functions of your organisation, I encourage Te Hiringa Mahara to prioritise its efforts towards areas with the highest impacts and where it is uniquely placed to contribute to system performance, while managing within the resources available to Te Hiringa Mahara. This includes identifying practical next steps that are feasible in the context of the health system reforms and constraints on the system.

We have now reached the point in the accountability cycle where your Statement of Performance Expectations for 2023/24 is due. Your Statement of Performance Expectations should be provided to Manatū Hauora no later than 30 April 2023 in line with the requirements of the Crown Entities Act. I have agreed that Manatū Hauora will provide feedback on your draft Statement of Performance Expectations on my behalf.

Thank you for your dedication to working together to support our reformed health system in meeting its goals.

Ngā mihi nui



Hon Dr Ayesha Verrall
Minister of Health

cc Ms Karen Orsborn, Chief Executive, Te Hiringa Mahara | Mental Health and Wellbeing Commission Karen.Orsborn@mhwc.govt.nz