



Te Kāwanatanga o Aotearoa
New Zealand Government



E.10 AR (2023/24)

Ministry of Health – Manatū Hauora

Annual Report

for the year ended 30 June 2024



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A message from the Director-General of Health



Kia ora koutou katoa,

I am pleased to present the Ministry of Health – Manatū Hauora Annual Report for the year ended 30 June 2024. This report covers a ‘year of two halves’. The election in October 2023 ushered in a change of Government. Formed in November 2023, the incoming Government brought new health system priorities, health targets and a drive towards social investment and measuring outcomes.

Minister of Health Hon Dr Shane Reti has outlined this Government’s priorities of access, timeliness, quality, workforce and infrastructure – and these have been built in the Government Policy Statement on Health 2024–2027. The Minister of Health has been joined, for the first time ever, by a Minister for Mental Health Hon Matt Doocey. The creation of this portfolio, and the work programme that underpins it, highlights the importance this Government places on mental health.

While the Government has changed, our role as steward of the health of New Zealanders and the health system has not. We continue to lead the health system and set the direction for health for the benefit of this generation and future generations – while also supporting and monitoring the performance of the system as a whole.

Health systems worldwide are complex: each system contains large numbers of organisations and health providers. Moreover, Aotearoa New Zealand, like other countries around the world, continues to be challenged by an ageing population and workforce pressures. Over the past year, we have worked across government agencies and with the broader health sector to find workforce solutions and improve access to services for those in need. This work will continue.

This year, we established a dedicated horizon scanning function so we can be better prepared for emerging issues and opportunities. We also released our long-term insights briefing on genomics and precision health.

The Public Health Agency, part of the Ministry, has informed response policies to Aotearoa New Zealand’s important public health issues through evidence-led policy advice. It has established surveillance screening strategies so our country can be better prepared for new public health threats, such as the highly pathogenic avian influenza.

Across the Ministry, we have been working hard to improve health outcomes for all New Zealanders. The past year has been one of significant change and I want to thank all my staff for their dedication and commitment. I have been particularly proud of our ability to respond quickly to new priorities while continuing to lead the health system to provide services New Zealanders need now – and in the future.

Ngā mihi nui

Dr Diana Sarfati

Director-General of Health

He karere nā te Tumu Whakarae

Kia ora koutou katoa,

Kei te whakatakotohia te Pūrongo ā-Tau a te Manatū Hauora 2023/24 i runga i te ngākau harikoa. He paku rerekē pea tēnei pūrongo, i te mea, kei konei e mau ana ngā kōrero mō 'ngā hau e rua o te tau'. I te marama o Oketopa i te tau 2023, ka whakarewaina tētahi Kāwanatanga hou. Nō te whakatūnga i te marama o Noema i te tau 2023, kua heri mai te Kāwanatanga Haumi i ngā whāinga tōmua hou ki te pūnaha hauora, i ngā putanga hauora whāiti, otirā e whai ana rātou i ngā kaupapa haumi ā-pāpori me te whakainenga o ngā hua.

Kua whakatakotohia e te Minita Hauora, e Hōnore Tākuta Shane Reti, ngā whāinga tōmua a te Kāwanatanga, arā, ko te whai wāhitanga, ko te wawe o te whakawhiwhinga me te kounga o ngā ratonga, ko te kāhui kaimahi me ngā tūāhanga – kua whakawhanakehia ēnei āhuatanga ki roto i te Tauāki mō te Kaupapa Here a te Kāwanatanga e pā ana ki te Hauora 2024–2027. Kei te mahitahi te Minita Hauora rāua ko te Minita mō te Hauora ā-Hinengaro, arā a Hōnore Matt Doocey, he tuatahitanga tēnei.

Ahakoia kua tū he Kāwanatanga hou, ehara i te mea he rerekē ā mātou mahi hei kaiāpai o te hauora o ngā tāngata o Aotearoa me te pūnaha hauora. Kei te ārahi tonu mātou i te pūnaha hauora mō tēnei reanga me ngā reanga whakaheke, ā, kei te whakatakotoria hoki te ahunga o te ao hauora – i a mātou e tautoko ana, e aroturuki ana hoki i ngā mahi a te katoa o te pūnaha.

He pīroiroi ngā pūnaha hauora puta noa i te ao, ā, he maha tonu ngā rōpū me ngā ratonga hauora kei tēnā, kei tēnā. Kei te āia a Aotearoa, pērā i ētahi atu whenua huri noa i te ao, e te pikinga ake o ngā tau o te taupori me ngā pēhinga ki runga i te kāhui kaimahi. I te roanga o tērā tau, kua mahi mātou ki te taha o ngā tari kāwanatanga me te rāngai whānui o te hauora ki te hāpai i te rāngai mahi, ki te whakapai ake hoki i te toronga atu o te hunga e hiahia ana ki ngā ratonga hauora. Ka haere tonu ēnei mahi.

I tēnei tau, kua whakatū mātou i tētahi kaupapa motuhake e mātai atu ana ki te pae tawhiti kia āhei mātou ki te takatū mō ngā take me ngā ara hou. Kua whakaputaina hoki tētahi whakamārama mō ngā kitenga roa e pā ana ki te mātai huinga ira me te hauora matawhaiaro.

Nā te Pou Hauora Tūmatanui, he wāhi o te Manatū, ngā kaupapa here e pā ana ki ngā take mātāmua o te rāngai hauora whānui o Aotearoa i whāngai ki ngā kōrero mai i ngā taunaki rangahau. Kua whakatūria ngā rautaki mātai take hauora, kia rite ai tō tātou whenua mō ngā mate hou, pērā i te tahumaero kino o te rewharewha manu.

Huri noa i te Manatū, kua whakapau kaha mātou ki te whakapikinga ake o ngā putanga hauora ki ngā tāngata katoa o Aotearoa. He tau nui te tau kua hipa, he nui hoki ngā huringa, ā, kei te hiahia au ki te mihi ki aku kaimahi i tō rātou manawanui, i tō rātou ngākau pūmau ki ā rātou mahi. E mihi ana au i tō tātou kakama ki te tahuri mai ki ngā whāinga tōmua hou i a mātou e ārahi ana i te whakararanga o ngā tū momo mahi e hiahiatia ana e ngā tāngata o Aotearoa i tēnei wā – ā, hei ngā tau e heke mai ana hoki.

Ngā mihi nui

Dr Diana Sarfati

Te Tumu Whakarae mō te Hauora



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**Our highlights
for 2023/24**

**Ngā mahi
whakahirahira o te
tau 2023/24**

Here we summarise some of our major areas of work between 1 July 2023 and 30 June 2024.

Who we are and the outcomes we contribute to

The Ministry of Health – Manatū Hauora (the Ministry) is the **chief steward** of health and the health system, and the **lead advisor to Government** on health. The long-term vision for the health system is to improve health outcomes for all New Zealanders, with a focus on population groups who have the greatest health needs. We contribute to the health system outcomes of **longer life expectancy and improved quality of life for all New Zealanders**.

Our functions are **strategy, policy, monitoring, regulation, and data and analytics**. Underpinning these functions is our public health, Māori health, clinical, and community, mental health and addiction expertise. The work we do in our functional areas is covered by either Crown funding or funding from charges and fees.

Highlights against our six new priorities

(The *Reporting against our new priorities* section sets out how the activities in our strategic intentions 2022–2026 have been mapped to the Ministry's new strategic priorities.)

Priority 1: Provide system-level leadership

Agreed the Ministry's **definition of stewardship**. As steward of both the health of the Aotearoa New Zealand population and the health system, we are operating in a new way, building trust and influence.

Developed the **Aotearoa New Zealand Rare Disorders Strategy**.

Strengthened relationships with other government agencies to achieve broader health goals – 73% of public sector respondents were satisfied with

how the Ministry had engaged with their organisations, and 74% had a favourable opinion of the Ministry.

Established a cross-agency governance mechanism that **supports the National Immunisation Programme** in Health New Zealand.

Supported **six Iwi-Crown Accords** and signed **six hauora development agreements with iwi** across Aotearoa New Zealand.

Priority 2: Drive system strategy and performance

Developed the **Government Policy Statement on Health 2024–2027**, the Minister of Health's direction-setting instrument for signalling priorities and expectations over the next three years.

Led the **Budget 2024** process that confirmed the way the Government funds health will change to providing multi-year funding across three Budgets for Health New Zealand's cost pressures.

Developed a **strategic monitoring framework** to understand system performance and monitor short, medium and longer-term objectives and outcomes.

Continued to monitor the implementation of **Whakamaui: Māori Health Action Plan 2020–2025**. Most of the 46 actions are on track or completed.

Priority 3: Be the Government’s primary advisor on health

Supported the Government to deliver on the plan for its first 100 days, which included work to **repeal or amend some health legislation** introduced by the previous Government.

Completed the policy development phase of the work to repeal and replace the **Mental Health (Compulsory Assessment and Treatment) Act 1992**.

Supported the Crown to meet its **Tiriti o Waitangi settlement commitments**. The Ministry is responsible for 19 Tiriti settlement commitments; 63% are on track, 5% are completed, and 32% are yet to be triggered.

Priority 4: Future-proof our health system

Continued a programme of work to address health workforce challenges including lifting annual training capacity by funding **25 additional medical places** and signing a **Memorandum of Understanding with the University of Waikato** to set the work for the establishment of a third medical school.

Established the Ministry’s **Research and Evaluation Fund** as an avenue for the strategic investment in evidence generation, aligned with Ministry priorities.

Developed and presented to the House of Representatives our **long-term insights briefing on precision health**.

Priority 5: Be the regulator of the health system

Strengthened our approach to **regulatory stewardship** including by appointing a chief officer, establishing an executive subcommittee and starting regular regulatory reviews.

Commissioned an independent evaluation of the **Ngā Paerewa Health and Disability Services Standard NZS8134:1021**, which found the sector is generally positive about HealthCERT’s implementation efforts.

The Office of Radiation Safety prioritised its response to findings on fee changes from the **Radiation Safety Regulations 2016** review.

HealthCERT processed 551 notifications under section 31(5) of the Health and Disability Services (Safety) Act 2001.

Priority 6: Transform ourselves

Completed phase one of a **transformation programme** to establish the right directorate structures and leadership for our refocused role in the health system.

Established new **governance arrangements** to ensure sufficient time for strategic conversations.

Lifted capability in areas such as maternity and horizon scanning.

Performance against our output measures and targets in Vote Health

Of a total of **37 non-financial performance measures**, the Ministry has **met or exceeded the Budget Standard for 29 measures**. We will use insights from the eight measures that have not met the standard to improve our performance in outyears. (For more information, see *Performance of the Ministry of Health* section.)

Highlights from our financial statements

(For more information, see *Our financial statements*.)

Summary of comprehensive revenue and expenses for the year ended 30 June 2024 (in thousands of NZD)

	Actual 2024	Budget 2024*	Actual 2023
Revenue	283,932	237,759	302,547
Expenses	269,070	237,759	269,392
Net surplus	14,862	–	33,155

Summary of financial position as at 30 June 2024 (in thousands of NZD)

	Actual 2024	Budget 2024	Actual 2023
Total assets	78,856	55,366	80,218
Total liabilities	75,786	49,760	75,586
Total equity	3,070	5,606	4,632

Summary of performance against Vote Health for the year ended 30 June 2024 (in thousands of NZD)

	Actual 2024	Budget 2024 (Supplementary Estimates)	Actual 2023
Departmental expenditure	269,070	286,056	269,182**
Departmental capital expenditure	2,082	2,000	1,320
Non-departmental expenditure	25,914,996	25,992,194	24,660,004
Non-departmental capital expenditure	948,735	1,922,101	1,697,383

* The budget figure provided in the Budget Economic and Fiscal Update (which is how we are required to present it in the annual report).

** The total department output expenditure excludes expenditure for an administration and use of appropriations.

People and capability

OVERALL HEADCOUNT: 800

FTE: 777.75 (as at 30 June 2024)*

12-month rolling average **unplanned turnover rate 14.6%**
(down from 20.9% in 2022/23).

kōrero Mai Employee Experience survey (with a 79% response rate) found that **93%** of respondents agreed (somewhat agreed, agreed, or strongly agreed) that the **Ministry is a great place to work** (up from 88% in 2022 and 87% in 2020).

* This is our total permanent and fixed term employee FTE. It excludes employees on parental leave or leave without pay and Te Aho o Te Kahu – Cancer Control Agency FTE.

About us

Mō mātou

About the Ministry of Health

The Ministry of Health – Manatū Hauora (the Ministry) is the chief steward of health and the health system, and the lead advisor to Government on health. The Ministry sets direction, policy, regulatory framework and investment for health, and monitors outcomes and system and organisational performance.

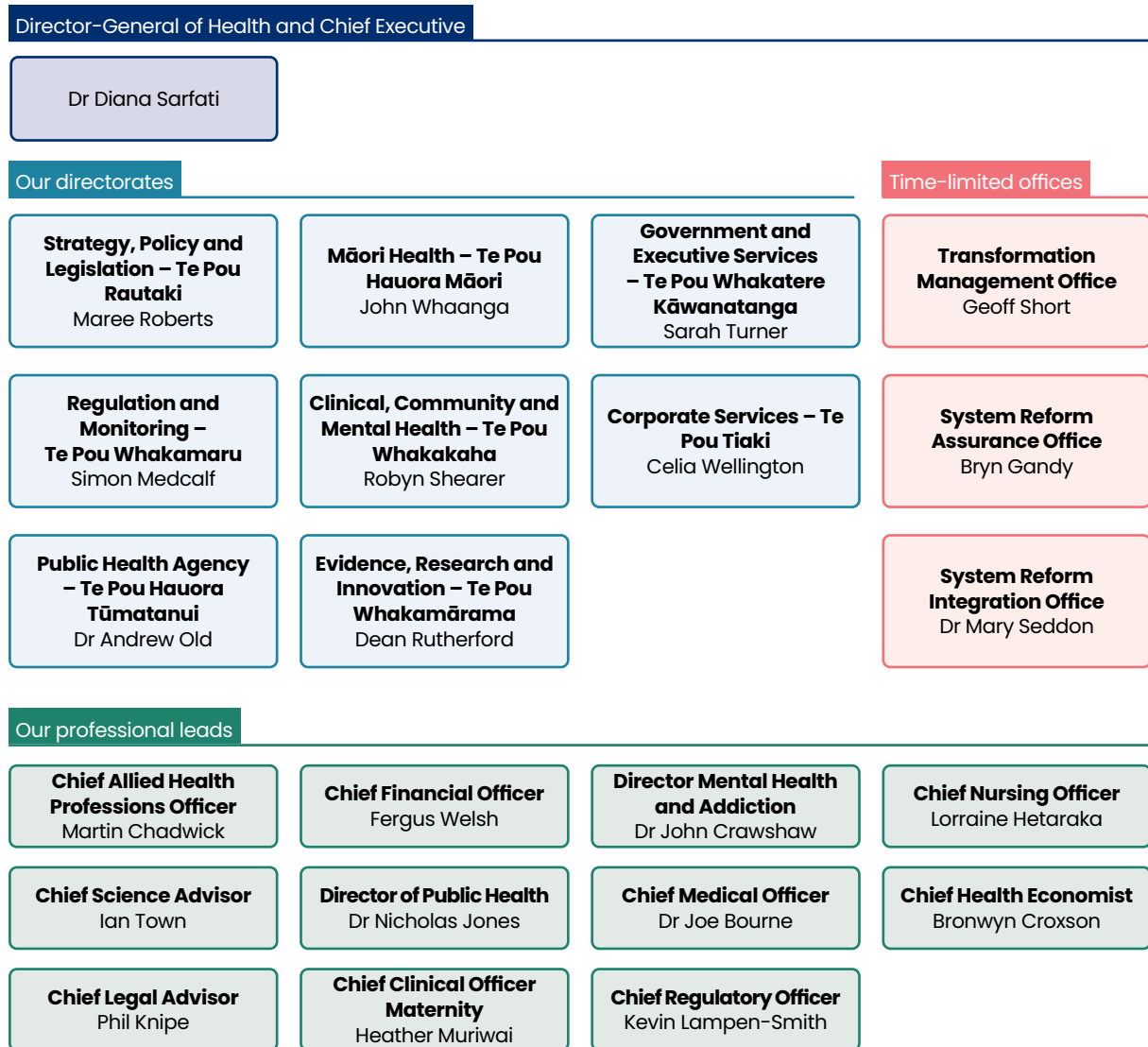
As steward of the health system, we are focused on improving health outcomes for all New Zealanders. We carry out our stewardship role by undertaking four roles.

- **Leading:** We are the system leader for health and wellbeing, setting the strategic direction for the health system.
- **Advising:** We are the primary advisor to Government on the determinants of health and on the health system's contribution to broader wellbeing.
- **Assessing:** We assess system responsiveness and integrity, including strategy, system performance and Te Tiriti o Waitangi/the Treaty of Waitangi (Te Tiriti) obligations.
- **Convening:** We convene senior leadership of the system, leading improvements in ways of working across agencies.

We perform five core functions: strategy, policy, monitoring, regulation, and data and analytics. Underpinning these functions is our public health, Māori health, clinical, and community, mental health and addiction expertise. Our functions enable the Ministry to effectively meet Ministers' needs, run efficiently and achieve organisational excellence.

Our organisational structure includes the Director-General of Health and Chief Executive, and eight directorates in a flat structure with four layers of management in most places. As Figure 1 shows, six directorates focus on the delivery of our core roles and responsibilities as the Ministry of Health. Two directorates consolidate the functions and capabilities needed to run the Ministry as an effective organisation and government department. There are also three time-limited offices for system reform and Ministry transformation. Our professional leads provide clinical or technical advice to Ministers, the Ministry and the sector.

Figure 1: How we are structured as of 30 June 2024



The Ministry’s main governance forums are:

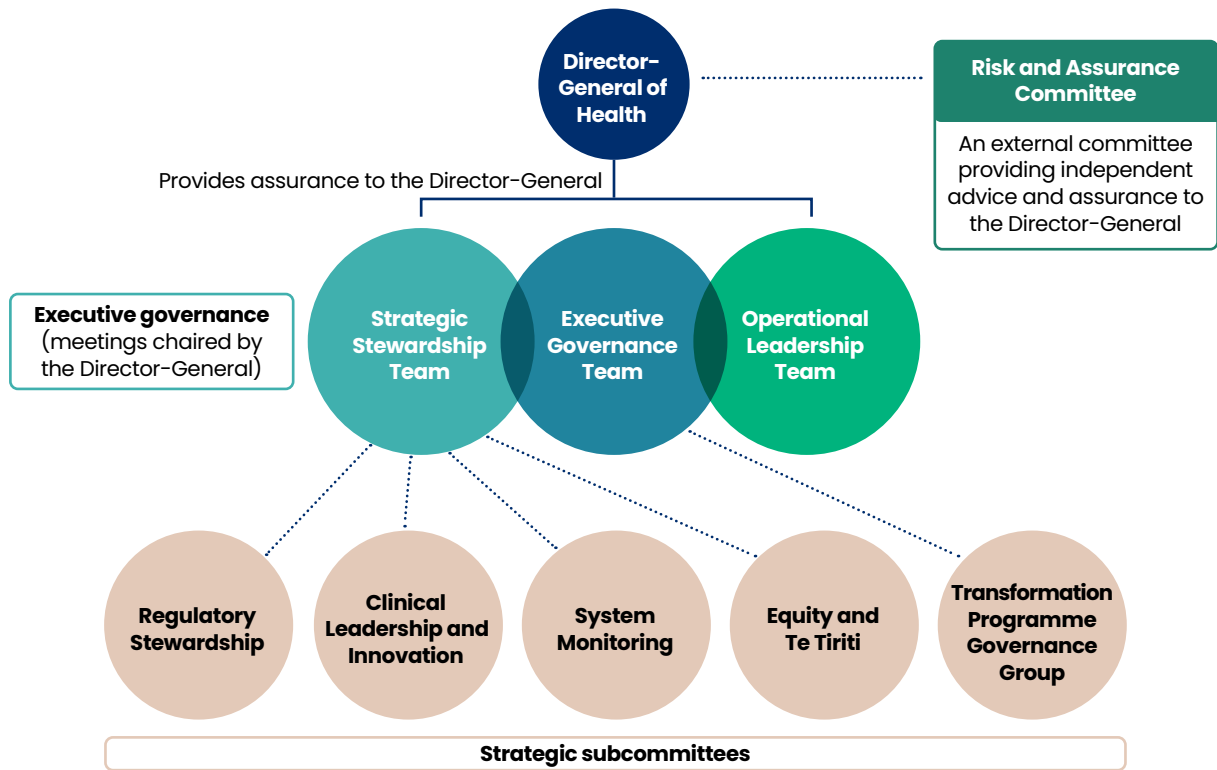
- Executive Governance Team (EGT)
- Strategic Stewardship Team (SST)
- Operational Leadership Team (OLT).

The governance groups enable the Ministry to operate effectively and achieve its core purpose through a framework of leadership, assurance and decision-making.

The Risk and Assurance Committee (RAC) is an external committee providing independent advice and assurance to the Director-General of Health.

Figure 2 gives an overview of these arrangements.

Figure 2: Our governance structure and external assurance

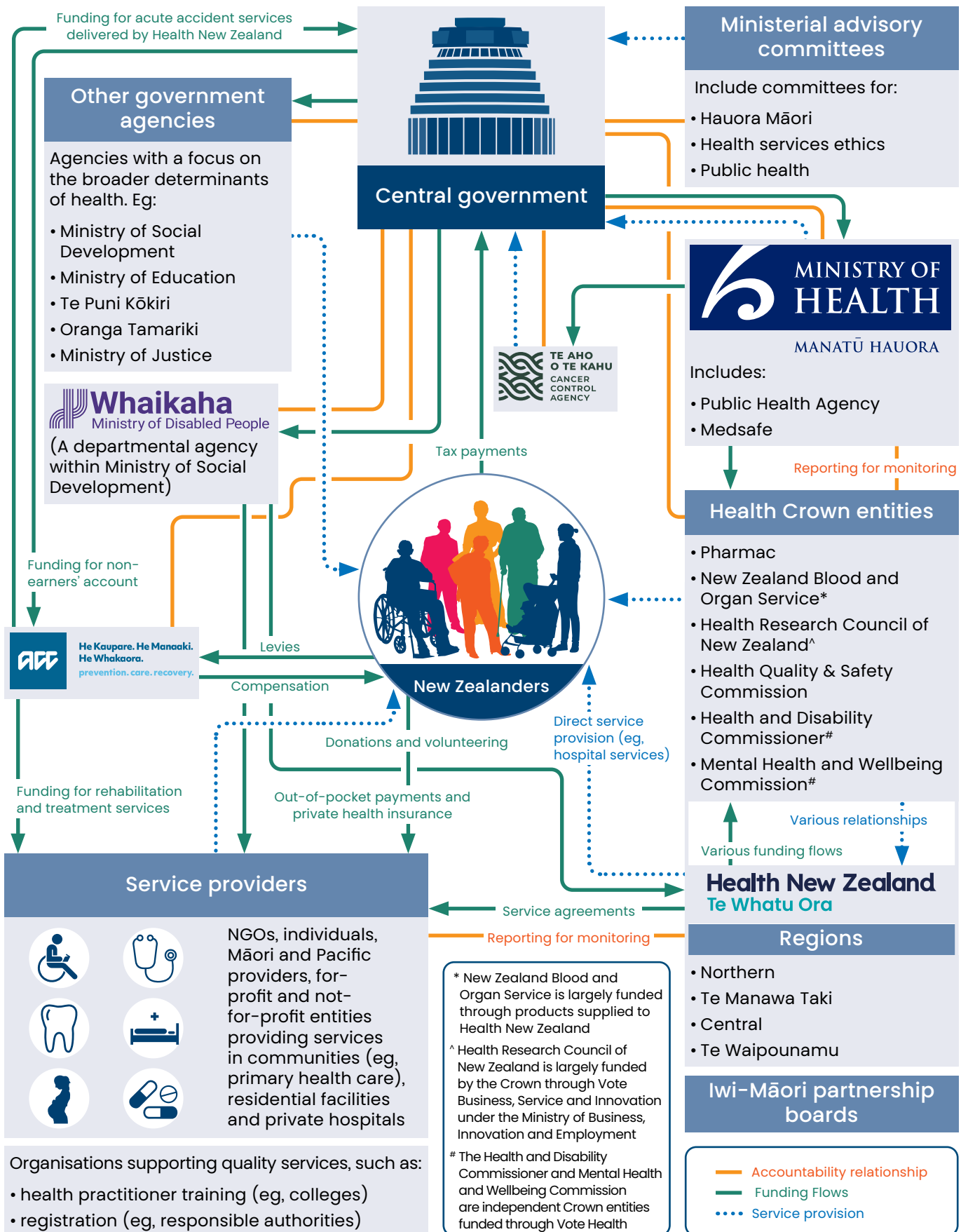


For more information, see the *Who we are and what we do* section.

The Ministry is connected through a matrix approach to working across the directorates to deliver value to New Zealanders and the Government of the day. Some of the Ministry’s functions are also carried out by other health entities, but the roles are complementary rather than identical. For example, monitoring is a common function across the Ministry, Health New Zealand – Te Whatu Ora (Health New Zealand) and the Health Quality & Safety Commission – Te Tāhū Hauora (Health Quality & Safety Commission). Each entity takes a different focus and approach relevant to its role.

While the Ministry is steward of the health system, Health New Zealand is responsible for the day-to-day running of the public health system, providing health services to New Zealanders. Health New Zealand delivers many of the services such as hospital services directly, and partners with providers by purchasing and funding other services such as primary and community care. Figure 3 illustrates these and other critical entities that make up the health system. (Note the map of entities in Figure 3 is not intended to represent the relative size or complexity of each component.)

Figure 3: Map of critical entities in the health system as of 30 June 2024



Giving effect to our role as system steward

System vision of pae ora and health strategies steer our work

The long-term vision for the health system is to improve health outcomes for all New Zealanders, with a focus on population groups who have the greatest health needs.

The Pae Ora (Healthy Futures) Strategies set the direction for how the system will achieve the vision and give effect to the principles of Te Tiriti. The six strategies, founded on a commitment to better health outcomes for all, are:

- New Zealand Health Strategy
- Pae Tū: Hauora Māori Strategy
- Te Mana Ola: The Pacific Health Strategy
- Health of Disabled People Strategy
- Rural Health Strategy
- Women's Health Strategy.

Our priorities as steward

As steward of the reformed health system, the Ministry has needed to work in a new way, building trust and influence. We need to strike a balance among our different activities of setting expectations, overseeing progress, and listening and responding when changes are needed. Maintaining this balance requires proactive and influential relationships across the health sector and beyond.

The Ministry developed a new set of six priorities as the focus of our efforts changed towards the Ministry's stewardship role and becoming a priority-led organisation. (For more information, see the *Case study: Our stewardship role.*)

Our six priorities as steward

1. Provide system-level leadership.
2. Drive system strategy and performance.
3. Be the Government's primary advisor on health.
4. Future-proof our health system.
5. Be the regulator of the health system.
6. Transform ourselves.

We deliver on these priorities through a priority-based business planning cycle from 1 July 2024.

Our transformation shifts

In mid-2023, we established a transformation programme to change the Ministry into its desired future state. This programme aimed to create an environment that encourages greater collaboration across the Ministry and to ensure we can effectively deliver on our priorities. Seven transformation shifts together describe this environment and the way we will work.



A confident steward. Our stewardship role is clearly articulated and understood with well-defined responsibilities and coordinated cross-system engagement.



Work aligned to strategy. A defined strategic direction directly connects to how we plan and resource work, resulting in clearly aligned work for our people.



Shared understanding. We have a common and shared understanding of how the Ministry cohesively operates to fulfil its roles, with supporting processes.



Empowered and trusted leadership. A high-trust culture focuses less on hierarchy and empowers leaders at all levels to take ownership of their work.



A connected Ministry. The Ministry's systems, tools and ways of working make it easy to work across functions as 'one organisation'.



A capable Ministry. The right capability, at the right time and in the right place enables us to deliver effectively on our role in the health system.



An efficient Ministry. Efficient and fit-for-purpose processes and tools reduce duplication, remove barriers and make the best use of the limited resources we have.

Our commitment to Te Tiriti o Waitangi

As steward and kaitiaki of the health system, it is our responsibility to uphold and contribute to the Crown meeting its obligations under Te Tiriti as a department of the public service (as provided by section 14 of the Public Service Act 2020). In order to provide for the Crown's intention to give effect to the principles of Te Tiriti, the Ministry is required to be guided by the health sector principles as outlined in the Pae Ora (Healthy Futures) Act 2022, which among other things, are aimed at improving the health sector for Māori and improving hauora Māori outcomes (section 6).

Māori–Crown relations

As principal advisor and agent on Māori health, the Ministry is responsible for leading the effective negotiation and implementation of Māori–Crown relationship agreements within the health sector. Iwi and Māori groups can work with public sector agencies (including health organisations) to develop tailored relationships that address both individual and shared aspirations. Often commitments are made between the Crown and iwi as part of Tiriti settlements and the resulting accords or other instruments set out the basis of the Ministry's role in partnering with each iwi.

Relationship agreements can be developed at any stage of the Tiriti settlement process, ideally as part of the negotiations. Developing a relationship agreement helps to identify opportunities and options for addressing the larger Tiriti claim.

Through our policy and strategy role, we provide coherent system-level leadership for Māori health. This includes engaging with Māori to set the strategic direction for developing and reviewing Māori health legislation, develop strategy and policy advice, monitor system performance for Māori and create Māori health insights. Our monitoring role includes evaluation, measurement and research to understand the performance of the system and identify critical areas across the system that are improving, lagging or exceeding expectations.



Figure 4: Overview of the wider strategic context of the Ministry

► OUR PURPOSE

We are the chief steward of health and the health system and the lead advisor to Government on health

Leading | Advising | Assessing | Convening

► WHAT WE INTEND TO CONTRIBUTE TO OVER THE MEDIUM TO LONG TERM

The outcomes achieved by the health system

Longer healthy life expectancy and improved quality of life

Population health outcomes

Mortality rates

Equity

Healthy ageing

Health trends

System outcomes

Improved trends in non-communicable disease (eg, heart disease, respiratory disease, diabetes, poor mental health and cancer)

A sustainable, resilient and productive health system including infrastructure, with a workforce that is the right size, has the right skills and places people at the centre

Good health and wellbeing promoted from the earliest opportunity and throughout the life course

A health system that provides promotive, protective, preventative, curative, rehabilitative and palliative services throughout the life course

Improved coverage of childhood immunisations and action on modifiable risk factors (3-year focus)

Accessible, timely, high-quality, effective and person-centred health services (3-year focus)

System vision and Government priorities

The long-term vision for the health system is to improve health outcomes for all New Zealanders, with a focus on population groups who have the greatest health needs

Focus: Timely access to quality healthcare

Timeliness

Access

Quality

Workforce

Infrastructure

Addressing non-communicable diseases and modifiable risk factors

Government targets, health targets and mental health and addiction targets ensure a focus on action

Five non-communicable diseases: **Cancer | Cardiovascular diseases | Respiratory disease | Diabetes | Poor mental health**

Five modifiable risk factors: **Alcohol | Tobacco | Poor nutrition | Physical inactivity | Adverse social and environmental factors**

► HOW WE CONTRIBUTE

Our priorities

1

Provide system-level leadership

2

Drive system strategy and performance

3

Be the Government's primary advisor on health

4

Future-proof our health system

5

Be the regulator of the health system

6

Transform ourselves

Our functions

Strategy

Policy

Monitoring

Regulation

Data and analytics

How we measure results

Outcome measures
See *Outcome measures* section

Interim system measures
See *Interim measures for system performance* section

Output performance measures and Budget Standards (targets) in Vote Health
See *Performance of the Ministry of Health* section

Note
For 2023/24, the Ministry reports against an interim set of measures for system performance.

The Health System Indicators (HSI) framework used in previous years has been disestablished and replaced by the health targets and mental health and addiction targets, effective from 1 July 2024. Nine Government Targets, which were launched in April 2024, include two of the health targets.

Our operating context

Key challenges

Our health system, like others around the world, is under pressure. We have a growing and ageing population with more complex needs and long-term conditions. There are global workforce shortages, rapid technological advances and rising costs. Moreover, while the health sector delivers good outcomes for many people, these outcomes differ significantly between groups in our population. Considerable improvements are needed to achieve equity of access to health services and equity of health outcomes, particularly for those with the highest health need.

Broader determinants of health such as education, employment, housing and the environment have a significant impact on the scale and complexity of these challenges.

Over the past five years, the Ministry itself has operated in a challenging context that has included the health system reform and the COVID-19 pandemic. In response, it was necessary for the Ministry to change its capabilities, ways of working and resourcing profile.

The Ministry works closely with Health New Zealand and other health sector entities on the transition to a more integrated health system that delivers timely access to quality healthcare for patients, families and communities within the overall health budget. It has been a demanding two years since the start of the health system reform. The sector has faced challenges in the delivery of services across hospital and specialist services, and primary and community care, as well as with workforce, infrastructure and technology.

While it did not happen within the 2023/24 financial year it is relevant to note that in July 2024, in response to the significant financial challenges facing the health system, the Minister of Health replaced the Health New Zealand Board with a Commissioner for a 12-month term. The Commissioner has been tasked with implementing a turnaround plan, with a savings plan to ensure financial balance, new operating model and entity performance framework. We continue in the Ministry's formal monitoring role to ensure that the governance arrangements are performing as expected.

We are determined to improve the healthcare system and make it a more rewarding place to work. We are redoubling our efforts alongside Health New Zealand to lift the overall performance of the health system. We have recently reorganised the Ministry to better enable us to work collectively on this task. As we lead the health system into the future, we will be more efficient and effective at supporting Ministers to set strategic direction and policy, to shape the regulatory environment and to monitor how the system is working.

A change of Government has brought a change of priorities

In November 2023, the new Government was formed and released its priorities and policy agenda for the term. With the change of Government, it has been important to understand the Government's priorities and to set the Ministry's own priorities within that context. While the Ministry's long-term goals remain stable, the change of Government influenced our priorities and what we delivered in 2023/24.

The Government's priorities include reducing government spending and regulation and delivering better health outcomes. The plan for its first 100 days included work to repeal or amend some health legislation introduced by the previous Government. As a result:

- legislation was introduced to disestablish Te Aka Whai Ora – Māori Health Authority (Te Aka Whai Ora)
- work began to repeal the Therapeutic Products Act 2023
- amendments to repeal the Smokefree Environments and Regulated Products Act 1990 and regulations were introduced.

Another significant objective was to set five health targets and five mental health and addiction targets, including for wait times and cancer treatment. Two of the health targets have been included in the Government Targets launched in April 2024.

The Government's Action Plan for New Zealand (1 April – 30 June 2024)¹ included further health actions.

- Issue a new Government Policy Statement on Health, setting the Government's priorities for the health system for the next three years. (This was published in July 2024. See *Priority 2: Drive system strategy and performance* for details.)
- Take decisions to streamline the New Zealand Medicines and Medical Devices Safety Authority (Medsafe) approval process. In June 2024, Cabinet endorsed a programme of work to streamline the medicines approval process. This programme includes process changes that will provide regulatory efficiencies, proposals to give effect to the Government's Coalition Agreements, and steps to support Medsafe's ongoing participation in international initiatives.
- Take decisions to tighten controls on youth vaping. In June 2024, Cabinet agreed to amend the Smokefree Environments and Regulated Products Act 1990 to give effect to specific decisions to address youth vaping and invited the Associate Minister to issue drafting instructions for an amendment bill.

¹ Coalition Government's Action Plan for New Zealand: 1 April – 30 June 2024. URL: beehive.govt.nz/sites/default/files/2024-04/Action%20Plan.pdf (accessed 10 September 2024).

The Minister of Health’s overarching focus for 2024–2027 is to ensure timely access to quality healthcare for all with a focus on addressing non-communicable diseases.

Timely access to quality healthcare for all

Access	Timeliness	Quality	Workforce	Infrastructure
Ensuring every person, regardless of where they live in Aotearoa New Zealand, has access to the healthcare and services they need	Ensuring New Zealanders can access the healthcare and services they need in a timely and efficient way	Ensuring the healthcare and services delivered in Aotearoa New Zealand are safe, transparent, easy to navigate and continuously improving	Ensuring we have a skilled and capable workforce that is accessible, responsive, and able to deliver safe and effective care for New Zealanders	Ensuring the health system has the digital and physical infrastructure it needs to meet New Zealanders’ needs now and into the future

New role of Minister for Mental Health

The 54th Parliament has seen the appointment of Aotearoa New Zealand’s first dedicated Minister for Mental Health. One of the responsibilities of the Minister for Mental Health is to oversee strategic and policy matters within the health system that relate to mental health and addiction services and support services. The Minister is also responsible for driving a cross-government approach to mental health, addiction and suicide prevention.

The Ministry is the lead agency supporting the Minister for Mental Health. In 2023/24, for example, it supported the Minister to set priorities for his portfolio, which are to:

- increase access to mental health and addiction support
- grow the mental health and addiction workforce
- strengthen the focus on prevention and early intervention
- improve the effectiveness of mental health and addiction support.

The Ministry also supported the Minister to set mental health and addiction targets, which have been confirmed through the Government Policy Statement on Health 2024–2027.

The Minister for Mental Health’s overarching focus for 2024–2027 is to ensure timely access to quality mental health and addiction care for all with a focus on prevention, early intervention and community-based supports.

Timely access to quality mental health and addiction care for all

Access	Timeliness	Quality	Workforce
Ensuring increased access for all New Zealanders to the mental health and addiction care and services they need in a timely way, with an emphasis on providing community-based supports.		Ensuring a strengthened focus on effective prevention and early intervention activities to support the wellbeing of New Zealanders.	Ensuring growth of the mental health and addiction workforce through training, upskilling and attracting new workers, while also retaining our current workforce.

Stabilising the structural reform of the health system

The first two years of the health reforms from 1 July 2022 to 30 June 2024 (and before Te Aka Whai Ora was disestablished) have focused on the structural reform of the health system. In November 2023, the Ministerial Advisory Committee for Health Reform Implementation provided the Minister of Health with its report, *High-level assessment to support future focused health reform implementation*.² The Ministry, Health New Zealand and Te Aka Whai Ora accepted the key points in the report. Their joint response recognised that while progress across the sector is continuing to be made, there remains much work to operationalise and embed changes, and to plan for system transformation.

The transformation phase will focus on how the system operates within the new structures to realise the opportunities of a single health system and embed them in a transformed healthcare system.

From June 2023, the Health System Reform Roadmap provided the foundation to understand the progress of the system reform and the leadership's confidence in achieving the reform objectives and shifts. In April 2024, however, the Joint Leaders Group (JLG)³ retired the roadmap, deciding it was no longer useful because it was an outdated list of achievements rather than a plan to transform. The JLG agreed five critical transformation areas for focus.

1. Ensuring the healthcare system improves equity for Māori and broader high needs populations.
2. Workforce engagement in the transformation and confidence in the system.
3. Shifting care closer to home.
4. Establishing a clear and stable system operating model.
5. Broader health system elements (eg, other health entities) are integrated across the health system to enable leveraging of joint effort.

2 Ministerial Advisory Committee for Health reform Implementation. 2023. *High-level assessment to support future focused health reform implementation*. URL: health.govt.nz/system/files/2023-11/27-november-mac-high-level-assessment.pdf (accessed 10 September 2024).

3 The Joint Leaders Group includes the Director-General of Health and chief executives from Health New Zealand, Whaikaha and (before its disestablishment) Te Aka Whai Ora.

Hauora Māori Advisory Committee

The Hauora Māori Advisory Committee (HMAC), established under the Pae Ora (Healthy Futures) Act 2022, is a key element in strengthening the health system's responsiveness to Māori health needs. It provides the Minister of Health with independent, tangible and actionable advice and guidance around Māori health priorities. It also helps to monitor Māori health outcomes and system performance. The Māori Health directorate within the Ministry provides secretariat support to the HMAC.

With members who are recognised and respected Māori leaders, including a range of Māori health experts, the HMAC has identified a suite of population priorities that it will use to oversee how the health system is performing for Māori. These population priorities will provide insights on system performance and population health trends. The HMAC can use them to focus its efforts on areas that are of the most significance to Māori and that can significantly reduce health inequities for Māori more broadly.

Iwi–Māori partnership boards

Iwi–Māori partnership boards (IMPBs), also established under the Pae Ora (Healthy Futures) Act 2022, are an integral part of the health system. They represent local Māori perspectives on the needs and aspirations of Māori. IMPBs influence the commissioning of local health services and monitor how the health system is performing in relation to those needs and aspirations in their communities. To date, 15 IMPBs have been recognised under the Pae Ora (Healthy Futures) Act 2022 and two more are emerging.

Requirements for organisational change and to make savings from eligible baseline

In April 2024, staff were consulted on proposals to change the Ministry's organisational structure. These proposals were required due to the combined needs to:

- change further following the health system reform to enable the Ministry to carry out its system stewardship role
- make shifts in capacity and capability to meet the Government's priorities
- make changes to meet our forecast budget, which was reduced following the end of time-limited funding and because of other changes such as the Government's 6.5% savings target.

Decisions on the final organisational structure were communicated to staff on 13 June 2024. The changes resulted in a net decrease of 123 positions across the Ministry. Another 100 positions had minor changes such as to a reporting line and/or position title. The new organisational structure came into effect on 2 September 2024.

**Our performance
story**

**Ngā kōrero mō ngā
whakatutukinga**

Reporting against our priorities

The Ministry's operating environment has changed with the new Government, the Government's priorities and our own transformation programme. The Ministry is focused on the delivery against our priorities to support Government priorities for health for 2023/24.

In this section, we report the Ministry's performance against the activities in *Developing the future Ministry of Health: Our strategy and strategic intentions, 2022 to 2026* (strategic intentions 2022–2026).⁴ The activities had been set under the following four former priority areas in the strategic intentions 2022–2026.

1. We will drive the development of the reformed health system and our role within it.
2. We will set the direction for health and the health system to achieve pae ora.
3. We will enable and support the ongoing improvement of health outcomes, quality and safety.
4. We will monitor health outcomes and the effective functioning of the system.

We reported against the activities under each of the four priority areas for the 'Next 12 months' in our annual report for the year ended 30 June 2023.

The tables that follow set out all the activities for the '12 months to 2 years' period. The activities have been mapped to the Ministry's six new priorities. The former priority area for each activity is shown in brackets next to that activity.

In addition to the activities set in the strategic intentions 2022–2026, this section reports other activities that reflect the Ministry's performance for the year. These include activities as part of new reporting requirements (eg, supporting the Crown to meet its Tiriti settlement commitments), legislative requirements (eg, giving a long-term insights briefing to the appropriate Minister) and Government direction such as signing a Memorandum of Understanding with Waikato University to progress a third medical school.

We are revising the Ministry's strategic intentions, and will report progress against the new strategic intentions 2024–2028 in annual reports in the medium-term.

4 Ministry of Health. 2022. *Developing the future Ministry of Health: Our strategy and strategic intentions, 2022 to 2026*. Wellington: Ministry of Health. URL: health.govt.nz/publications/developing-the-future-ministry-of-health-our-strategy-and-strategic-intentions-2022-to-2026 (accessed 10 September 2024).

Performance overview

More detailed information is provided in the section on each priority that follows.

Priority 1: Provide system-level leadership

Our key result areas

- Setting the strategic direction for health, the health system and the people who work in it.
- Assuring the overall design of the health system and the progress of system entities in developing their roles.

Intended activities for 2023–2025

1. Develop any further health strategies that Ministers agree to. (Former priority area two.)
2. Agree the Ministry's definition of stewardship and establish a stewardship framework.
3. Strengthen relationships with other government agencies to achieve broader health goals, including undertaking opportunities for improvement.
4. Lead Māori-Crown relationships across the health sector.
5. Review the development of the wider health system and specific models and arrangements for health entities so that these deliver the Government's intentions by July 2024.⁵ (Former priority area one.)

Priority 2: Drive system strategy and performance

Our key result areas

- Maintaining the strategic direction for health and the health system.
- Monitoring and reporting on health outcomes, system performance and Māori-Crown relationships.
- Monitoring and assessing the effectiveness of health entities in fulfilling their functions and steering collective actions where necessary.

Intended activities for 2023–2025

1. Develop the Government Policy Statement 2024–2027. (Former priority area two.)
2. Support the development and approval of the New Zealand Health Plan. (Former priority area two.)
3. Lead the Budget 2024 process to agree funding and investment that enables the health system to support the Government Policy Statement on Health and the New Zealand Health Plan. (Former priority area two.)
4. Develop a strategic monitoring framework that sets out the key long-term outcomes for people, whānau and the health system as an enduring basis for future priority actions and measurement.
5. Embed and enhance the frameworks for system-wide and Crown entity monitoring with health entities. (Former priority area four.)
6. Establish processes for providing clinical expertise on and insights into the system performance and monitoring function, including from those who have lived experience of the health system. (Former priority area four.)
7. Monitor the performance of the health sector for Māori.⁶ (Former priority area four.)

5 This activity includes the work on the Ministry's stewardship role (under priority 1), the Ministry's role of monitoring the health system and Crown entities (under priority 2) and assurance for delivery of the reformed system (under priority 5).

6 This activity has been reworded from 'In partnership with Te Puni Kōkiri and Te Aka Whai Ora, expand and mature the approach to monitoring the performance of the health sector for Māori ...' given the disestablishment of Te Aka Whai Ora.

Priority 3: Be the Government's primary advisor on health

Our key result areas

- Developing policies to deliver the Government's objectives for the health of the population, the role of the health system and the people who work within it.
- Keeping a consistent focus on Te Tiriti and equity in the priorities of the health system.

Intended activities for 2023–2025

1. Develop and deliver a rolling programme of strategic policy advice to provide insights into and options for continuously improving health and system settings. (Former priority area two.)
2. Confirm policy decision for new mental health legislation.
3. Prioritise equity for Māori, Pacific peoples, disabled people and other population groups who experience inequitable health outcomes within all policies, programmes and activities. (Former priority area two.)
4. Support the Crown to meet its Tiriti settlement commitments. (New Cabinet requirement (MCR-22-MIN-0023).)
5. Support the Therapeutic Products Bill to pass into legislation and plan for its implementation. (In November 2023, the new Government decided to repeal this legislation.) (Former priority area three.)
6. Deliver further legislation as agreed to strengthen the statutory basis for the health system. (Former priority area three.)

Priority 4: Future-proof our health system

Our key result areas

- Considering opportunities to develop new policies and address risks we identify.
- Working cohesively with sector partners, influencing trends and investment decisions.

Intended activities for 2023–2025

1. Facilitate collaborative action on population health approaches across other sectors that have a direct influence on determinants of health. (Former priority area two.)
2. Lift horizon scanning capabilities in the Ministry and bring a specific focus on horizon scanning through our revised Ministry governance arrangements.
3. Undertake a programme of work towards growing and retaining the health workforce, including work towards establishing a third medical school at the University of Waikato.
4. Develop and present to the House of Representatives our long-term insights briefing on precision health.
5. Strengthen links between science, public health and policy, particularly in relation to surveillance and the role of laboratories. (Former priority area two.)
6. Establish effective channels for proactively communicating evidence, insights and knowledge, in order to inform priority areas and decision-making within the Ministry and across the system. (Former priority area one.)
7. Implement an evaluation of the impact of the Ministry's science, research and innovation function by 30 June 2026. (Former priority area one.)

Priority 5: Be the regulator of the health system

Our key result areas

- Providing for effective regulation of health and care services and therapeutic products to maintain and improve quality and safety.
- Maintaining the wider regulatory and legislative environment to support health entities to carry out their functions.

Intended activities for 2023–2025

1. Put in place a programme to conduct regular, twice-yearly reviews of the regulatory and legislative environment, monitoring the effectiveness of regulatory interventions and the broader landscape. Carry out the first full review by June 2025. (Former priority area three.)
2. Support an independent formal review of the implementation of the assisted dying service. (Former priority area three.)
3. Amend the radiation safety regulations based on audit and advice from the new quality management system. (Former priority area three.)
4. Support the transition to Ngā Paerewa Health and Disability Services Standard. (Former priority area three.)
5. Develop and implement a data analytics framework for certification and audit of health and disability services. (Former priority area three.)
6. In partnership with health entities, develop an assurance framework and approach to determine the critical features of the reformed system that is to be delivered by July 2024, and how to monitor progress.

Priority 6: Transform ourselves

Our key result areas

- Developing and operating the new Ministry to harness the opportunity of the reformed health system
- Making the shifts in the way we work to deliver on the priorities.

Intended activities for 2023–2025

1. Continue to implement the Ministry's revised model and ways of working to reach 'steady state' by July 2024. Set in place processes for ongoing self-assessment and improvement beyond this date.⁷ (Former priority area one.)
2. Establish new executive structures to ensure senior leaders have sufficient time for strategic conversations and broader scope for decision-making.
3. Continue to ensure clarity on roles and responsibilities for Māori health following the Pae Ora (Disestablishment of Māori Health Authority) Amendment Act 2024.

⁷ This has been renamed 'Future-focused Ministry transformation programme' and includes designing a new approach to prioritisation and business planning.

Priority 1: Provide system-level leadership

We set the strategic direction for health and the health system to achieve better health outcomes for all New Zealanders.

Develop any further health strategies that Ministers agree to

On 12 July 2023, the Ministry published six strategies under the Pae Ora (Healthy Futures) Act 2022:

- New Zealand Health Strategy
- Pae Tū: Hauora Māori Strategy
- Te Mana Ola: The Pacific Health Strategy
- Health of Disabled People Strategy
- Rural Health Strategy
- Women's Health Strategy.⁸

The Pae Ora Strategies set out our health service priorities and system improvements over the next five to ten years. This was the first time Pacific peoples, rural communities and women have had their own health strategies. The Pae Ora Strategies have created a framework to guide activities and set the direction towards their 10-year vision.

The Ministry is progressing work to implement the Pae Ora Strategies. Achievement of the vision and outcomes in these strategies is through the Government Policy Statement on Health 2024–2027 (GPS). The Pae Ora Strategies informed the priorities and expectations for the GPS from the views of communities. The GPS communicates what the Government will be delivering over the next three years, and the New Zealand Health Plan sets out how this will be delivered.

In addition to the Pae Ora Strategies, the Ministry develops strategies focused on areas of specific need. In 2023/24, this has included the Aotearoa New Zealand Rare Disorders Strategy,⁹ the first strategy led by the health system for people and their families living with rare disorders. It provides a framework to improve how the health system responds to and supports both the rare disorders community and service providers.

⁸ The six strategies are available at health.govt.nz/strategies-initiatives/health-strategies/pae-ora-strategies

⁹ Ministry of Health. 2024. *Te Rautaki o Aotearoa e Pā ana ki ngā Mate Mokorea – Aotearoa New Zealand Rare Disorders Strategy*. Wellington: Ministry of Health. URL: health.govt.nz/publications/aotearoa-new-zealand-rare-disorders-strategy (accessed 10 September 2024).

Case study: Our stewardship role

The health system reform refocused the Ministry's efforts on its stewardship role. We have defined stewardship as:

Taking decisions or actions today that mean we are collectively better off in the future than we would otherwise have been, and building and maintaining the relationships that enable us to do this.

Our priorities as steward are:

1. Provide system-level leadership.
2. Drive system strategy and performance.
3. Be the Government's primary advisor on health.
4. Future-proof our health system.
5. Be the regulator of the health system.
6. Transform ourselves.

Five out of six of our priorities are based on Te Kawa Mataaho Public Service Commission's description of stewardship and our priorities are aligned with actions to deliver stewardship.

The Ministry's stewardship role has two aspects. Namely, we are steward of:

- the health of the population of Aotearoa New Zealand, as we assess health outcomes and trends, identify determinants of health, and encourage partnerships and actions to protect and improve health across the public and private sectors
- the health system, focusing on how the system works, advising the Government on its strategic direction and performance, enabling the health entities to deliver in line with expectation and supporting their accountability to ministers, now and in the future.

We support Ministers to set and maintain strategic direction across the health system so we and others can make informed decisions and prioritise accordingly. We advise the Government on health policy, and regulate and monitor the health system, to ensure it provides better health outcomes and equity for all. Our role is to create an environment where New Zealanders are supported to stay well and where all parts of the health system are supported to operate at their best.

The Ministry established the Strategic Stewardship Team (SST) as part of its new governance structure. The SST enables the Ministry's leaders and experts to spend time on new and emerging topics, and to determine the potential implications for the strategic direction of the health system and for the Ministry. The SST has subcommittees that steward specific elements of the system, such as regulatory stewardship, clinical leadership and innovation, system monitoring, and equity and Te Tiriti.

Each year, the SST will set a small number of priority stewardship projects that are likely to have significant implications for the long-term wellbeing of people in Aotearoa New Zealand and are consistent with directions set in the Pae Ora Strategies and the Government Policy Statement on Health. The projects will also be informed by insights from communities and service users, be of importance at a system level and aim to generate new insights.

Strengthen relationships with other government agencies to achieve broader health goals, including understanding opportunities for improvement

The Ministry's objective is to be a future-focused, proactive kaitiaki of the health system with a great reputation. Fulfilling this role is key to increasing trust and confidence with groups that are important to the future of the health sector, which in turn helps us to be more effective in our role.

We contacted more than 100 public sector chief executives and senior leaders with a survey or an invitation to participate in an interview. Our purpose was to learn about their awareness and knowledge of the Ministry's role and work, their experiences with the Ministry and their views on areas we should focus on in the future.

Public sector respondents understood the Ministry's role as kaitiaki of the health system and felt the Ministry was well-run. The majority (73%) were satisfied with how the Ministry had engaged with their organisation in the preceding year, an improvement (up 13%) on views of engagement during the previous three years. Most had a favourable opinion of the Ministry (74%) and agreed it has integrity (73%).

Health sector respondents, most of whom (66%) were senior leaders at tier one or two, believed the Ministry has integrity (75%) and understood its new role (70%). Half (50%) had a favourable opinion of the Ministry, thinking that it works collaboratively, is respected and communicates well with stakeholders. The Ministry was an enabler of work programmes of more than half of the respondents.

Health sector respondents said the Ministry could be clearer about its mandate and what being a steward means. They also thought it could articulate its leadership role better and set expectations. Respondents wanted a better understanding of the Ministry's work programme, where their agency had an interest, and to be involved in the design and delivery of that work, or in developing advice.

The Ministry intends to conduct the survey and/or interviews annually so that we can assess progress against the baseline results.

Lead Māori–Crown relationships across the health sector

An important part of the Ministry's role is to acknowledge and progress commitments outlined in post-settlement relationship instruments as well as those developed outside of the historical Tiriti settlement process. The Ministry plays a part in several Iwi–Crown Accords, which are cross-sector agreements between the Crown and iwi. Te Puni Kōkiri, Te Arawhiti – the Office for Māori Crown Relations and the Ministry of Social Development lead the accords. The Ministry leads on health-related topics.

Iwi–Crown Accords are being replaced by Māori Crown Relationship Agreements. These allow iwi to be more involved in tailoring relationships to suit local decision-making with a focus on solutions and services. The Ministry, as chief steward, leads the development of these relationship agreements, working with other health sector agencies, while Te Arawhiti facilitates the negotiations of these with iwi. In 2023/24, the Ministry supported six Iwi–Crown Accords and signed six

hauora development agreements with various iwi across Aotearoa New Zealand.

The Ministry also supports a range of Māori–Crown relationships by working directly with groups such as Te Kāhui Taurikura (the Fetal Alcohol Spectrum Disorder (FASD) Advisory Group) in developing a case study on the state of FASD for whānau Māori. Another example is our work alongside the Ministry of Social Development to support the National Iwi Chairs Forum – Pou Tangata (Hauora Iwi Leaders Group) workstream to develop a hauora plan.

The Ministry works alongside other health agencies, such as Health New Zealand, to support IMPBs to undertake their legislated responsibilities.

Clinical leadership

The health system is a complex, adaptive system. The Ministry needs to bring an understanding of the clinical aspects of our own system as well as draw on international insights into where advances, technology and ways of working are evolving. Clinical leadership is fundamental to our role as steward of the health system.

In 2023/24, the clinical quality and safety team critically examined the value of clinical leadership in government. It has shown that clinical leadership leads to better outcomes by:

- spanning boundaries between the Ministry and health services, and between government and the sector
- enhancing the credibility of and trust in the work of the Ministry
- working collaboratively internally, across government and across the sector to encourage improvements in a complex system
- bringing deep and broad knowledge of the complex clinical system to policy, monitoring and stewardship to improve these functions.

Following evidenced and collaborative work after June 2023, the Executive Leadership Team (since replaced by EGT) agreed the definition and principles for clinical leadership in the Ministry. We published these on the Ministry's website.¹⁰ We have also developed an internal model to explain and guide how clinical leadership is operationalised in day-to-day work, and to inform further work on prioritising time and resource for most value.

¹⁰ Ministry of Health. 2023. *Clinical Leadership in Manatū Hauora*. URL: health.govt.nz/publications/clinical-leadership-in-manatu-hauora (accessed 11 September 2024).

Sector Reference Groups

In 2023, the Chief Allied Health Professions Officer finished the convening process for allied health Sector Reference Groups (SRGs). Each SRG included representatives from across the sector, including unions, regulators, professional bodies, educators, tāngata whenua profession-specific groups and students.

The purpose of the SRGs was to understand:

- the unique contribution that each profession makes to achieving pae ora (healthy futures) for all New Zealanders
- key barriers and opportunities to realising each profession's full potential to contribute to pae ora.

This work led to a report in which we compiled the validated information from 14 professional SRGs, provided a high-level summary of the impact of allied health professions on pae ora and identified the opportunities for and barriers to each profession's contribution. We published the Hauora Haumi Allied Health Report 2024 in June 2024.¹¹

National Medicines Steering Group

In May 2023, the National Medicines Steering Group (the group) was established to create governance for medicines across the health system. This initiative began in response to concerns raised at the National Quality Forum in November 2022.

The overall aim of the group is to improve health outcomes by identifying system-level change that will allow the optimal use of medicines. It is the first subcommittee of the National Quality Forum, and its terms of reference were confirmed in 2023.

The group includes healthcare providers, consumers and representatives from stakeholder organisations. It engages independent subject matter experts as required.

Progress to date has included:

- linking Health New Zealand's data and digital work programme for medicines with the group to ensure alignment and sector input
- working across the sector to identify risk from medicines and minimise it where required
- identifying cross-sector action plans to improve known areas of medicine-related harm
- creating a space for raising sector-wide issues related to medicines and for addressing those issues appropriately.

¹¹ Ministry of Health. 2024. *Hauora Haumi Allied Health Report 2024*. URL: health.govt.nz/publications/hauora-haumi-allied-health-report-2024 (accessed 11 September 2024).

Workshop with the New Zealand Blood and Organ Service

In June 2024, the Chief Nursing Officer facilitated a workshop with the New Zealand Blood and Organ Service nursing and technician workforce. This led to the development of the New Zealand Blood Service Nursing and Donor Technician Strategy. The document sets the direction for the next five years to 2029 and identifies six priority areas:

- embodiment of an inclusive culture
- promoting health and wellbeing of colleagues
- maximising the professional contribution of nursing and donor technicians
- creating a workforce ready for the future
- recruitment and retention of nurses and donor technicians
- delivering safe, effective and compassionate care.

The strategy will enable the workforce to develop their skills, work towards advanced nursing roles, build a culture of inclusion and reflect the communities they serve.

Career guidance document

In 2023/24, in partnership with Ngā Pou Mana – Tangata Whenua Allied Health, the Chief Allied Health Professions Officer engaged with allied health professionals to understand their needs for career development guidance. Their feedback informed the development of a guidance document to support them at any stage of their career.

The document provides practical advice and guidance to support the career aspirations of allied health professionals and is not linked to employment agreements or remuneration rates. It also recognises the value of indigenous knowledge and cultural experience.

New Chief Clinical Maternity Officer

This year, we introduced a new role of Chief Clinical Officer, Maternity, as part of Clinical, Community and Mental Health – Te Pou Whakakaha. This role provides expertise that influences healthcare strategies and priorities. It was established to ensure a maternity-focused approach across all Ministry initiatives and to promote equitable outcomes for high-needs groups.

Collaboration is at the core of this role, as the Chief Clinical Officer, Maternity leads inter-professional cooperation throughout the health system.

Strengthening immunisation oversight and coordination

Following approval by the Minister of Health on 26 June 2023, a cross-agency governance mechanism was established to support the National Immunisation Programme in Health New Zealand to achieve its strategic priorities. The following arrangements are part of that mechanism.

- The **Immunisation Oversight Board** is responsible for strategic governance and is the principal point of contact between Ministers and officials on immunisation issues. The Immunisation Outcomes Collective (see below) reports to the board. The board, which includes representatives from the Public Health Agency, Health New Zealand, Whaikaha, Pharmac and Medsafe.
- The **Immunisation Outcomes Collective** exercises operational governance over the immunisation system, coordinates health agency advice to Pharmac and contributes whānau voices to decision-making. Most of its members are senior managers from the Public Health Agency, Health New Zealand, Whaikaha, Pharmac and Medsafe. The collective meets monthly.
- The **National Immunisation Technical Advisory Group (NITAG)** was established to provide evidence-based recommendations to policy makers and immunisation programme managers. Although the NITAG has yet to formally agree its terms of reference, it is expected to meet six-monthly.

Both the Immunisation Oversight Board and the Immunisation Outcomes Collective have been meeting since late 2023. The NITAG held its first meeting in May 2024.

Fostering public trust and confidence through increasing transparency of information and decision-making

The Ministry values having the public's trust and confidence. Throughout 2023/24, we have taken steps to build both trust and confidence in the following ways.

- We have grown the internal integrity function established in early 2023, with a focus on strengthening understanding of core public service principles. In 2024/25, we will release an integrity framework for the Ministry. A successful investigation into a leak of confidential Ministry information in early 2024 highlighted the significance of the integrity function.
- We expanded the information available to the public, recognising that access to information and transparency of decision-making allows the public to be informed on decisions that relate to them. In 2023/24, we:
 - responded to 1,542 requests for information
 - established our approach to proactively releasing key decision-making documents in a timely manner.
- We developed a new website (launched in late 2024) that provides better accessibility and functionality and is supported on an existing platform.

Priority 2: Drive system strategy and performance

As the chief steward of the health system, we are focused on improving system performance. We need to understand system performance, impacts and outcomes for people, whānau and communities over the short, medium and longer term. We also need to steer collective actions where necessary.

Develop the Government Policy Statement on Health 2024–2027

The Government Policy Statement on Health 2024–2027¹² is the Minister of Health's instrument to set the direction and signal priorities and expectations for the health system over the next three years. The GPS confirms the parameters for the New Zealand Health Plan. It is a public statement of what the Government expects the health system to deliver and achieve, and how progress will be measured, monitored and reported on.

The GPS sets out five priority areas for the next three years.

1. Access: Ensuring that every person regardless of where they live in New Zealand, has equitable access to the healthcare services they need.
2. Timeliness: Ensuring that people can access the healthcare and services they need, when they need it in a prompt and efficient way.
3. Quality: Ensuring that healthcare and services delivered in New Zealand are safe, easy to navigate, understandable and welcoming to users, and are continuously improving.
4. Workforce: Having a skilled and culturally capable workforce who are accessible, responsive and supported to deliver safe and effective healthcare.
5. Infrastructure: Ensuring that the health system is resilient and has the digital and physical infrastructure it needs to meet people's needs now and into the future.

The GPS also outlines the priorities for mental health, addiction and suicide prevention.

Further priorities are to take action on non-communicable diseases as leading causes of death in Aotearoa New Zealand and the five modifiable risk factors associated with them (alcohol, tobacco, poor nutrition, physical inactivity, and adverse social and environmental factors). Achieving the vision of longer life expectancy and improved quality of life for all

¹² Minister of Health. 2024. *Government Policy Statement on Health 2024–2027*. Wellington: Ministry of Health. URL: health.govt.nz/publications/government-policy-statement-on-health-2024-2027 (accessed 11 September 2024).

New Zealanders requires cross-government action, including working in partnership with government agencies outside the health portfolio to address the broader determinants of health.

The Ministry undertook targeted engagement and consultation with health entities, advisory groups and government agencies to inform the development of the GPS. The final GPS was tabled in the House of Representatives on 30 June 2024.

Support the development and approval of the New Zealand Health Plan

For the first time, Health New Zealand will develop a costed New Zealand Health Plan that spans a three-year cycle. The plan will set out how Health New Zealand will give effect to the Government's priorities as set out in the Letter of Expectations and GPS and outline delivery focus areas for publicly funded services over the next three years. The Ministry worked closely with Health New Zealand throughout the development of the GPS and will continue to work with Health New Zealand as it develops the New Zealand Health Plan to ensure the plan aligns to the expectations in the GPS.

Health New Zealand continues to develop the plan in the current challenging context. As part of this context, the health system faces significant financial challenges and new governance arrangements for Health New Zealand. Its new Commissioner is tasked with implementing a turnaround plan that will include a savings plan, new operating model and entity performance framework.

The New Zealand Health Plan must be audited by the Auditor-General before it is submitted to the Minister of Health. In addition, the Ministry is expected to review the New Zealand Health Plan against the requirements of the legislation and the GPS. After the Minister of Health approves the plan and presents it to the House of Representatives, the Ministry will monitor its delivery.

Lead the Budget 2024 process to agree funding and investment that enables the health system to support the GPS and the New Zealand Health Plan

Budget 2024 is a significant milestone for the health system as it is the first substantive Budget for Vote Health following the health system reform. It also confirmed a change in the way the Government funds health, with the provision of multi-year funding across three Budgets to address Health New Zealand's cost pressures.

With multi-year funding, Health New Zealand will know the amount of funding it has over three years, allowing it to better plan and deliver frontline health services. This certainty supports Health New Zealand's development of the New Zealand Health Plan and is expected to contribute to financial sustainability and better long-term planning.

Budget 2024 included funding for new spending initiatives, as well as targeted policy savings and baseline savings initiatives. Post-Budget, we reviewed our Budget 2024 process so that we can continue to improve.

Develop a strategic monitoring framework that sets out the key long-term outcomes for people, whānau and the health system as an enduring basis for future priority actions and measurement

As the chief steward of the health system, the Ministry is focused on improving system performance, with the goal of achieving better health outcomes for New Zealanders. To support this, we have developed a strategic monitoring framework to understand system performance and monitor short, medium and longer-term objectives and outcomes.

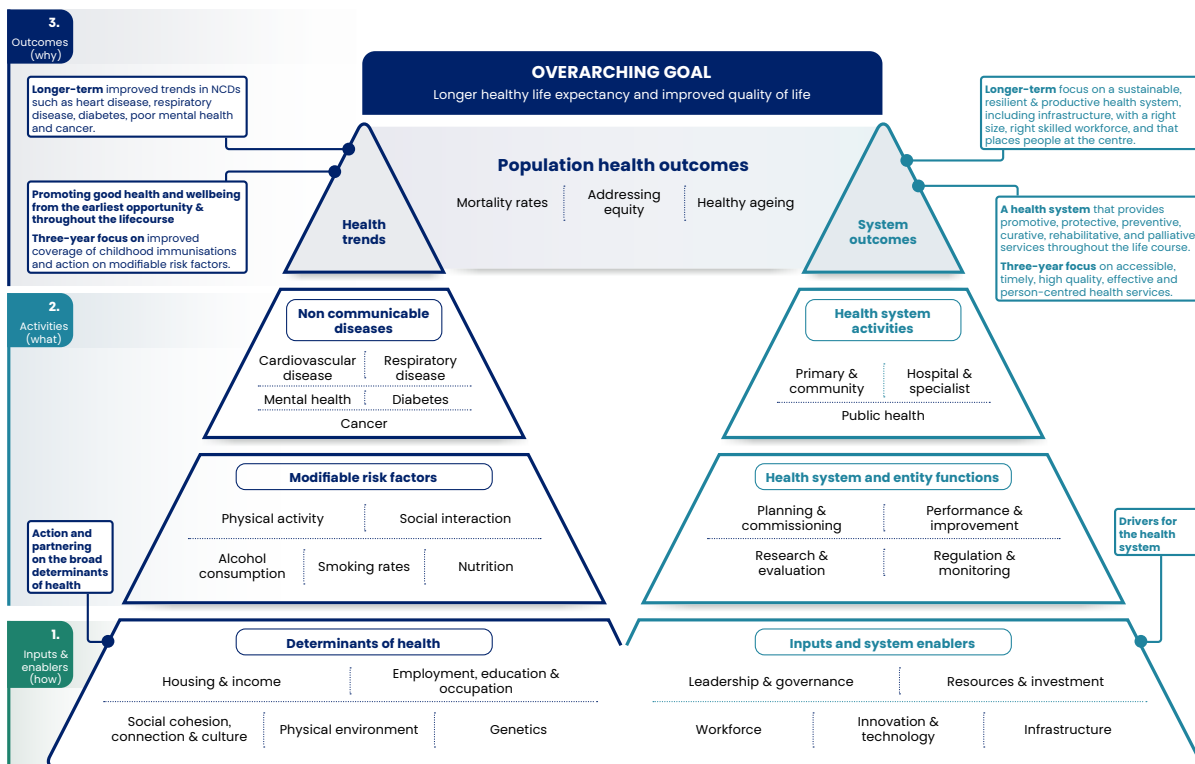
As Figure 5 shows, the framework has a dual focus on:

- the health system: health-led actions to protect, promote and improve health and wellbeing (the right-hand pyramid)
- people, population and the broader determinants of health, including health-led partnerships to take action across and influence the broader determinants (the left-hand pyramid).

While the framework provides an overarching structure to understand health system performance, existing monitoring work will continue.

Over the short and medium term, we expect to see progress towards health targets and GPS priorities. Over the long term, we expect to see downward trends in heart disease, respiratory disease, diabetes, poor mental health and cancer. We also expect to see a financially resilient and sustainable health system, a workforce of the right size and with the right skills and, ultimately, improved health outcomes, and quality and length of life for all New Zealanders.

Figure 5: Strategic monitoring framework in the GPS (July 2024)



Case study: The Ministry's role of monitoring the health system and Crown entities

The Ministry's monitoring function is a long-standing and critical aspect of its stewardship role. The health system reform of 2022 changed the context for monitoring, leading the Ministry to refocus its approach.

Our monitoring involves assessing how the system and the entities within it are operating and delivering priorities and outcomes. This assessment helps to identify performance improvement actions, as well as informing ongoing strategy and policy development.

The Government sets its expectations for the health system through the GPS. In June 2022, the previous Government published the interim Government Policy Statement on Health 2022–2024 (interim GPS) outlining what it expected the new health system to deliver and achieve. The Ministry has released the year one results across more than 30 measures set out in the interim GPS. The results show areas where performance is steady, such as people reporting being involved in decision-making in their care. The results also highlight where further work is needed, for example, in the areas of waitlist management, childhood immunisation and health workforce.

The new GPS includes a range of measures that will indicate how delivery of the current Government's health priorities is tracking. The GPS will tie in with the new health targets and mental health and addiction targets.

Health system monitoring

The Ministry's strategic monitoring framework will build on to Health New Zealand's monitoring cycle to align Crown entity and health system monitoring. Giving effect to this framework requires a whole-of-Ministry response. The Ministry is strengthening internal structures so that our approach is coordinated and integrated. We are implementing processes to improve engagement and information sharing with other agencies that undertake a monitoring role, such as the Treasury.

The Ministry has established an EGT Strategic Monitoring Subcommittee, whose responsibilities include:

- providing advice, oversight and governance of our monitoring role within the health system
- commissioning targeted work on critical system issues
- analysing and evaluating progress against system priorities and needs
- identifying areas for strategic thought
- generating appropriate courses of action and intervention.

Crown entity monitoring

A significant proportion of the Ministry's work on Crown entity monitoring is dedicated to monitoring Health New Zealand. The Ministry monitors the effective exercise of board functions. This in turn supports the board chair's accountability to the Minister.

In 2023/24, the Ministry embedded Health New Zealand-specific initiatives into its Crown entity quarterly monitoring cycle. This specified which assurance domains we would cover, the types of questions we would ask, and what information we required to fulfil our monitoring role. Quarterly monitoring reports to the Minister focused on Health New Zealand Board assurance, delivery of ministerial priorities, and service and financial performance to support the Minister to identify key issues to discuss with the board chair.

The Ministry monitors six other specialist Crown entities (Health Research Council, Pharmac, Health Quality & Safety Commission, the Health and Disability Commissioner, Mental Health and Wellbeing Commission and the New Zealand Blood and Organ Service). The Ministry has a quarterly monitoring meeting with each of the entity chairs and chief executives and provides quarterly advice to the Minister. We also have informal engagements with Crown entity staff about performance and emerging issues.

Throughout 2023/24, the Ministry monitored the performance of Te Aka Whai Ora, which is now disestablished.

The Ministry has supported the Minister in 2023/24 by:

1. helping to set expectations for the entities through mechanisms such as Letters of Expectation and the GPS
2. reviewing entity plans and accountability documents and providing advice to support ministerial feedback and approval
3. administering the process of appointing and inducting board members.

Board appointments

The Minister is accountable to Parliament and the public for Crown entity performance. As the Minister's agent, the Ministry in its formal monitoring role needs to ensure that Crown entity boards are performing as expected. Support for successful performance and monitoring of Crown entities comes through strong boards, to which appropriate and successful statutory appointments are made. In 2023/24, the Ministry supported Ministers to make a range of statutory appointments to various Crown entities, including new chairs for both Pharmac and Health New Zealand.

Establish processes for providing clinical expertise on and insights into the system performance and monitoring function, including from those who have lived experience of the health system

Mental health and addiction, clinical and lived experience experts contribute to the work across the Ministry, including in our strategy, policy and monitoring functions. The Ministry is building stronger connections between mental health and addiction, clinical and lived experience expertise to gain robust advice on our work from different perspectives. An example of this approach is our current work to repeal and replace the Mental Health (Compulsory Assessment and Treatment) Act 1992. We have established a dedicated project team that brings together lived experience and clinical leads alongside policy experts, while providing opportunities to amplify the voices of tāngata whaiora and the families and whānau affected by this legislation.

Monitor the performance of the health sector for Māori

The Ministry continued monitoring performance of the health sector for Māori. This year, our monitoring focused on Te Pae Tata – Interim New Zealand Health Plan 2022,¹³ the interim GPS¹⁴ and Whakamaua: Māori Health Action Plan 2020–2025 (Whakamaua)¹⁵ while the health sector agencies continue work to finalise their strategic plans.

One of the findings that the Waitangi Tribunal identified in *Hauora: Report on Stage One of the Health Services and Outcomes Kaupapa Inquiry*¹⁶ is the need to improve the collection and publication of quantitative and qualitative information used to assess how effectively the health system is improving Māori health outcomes. To address this finding, the Ministry is working to develop measures that will improve our understanding of progress towards addressing inequities, as well as improving system monitoring for Māori. The Ministry is commissioning a kaupapa Māori research approach to develop these measures so that they are grounded in te ao Māori and have both cultural and technical integrity.

13 Health New Zealand and Te Aka Whai Ora. 2022. *Te Pae Tata Interim New Zealand Health Plan 2022*. URL: [health.govt.nz/publications/te-pae-tata-interim-new-zealand-health-plan-2022/](https://www.health.govt.nz/publications/te-pae-tata-interim-new-zealand-health-plan-2022/) (accessed 11 September 2024).

14 Ministry of Health. 2022. *Interim Government Policy Statement on Health 2022–2024*. Wellington: Ministry of Health. URL: [health.govt.nz/publications/interim-government-policy-statement-on-health-2022-2024](https://www.health.govt.nz/publications/interim-government-policy-statement-on-health-2022-2024) (accessed 11 September 2024).

15 Ministry of Health. 2020. *Whakamaua: Māori Health Action Plan 2020–2025*. Wellington: Ministry of Health. URL: [health.govt.nz/maori-health/whakamaua-maori-health-action-plan-2020-2025](https://www.health.govt.nz/maori-health/whakamaua-maori-health-action-plan-2020-2025) (accessed 11 September 2024).

16 Waitangi Tribunal. 2019. *Hauora: Report on Stage One of the Health Services and Outcomes Kaupapa Inquiry* (Wai 2575). Lower Hutt. URL: [waitangitribunal.govt.nz/news/report-on-stage-one-of-health-services-and-outcomes-released/](https://www.waitangitribunal.govt.nz/news/report-on-stage-one-of-health-services-and-outcomes-released/) (accessed 11 September 2024).

Case study: Update on overall progress and monitoring of Whakamaua

Whakamaua sets out outcomes, objectives and priority areas for action that ensure the health system works together towards pae ora for Māori. The scope of Whakamaua spans across the health and wider government sectors. Monitoring the implementation of Whakamaua includes:

- tracking delivery against the 46 actions in Whakamaua
- reporting on a set of 13 quantitative indicators to measure broad system change
- an independent evaluation looking at the impact of Whakamaua on the health sector.

The implementation of Whakamaua over the past four years has been successful, with most actions on track or completed. An external evaluation has shown improvements in the system-focused quantitative measures. However, outcome-specific indicators have highlighted that inequities persist.

The evaluation also found that Whakamaua 'is of significant benefit for Māori health and was considered a transformative document with its focus on actionable change for the benefit of hauora whānau, iwi and hāpori Māori'. Challenges to implementation have included influencing cross-government areas and making change in the face of other system pressures. The Ministry is working through these challenges with other agencies.

Whakamaua is seen as a valuable reference document for several local and national organisations, and a mechanism to ensure people and organisations are acting in ways that reflect the plan. This is evident through their willingness to engage in the implementation of the 46 actions. Over the past four years, four actions have been completed, and 37 actions are on track, while four are being monitored and one is being re-scoped.

Priority area 3: Māori health and disability workforce

The external evaluation viewed Whakamaua as beneficial for growing the Māori health workforce by increasing health-related career paths among vocational, allied and clinical roles. Programmes such as the Nursing Workforce Programme, Earn As You Learn and the Hauora Māori Training Fund are all successfully under way and reaching kaimahi Māori across Aotearoa New Zealand.

The actions are reflected in the 2024 update of the quantitative measures. These measures showed:

- the percentage of midwives who were Māori rose from 10% in 2020 to 12.5% in 2023
- the percentage of doctors who were Māori increased from 3.9% in 2020 to 5% in 2023
- around 7.5% of nurses identified as Māori between 2020 and 2023
- the growth in Māori trained in social work, enrolled nursing and medicine now exceeds the proportion of Māori in the population.

Priority area 4: Māori health sector development

Actions under this priority area have improved access to mātauranga Māori services and the capacity and capability of the Māori health sector. Funds such as the Māori Provider Development Scheme reached 101 providers in 2020/21 and the refreshed programme, Provider Innovation and Sustainability Fund reached 149 providers between April 2022 and March 2023. Key benefits are that:

- the number of Māori providers increased from 240 in 2019/20 to 310 in 2022/23
- funding increased from \$579.4 million to \$812.8 million between 2019/20 and 2022/23.

Of notable success has been the work under Action 4.2: Strengthen evidence and expand access to rongoā Māori services, in parallel with developing the rongoā Māori workforce. Among the outcomes, Te Aka Whai Ora developed the Rongoā Māori Action Plan¹⁷ and the number of funded rongoā providers increased across Aotearoa New Zealand from 20 providers in 2019/20 to 41 providers in 2022/23. As a result, the number of people accessing rongoā services increased from 14,200 rongoā contacts in 2019/20 to 26,290 rongoā contacts in 2022/23.

The importance of supporting rangatahi Māori through mental health services is evident throughout Whakamaua. Following the implementation of Action 4.4: Increase access to and choice of kaupapa Māori primary mental health and addiction services, 72 kaupapa Māori Access and Choice service providers have delivered more than 110,000 sessions. An estimated 68,000 adults and 11,000 children accessed Māori mental health services in 2022/23 (an increase from 38,000 adults in 2016/17).

Concluding remarks on Whakamaua

Overall, the Ministry believes organisations across the health system and government sector have taken on board the aims and actions in Whakamaua. Collectively we are working to achieve them.

The foundations of Pae Tū: Hauora Māori Strategy¹⁸ come from Whakamaua, which has provided an interim pathway until 2025. Pae Tū enhances the direction of He Korowai Oranga: Māori Health Strategy, and its implementation plan, Whakamaua, to ensure both reflect the new health system and remain fit for purpose.

17 Te Aka Whai Ora. 2023. *Rongoā Māori Action Plan*. URL: tewhatauora.govt.nz/health-services-and-programmes/maori-health/rongoa-maori/ (accessed 11 September 2024).

18 Minister of Health. 2023. *Pae Tū: Hauora Māori Strategy*. Wellington: Ministry of Health. URL: health.govt.nz/publications/pae-tu-hauora-maori-strategy (accessed 11 September 2024).

Priority 3: Be the Government's primary advisor on health

A key part of our work is delivering advice to support Government decision-making to deliver better health outcomes. Providing high-quality advice helps to build our Ministers' trust and confidence in our work.

Develop and deliver a rolling programme of strategic policy advice to provide insights into and options for continuously improving health and system settings

We are the principal advisor on health to Government, and support Ministers to fulfil their role and achieve their priorities for health. After the new Government was formed, the Ministry undertook a significant amount of work to service and brief our new Ministers, including by supporting the establishment of the new mental health ministerial portfolio.

Aotearoa New Zealand's health system is founded on collaboration, partnership and shared leadership. We work with health entities and wider government agencies to provide effective advice to Ministers. In 2023/24, developing this advice involved assessing and analysing population health outcomes and the performance of the health system against Government objectives. We used our insights to provide advice on the legislative, regulatory, budgetary, policy and outcome settings that determine the health landscape and the way it operates – as well as advice on how these settings should change over time.

Policy advice over the past 12 months has covered:

- a work programme to examine the foundational settings that underpin how primary and community healthcare services are organised, financed and provided in Aotearoa New Zealand
- development of health targets, mental health and addiction targets and milestone measures
- reducing substance-related harms
- transition to a multi-agency response to 111 calls related to mental distress
- work with other social sector agencies on issues such as family and sexual violence, child protection, housing and the health needs of different population groups
- initial work to inform a review of the End of Life Choice Act 2019
- smokefree and vaping regulation
- communicable disease and pandemic preparedness
- prevention and the broader determinants of health
- global health initiatives
- alcohol harm reduction.

Confirming policy decision for new mental health legislation

We continued work to repeal and replace the Mental Health (Compulsory Assessment and Treatment) Act 1992. This piece of legislation sets out the rules for when the government may intervene in a person's life to provide mental health treatment without consent.

In 2023/24, we completed the policy development phase of the work, with Cabinet agreeing to a second suite of policy proposals in July 2023. The policy proposals for new legislation are intended to shift compulsory mental healthcare towards an approach that is more rights-based and directed towards recovery, providing care that better meets the needs of people and their family and whānau and uses intervention only as a last resort.

The materials setting out Cabinet's agreed policy for new legislation were proactively released on the Ministry's website in August 2023. Since then, we have been working with the Parliamentary Counsel Office to draft a bill.

We are also planning for implementation. In April 2024, we completed a series of meetings across the Health New Zealand regions to better understand the implications of implementing some of the key areas of new mental health legislation. Among these areas are capacity assessments, supported decision-making, cultural approaches and reducing restricted practices.

Prioritise equity for Māori, Pacific peoples, disabled people and other population groups who experience inequitable health outcomes within all policies, programmes and activities

Building organisational capability to support improvements in Māori health outcomes through a focus on prevention and equity

The work of the Public Health Agency is grounded in the recognition that significant inequities in health outcomes exist for Māori and Pacific communities and that these inequities arise because the communities are disadvantaged in the socioeconomic factors that affect health. To reduce ill health and disease and achieve health equity for Māori in the most effective way, we have directed our efforts towards preventing ill health and addressing underlying amenable health-related risk factors.

The Public Health Agency is committed to ongoing organisational development to improve our capability to understand, respond to and implement our obligations under Te Tiriti and in relation to Māori health equity. In the past 12 months we have:

- implemented and maintained Te Tiriti and Equity communities of practice across the Public Health Agency to support individual and collective understanding in developing effective public health policy for Māori
- partnered with Māori public health leaders from Te Aka Whai Ora (now part of Health New Zealand) and the National Public Health Service (also within Health New Zealand), along with the Ministry's Māori Health directorate to develop public health strategies and on key public health focus areas such as healthy food environments, pandemic and emergency preparedness, measles outbreak preparedness,

health natural adaptation planning, immunisation, housing, smoking and vaping, and addressing alcohol harm

- developed an internal organisation plan to enable the Public Health Agency to respond to and meet expectations for Māori–Crown relations under the Public Service Act 2020 in relation to Te Tiriti and equity
- developed and implemented tools to enable public health staff to consider equity and Te Tiriti in planning and developing public health policy
- engaged with Ministry-wide and cross-government initiatives to improve capability around Te Tiriti, Māori health equity and anti-racism. These initiatives include cross-government Whāinga Amorangi work, Ao Mai Te Rā – the Anti-Racism Kaupapa and Tū Tira – an equity, Te Tiriti and anti-racism community of practice. We have also undertaken language development with Te Taura Whiri i te Reo Māori – Māori Language Commission.

Engaging with Pacific communities on Te Mana Ola: The Pacific Health Strategy

Throughout the year, the Pacific Health team has been engaging with a diverse range of Pacific peoples. This involved sharing progress and reinforcing relationships built during the development of Te Mana Ola: The Pacific Health Strategy.¹⁹

Following the publication of Te Mana Ola, Te Mana Ola Engagement Report was published in July 2023.²⁰ The report provides a detailed summary of community insights shared with the Ministry throughout the engagement process for Te Mana Ola. Its purpose is to create a feedback loop in which we report publicly on what we heard from Pacific peoples. The report highlights the diverse experiences of Pacific peoples and aims to amplify the voices of under-represented groups, including tagata sa'ilimalo (Pacific disabled people and their families and carers), youth, women, rural communities, Pasifika Rainbow+/MVPFAFF+²¹ and people with lived experience of a mental health condition.

In the first half of 2024, the Pacific Health team reconnected with the Pacific health sector and community groups nationwide to update them on progress on Te Mana Ola. The purpose of the fono was to talk about the strategy and its alignment with the Government's priorities, and to share how Pacific voices and insights were integral to shaping Te Mana Ola.

19 Minister of Health. 2023. *Te Mana Ola: The Pacific Health Strategy*. Wellington: Ministry of Health. URL: health.govt.nz/strategies-initiatives/health-strategies/te-mana-ola-the-pacific-health-strategy (accessed 11 September 2024).

20 Ministry of Health. 2023. *Te Mana Ola Engagement Report: What we heard from Pacific peoples*. Wellington: Ministry of Health. URL: health.govt.nz/publications/te-mana-ola-engagement-report (accessed 11 September 2024).

21 This abbreviation stands for the names of the broad gender spectrum from across the Pacific region: mahu (Tahiti and Hawaii), vakasalewa (Fiji), palopa (Papua New Guinea), fa'afafine (Samoa), akava'ine (Cook Islands) fakaleiti (leiti) (Tonga) and fakafifine (Niue).

Throughout the engagement, the Pacific teams and staff from the Ministry and Health New Zealand were able to talanoa to communities to introduce themselves, explain their functions and demonstrate the synergies of the strategy across different parts of the health system. We chose to take this collective approach to engagement so that we reduced engagement burden on communities. The fono have been well received by communities, who have appreciated that the Ministry returned to them with updates.

Support the Crown to meet its Tiriti settlement commitments

The Ministry is responsible for supporting the Crown to meet its Tiriti settlement commitments relating to health services and outcomes for Māori. He Korowai Whakamana, a Cabinet-agreed framework, enhances the Crown's accountability for its Tiriti settlement commitments. It requires the Ministry to record, track and report the status of our settlement commitments every year.

In 2023/24, the Ministry used Te Haeata – the Settlement Portal to record whether each of our commitments is complete, on track, yet to be triggered or has delivery issues. As of 20 June 2024, the Ministry is responsible for 19 Tiriti settlement commitments. These include commitments relating to relationship redress, bespoke arrangements and participation arrangements over natural resources. Figure 6 summarises the status of the 19 commitments as of 30 June 2024.

Figure 6: The status of our Tiriti settlement commitments as of 30 June 2024



Most of the commitments are on track (63%) or yet to be triggered (32%). A small proportion of our commitments (5%) is complete. For most of our Tiriti commitments, the Crown does not have a set timeframe in which to meet them. Our work towards them requires ongoing negotiations and fulfilling specific legal and procedural requirements.

The Tiriti settlements that are on track demonstrate the Ministry's determination to fulfil our commitments, foster trust and build positive relationships with our Tiriti partners. We aspire to achieve this level of progress and partnership with all Tiriti partners.

Wai 2575 and other kaupapa inquiries

The Ministry has continued to lead the Crown’s response to Wai 2575, a thematic inquiry into health-related claims concerning nationally significant issues that affect Māori as a whole or a section of Māori across Aotearoa New Zealand in similar ways. This year, the Ministry supported claimant hearings as well as presenting evidence at the first week of the Crown response hearing for stage two, phase one (known as the disability phase). This work has involved providing information to update claimants’ evidence, responding to requests from claimants and the Waitangi Tribunal, leading the Crown response to claimant evidence through the development of 19 briefs of evidence, and leading or supporting other agencies to furnish evidence in response to queries.

The Ministry has continued to work with claimants to address the recommendations from the Waitangi Tribunal. This has included starting research into the potential for establishing a capital investment for Māori health providers to enable more sustainable means of delivering primary and community healthcare that is centred on whānau and works for Māori.

The Ministry has also engaged in and provided information and guidance to other kaupapa inquiries (including those on military veterans, housing and justice), as required. In December 2023, the Ministry responded to the Waitangi Tribunal on Wai 3307, the urgent hearing about the disestablishment of Te Aka Whai Ora, and Wai 3315, the urgent inquiry into smokefree legislation.

Repeal the Therapeutic Products Act 2023 and develop new proposals for the regulation of medicines, medical devices and natural health products

In July 2023, Parliament enacted the Therapeutic Products Act 2023 (TPA). The TPA was intended to replace the Medicines Act 1981, which is out of date, and provide for the comprehensive regulation of medicines, medical devices and natural health products.

Following the enactment of the TPA, the Ministry began work on its implementation. This included starting work on developing secondary legislation, building a new regulator within the Ministry and procuring a new information technology (IT) system.

In November 2023, following the October 2023 election, the new Government announced it would repeal the TPA. At this point, all work on implementing the TPA ceased. Since November 2023, the relevant teams in the Ministry have supported the Government to progress its commitment to repealing the TPA.

In May 2024, the Government announced that it would introduce a Bill to repeal the TPA, with the repeal to be complete before the end of 2024. The Government also announced it would develop new proposals to regulate medicines, medical devices and natural health products.

We began work to repeal the TPA to better respond and put in place a modern comprehensive regulatory regime for therapeutic products. Work is also underway to develop policy settings for a new regulatory regime, which can provide New Zealanders with safe and timely access to medicines, medical devices and natural health products.

Deliver further legislation as agreed to strengthen the statutory basis for the health system

As steward of the health system, we play a lead role in contributing to a coherent legislative framework for the health system. Following a period of legislative reform of the system, in 2023/24 we have focused on targeted and specific changes to give effect to Government direction, including:

- amending the Pae Ora (Healthy Futures) Act 2022 to disestablish Te Aka Whai Ora on 28 February 2024, enabling decisions to be made closer to the community, the home and hapū
- repealing amendments to the Smokefree Environments and Regulated Products Act 1990 including the retail reduction scheme, denicotinisation and the smokefree generation measures.



Priority 4: Future-proof our health system

Aotearoa New Zealand is changing (for example, because of an ageing population), which means the health system needs to change to meet New Zealanders' needs both now and in the future. We need to better prepare for emerging issues and opportunities, and to address risks we identify. Healthcare must adapt and learn to use new tools.

Facilitate collaborative action on population health approaches across other sectors that have a direct influence on determinants of health

Fetal alcohol syndrome disorder (FASD) is a leading cause of preventable intellectual and neurodevelopmental disability. While the true prevalence of FASD in Aotearoa New Zealand is unknown, an estimated 1,800 to 3,000 children in Aotearoa New Zealand are born with FASD each year. People with FASD can experience lifelong physical, behavioural, learning and mental health problems. The condition also has significant economic and social costs.

In 2023/24, the Public Health Agency helped to coordinate a health system response to FASD by:

- establishing a cross-agency approach to refresh the FASD strategic action plan, which will create a joined-up response and long-term direction for addressing FASD
- establishing an alcohol harm reduction steering group, which includes health agency, community and sector representatives, to support collaboration and inform harm reduction activities, including to address FASD
- using the alcohol levy-setting process to secure targeted funding for FASD activities aimed at preventing FASD and improving our understanding of FASD prevalence
- advising the Minister of Health on renewing the Government's focus on supporting people with FASD.

Lift horizon scanning capabilities in the Ministry and bring a specific focus on horizon scanning through our revised Ministry governance arrangements

As system steward, the Ministry is accountable and responsible for providing clarity and leadership on how the health system should best operate and its future direction. The Ministry has established new roles and governance groups to lift our capability and capacity to undertake future-focused, long-term strategic thinking and support the Ministry's system stewardship function. These are important given the intersection of trends and disruptors, from demographics to pharmaceuticals to technology, which are rapidly changing our health environment.

This year, the Ministry established a dedicated horizon scanning function so that we can be better prepared for emerging issues and opportunities. We also lifted the senior

capability in new and emerging technologies and treatments in genomics, precision health and artificial intelligence, and enhanced oversight of regulatory platforms. The purpose of all these measures is to enable innovation and appropriately integrate new methods into the Aotearoa New Zealand health system.

Within the Ministry's new governance system, the Clinical Leadership and Innovation Committee (CLI) has been established as a strategic subcommittee of both the EGT and the Strategic Stewardship Team (SST). CLI and SST are complementary bodies that mutually reinforce thought leadership, bringing a robust, future-focused approach to decisions on strategic prioritisation.

As the arrangements are implemented and embedded in the coming year, they will support the Ministry to achieve its priority of future-proofing the health system and taking a government-level leadership role.

Undertake a programme of work towards growing and retaining the health workforce, including work towards establishing a third medical school at the University of Waikato

The Ministry has had a key role in progressing a new medical school at the University of Waikato, which will lift our training capacity for Aotearoa New Zealand doctors. We signed a Memorandum of Understanding with the University of Waikato to establish a work programme, which includes creating and leading governance arrangements with other agencies.

With key stakeholders, we are now gathering information about the medical school and its wider system impacts, drafting programme and detailed business cases, developing an independent cost-benefit analysis and commissioning independent quality assurance of the work programme. This work plays an important role in providing decision-makers with assurance of the feasibility of the work programme as it progresses.

Additionally, to address workforce challenges, the Ministry has:

- lifted annual training capacity by funding 25 additional medical places across the University of Auckland and the University of Otago
- enhanced long-term strategic insights by establishing the Health Workforce and Systems Efficiencies Committee to advise the Minister of Health on managing health workforce challenges
- supported the Government to set its workforce priorities by providing advice on the challenges, aspirations and levers for the health workforce in the Ministry's Health Workforce Strategic Framework
- improved system-wide health workforce planning by providing strategic direction to Health New Zealand and other agencies through the Health Workforce Strategic Framework.

Case study: Develop and present to the House of Representatives our long-term insights briefing on precision health

The Public Service Act 2020 requires government departments to prepare a long-term insights briefing (LTIB) at least once every three years. The purpose of an LTIB is to increase the public service's focus on the long-term trends, risks and opportunities that may affect Aotearoa New Zealand and our society.

The Ministry's first LTIB topic was *Precision health: Exploring opportunities and challenges to predict, prevent, diagnose, and treat disease more precisely in Aotearoa New Zealand*.²² Precision health is an umbrella term for the use of technology and information to develop more precise ways to keep people healthy. This LTIB explored opportunities and challenges present in precision health through two areas of particular interest to stakeholders – genomics and artificial intelligence (AI).

Genomics and AI technologies are developing rapidly and present a range of new ways to think about prevention and treatment of health issues, disease and health promotion. However, they also create challenges and risks that must be considered and mitigated.

The LTIB identified several areas where changes to the health system and wider landscape for precision health will be needed over the long term. For example, we will need to:

- explore potential barriers and opportunities for safely expanding precision health in Aotearoa New Zealand
- put in place the workforce, governance arrangements, data and physical infrastructure and investment assessment frameworks necessary to deliver precision health
- make legal and regulation arrangements to mitigate risks and use tools for collective benefit.

The Ministry's LTIB was tabled in the House of Representatives on 7 August 2023, as required under the Public Service Act 2020. The Health Select Committee examined the LTIB in March 2024 and we continue to identify how to progress this work in line with Government priorities.

²² Ministry of Health. 2023. *Precision health: exploring opportunities and challenges to predict, prevent, diagnose, and treat health needs more precisely in Aotearoa New Zealand*. Wellington: Ministry of Health. URL: health.govt.nz/publications/precision-health-exploring-opportunities-and-challenges-to-predict-prevent-diagnose-and-treat-health (accessed 11 September 2024).

Strengthen links between science, public health and policy, particularly in relation to surveillance and the role of laboratories

The Public Health Agency provides public health leadership across the sector and influences the broader determinants of population health to enable people and their whānau to live healthy lives. In part, it does this by strengthening the links between science, public health and policy so that Government decisions are informed by evidence and evaluated once implemented.

Over the past year, evidence-led policy has informed the following work programmes:

- the ongoing strategic approach to COVID-19 surveillance in Aotearoa New Zealand
- assessing the readiness of the health system's ability to respond to a measles epidemic
- horizon scanning of new and emerging public health threats, such as the highly pathogenic avian influenza (HPAI), which has been detected internationally
- developing a national Public Health Surveillance Strategic Plan 2024–2029 to set the direction for strengthening the system
- Government decisions on smoking, vaping and other heated tobacco products
- the ongoing work to maximise laboratory science and expertise in supporting the wider public health knowledge and surveillance system
- advice on the potential of innovations in cancer screening technologies, modalities and approaches to prostate, ovarian and lung cancers.

Establish effective channels for proactively communicating evidence, insights and knowledge, in order to inform priority areas and decision-making within the Ministry and across the system

Making evidence accessible and available

The Health and Independence Report is required each year under the Health Act 1956, as the Director-General of Health's report to the Minister of Health on the state of public health in Aotearoa New Zealand. The Pae Ora Strategies published in 2023/24 cover the many factors that influence people's health and wellbeing, including the role of health services.

In 2023/24, we published the Health and Independence Report 2022²³ alongside the Pae Ora Strategies using a shared evidence base. The evidence base comprised health and non-health data that we used to assess the current state and set its future direction.

The Health and Independence Report 2022 and Pae Ora Strategies play core roles within the Ministry's accountability and direction-setting landscape, as well as providing a foundation for developing evidence-informed policy. Recognising this, the Ministry took additional steps to make the evidence accessible and available to the public.

We have compiled the data underpinning these documents into an evidence base that is available on the Ministry's website. With this easy access, data users and members of the public can consult statistics, navigate indicators and produce further analysis. The evidence base includes:

1. **user-friendly interactive and machine-readable data tables**, with previously unpublished data from the Minister of Health and Health New Zealand, available on the Ministry's GitHub webpage (github.com/minhealthnz/health-and-independence-report)
2. **reference lists** of all published evidence used to inform the direction of the Pae Ora Strategies, which are accessible in one document (health.govt.nz/system/files/2023-07/evidence_base_for_the_health_and_independence_report_2022.pdf).

23 Ministry of Health. 2023. *Health and Independence Report 2022*. Wellington: Ministry of Health. URL: health.govt.nz/publications/health-and-independence-report-2022 (accessed 11 September 2024).

Problem gambling research commissioning

We commissioned 18 gambling-related harm research projects as part of the research programme for the Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25.²⁴ The projects, funded by the gambling levy, cover a range of topics from a prevalence survey through to literature reviews and financial and economic analysis. They include:

- exploring gambling among older New Zealanders
- economic and social costing of gambling in Aotearoa New Zealand
- a longitudinal approach to understanding gambling relapse and associated factors
- measuring gambling-related financial harms that whānau and affected others experience and identifying practice to mitigate these harms
- children and stakeholders' views on gambling, its impact on children's health and wellbeing, and public health measures to protect children from harm.

These projects contribute to the goals of the strategy of improving equity, shifting social and cultural norms, supporting harm prevention and ensuring effective services provision. They also provide data and insights for emerging and critical research questions on gambling harm to support decision-making at the operational, service, policy and strategy levels. Projects are scheduled to be completed in mid-2025, and we will publish the reports on the Ministry's website.

24 Ministry of Health. 2019. *Strategy to Prevent and Minimise Gambling Harm 2019/20 to 2021/22*. Wellington: Ministry of Health. URL: health.govt.nz/publications/strategy-to-prevent-and-minimise-gambling-harm-201920-202122 (accessed 11 September 2024).

Case study: The establishment and ongoing evaluation of the Ministry's Research and Evaluation Fund

The Ministry's Research and Evaluation Fund (the Fund) was established during 2023/24. It provides an avenue for strategically investing in evidence generation, aligned with the Ministry's priorities. The Evidence, Research and Innovation – Te Pou Whakamārama (ERI) directorate provides operational support for the Fund. Two Ministry-wide advisory and governance groups support the development of robust and transparent advice on fund allocation for the Deputy Director-General ERI.

The Fund's first round saw 10 of 22 submissions approved. The approved submissions, by category, are:

- **Research:** Capital investment for Māori health providers
- **Research:** Exploring the experiences and impact of vaping among Pacific youth in New Zealand
- **Research:** Improving the quality of Pacific peoples' health data
- **Evaluation:** Drug and substance checking legislation
- **Evaluation:** Dementia Mate Wareware Action Plan
- **Evaluation:** Allied health – care capacity demand methodology (CCDM) pilot
- **Research/Evaluation:** Showing impact and innovation: Māori-led primary-care delivery at the Porirua Health Hub
- **Research/Evaluation:** Measures of pae ora
- **Research/Evaluation:** A Māori health research agenda
- **Research/Evaluation:** Climate and health vulnerability and adaption assessment.

In addition, the Fund directly contributes to our learning health system in the following ways.

- **Structures:** Ministry-wide representation on the Fund advisory groups keeps the Ministry connected and aware of evidence needs at a strategic level.
- **Processes:** Ongoing evaluation of the Fund enables rapid improvement and sharing of learnings.
- **Tools:** A prioritisation tool based on known research and evaluation success factors helps in making recommendations for how to use the Fund and guides the development of impactful evidence.

Evaluation of the Fund's first round shows the Fund's processes, and its advisory and decision-making structures have worked well. As the Fund is in its establishment phase, evaluation has mostly been concerned with how to improve the process for later Fund rounds. Over time, the focus of the Fund evaluation will shift to assessing the impact of funded projects, and how the Fund can contribute to a learning Ministry and a wider learning health system.

Preparedness to respond to future major catastrophic events or emergencies

The New Zealand Medical Assistance Team (NZMAT) is a group of health professionals, including doctors, nurses, public health staff and paramedics. They are specifically trained to be deployed to areas affected by health emergencies, such as natural disasters (eg, earthquakes and cyclones) and public health outbreaks (eg, measles and COVID-19).

NZMAT is an emergency medical team that the World Health Organization (WHO) has accredited and then re-verified in November 2023. As part of its re-verification, the WHO commended NZMAT for providing healthcare well beyond the minimum requirements. The review panel members acknowledged NZMAT's contributions to the WHO emergency medical team initiative at both regional and global levels, by responding to health emergencies as part of an all-of-government humanitarian response to the Pacific region and through our mentorship role with other countries developing emergency medical teams.



Priority 5: Be the regulator of the health system

The Ministry is responsible for ensuring public safety and quality through our regulatory functions and activities. Fulfilling this responsibility includes promoting the safe provision of health services to the public, monitoring the safety of medicines and enabling innovative ways of working to improve health outcomes.

Strengthen our approach to regulatory stewardship

In 2023/24, we strengthened our approach to regulatory stewardship by:

- appointing a new chief regulatory officer
- establishing a new executive subcommittee
- starting to conduct regular reviews of the regulatory and legislative environment, where we monitor the effectiveness of regulatory interventions and the broader landscape.

The establishment of the chief regulatory officer role will strengthen the Ministry's approach to regulatory stewardship. This role includes taking initiatives that support the Regulatory Stewardship Subcommittee.

The purpose of the Regulatory Stewardship Subcommittee is to provide assurance oversight and a strategic perspective on regulatory stewardship for the Ministry. Since the Subcommittee's establishment, a work programme has been implemented, which includes trialling the application of a Regulatory Review Framework endorsed by G-Reg, the government regulatory best practice forum. The first review began in June 2024.

We are also developing a Regulatory Stewardship Governance operating model to guide the implementation of upcoming regulatory changes across the Ministry. Among the areas of regulatory changes are mental health and medicinal products and devices.

Support an independent formal review of the implementation of the assisted dying service

The Ministry commissioned an independent review of the assisted dying service in early 2023. The review covered the period from 7 November 2021 to 6 November 2022. Its purpose was to provide feedback to inform the ongoing development of the assisted dying service. The review took place over a three-month period.

The key objectives of the review were to indicate whether the service had been implemented in a way that:

1. reflects the Ministry's obligations under Te Tiriti
2. upholds the intention of the End of Life Choice Act 2019 (the 2019 Act).

The review found that the Ministry had established a process for assisted dying that is robust and trusted, upholding the intention of the 2019 Act. It identified several opportunities for improvement, including by separating the regulation of assisted dying services from service delivery and by making improvements to the IT platform. The review also found that the assisted dying service has been well developed to provide protection for Māori seeking assisted dying, and that an equity perspective was applied in implementing the 2019 Act. Another significant outcome of the review was to identify opportunities continue the momentum of engagement with Māori.

The Ministry administers the 2019 Act. As part of the wider health system reform, the operational components of the assisted dying service were transferred to Health New Zealand on 6 March 2023, along with operational-related recommendations from the review. Work to develop a new IT platform continued throughout 2023/24 and is ongoing.

Amend the radiation safety regulations based on audit and advice from the new quality management system

The Office of Radiation Safety (ORS) conducted a review of the Radiation Safety Regulations 2016, with input from our quality management system and compliance monitoring programme. The review found that it was necessary to make changes to the fees paid under the Radiation Safety Regulations 2016 and other minor technical changes.

The fees that were originally set in 2016 did not cover the costs to administer the Radiation Safety Act 2016. The review pointed to the need to increase them in order to meet the original intent of fully recovering the direct and indirect costs of administering the legislation.

The review also found that some radiation practices did not fall into the correct (risk-based) compliance monitoring category. On this basis, they were not paying the appropriate fee.

These changes, as well as other minor amendments that were required for technical accuracy and proportionality, were established by the Radiation Safety Amendment Regulations 2023, which came into force on 28 June 2023.

The ORS prioritised the implementation of these changes during 2023/24. Its work in this area reinforced our commitment to maintaining a high standard of regulatory practice and assurance.

Support the transition to Ngā Paerewa Health and Disability Services Standard

Ngā Paerewa Health and Disability Services Standard NZS8134:2021 (Ngā Paerewa) came into effect for all regulated providers on 28 February 2022 and for Home and Community Support Services on 1 July 2023. HealthCERT supported the transition to the new standard through mechanisms such as a non-punitive grace period, online e-learning training modules and sector guidance, sector surveys, and regular meetings and conversations with the sector.

After the grace period ended, in August 2023 the Ministry commissioned an independent evaluation of HealthCERT's implementation of Ngā Paerewa. This evaluation, completed in March 2024, concluded that HealthCERT provided effective communication and developed useful training and resources to support the sector.²⁵

Develop and implement a data analytics framework for certification and audit of health and disability services

HealthCERT completed the development of a data analytics framework in early 2023 to provide high-quality data products related to the quality of health and disability services in Aotearoa New Zealand. This framework facilitated structured data collection, management, analysis and reporting that led to the creation of the HealthCERT Data Profile Dashboard.

This comprehensive tool provides an overview of all available HealthCERT data collected under its certification scheme. It has been integrated into the HealthCERT team's core operations. Throughout 2023/24, it provided access to HealthCERT data such as case-level information and overall trends, enabling users to quickly and easily view data related to complaints, audit results and corrective action. The resulting insights informed operational decision-making by the HealthCERT team.

In partnership with health entities, develop an assurance framework and approach to determine the critical features of the reformed system that is to be delivered by July 2024, and how to monitor progress

The System Reform Assurance Office (SRAO) was established for a period of 12 months in December 2023. The SRAO's role is to provide assurance as to how the health agencies are achieving the outcomes intended by the health reform. It provides advice independent of the views of any individual health agency.

The SRAO is working to an assurance framework that was agreed in early 2024. Its work includes carrying out focused assurance exercises on important elements of reform such as system governance and leadership, direction-setting and planning, operating models and performance monitoring and management. By the end of 2024, the SRAO will also have provided advice on how the Director-General of Health and the health agencies can meet their ongoing needs for assurance on health system reform and transformation.

25 Malatest International. 2024. *Ngā Paerewa Implementation Evaluation: Final report*. URL: health.govt.nz/system/files/2024-05/final_nga_paerewa_report_accessible.pdf (accessed 11 September 2024).

Case study: Ensuring safety standards for services

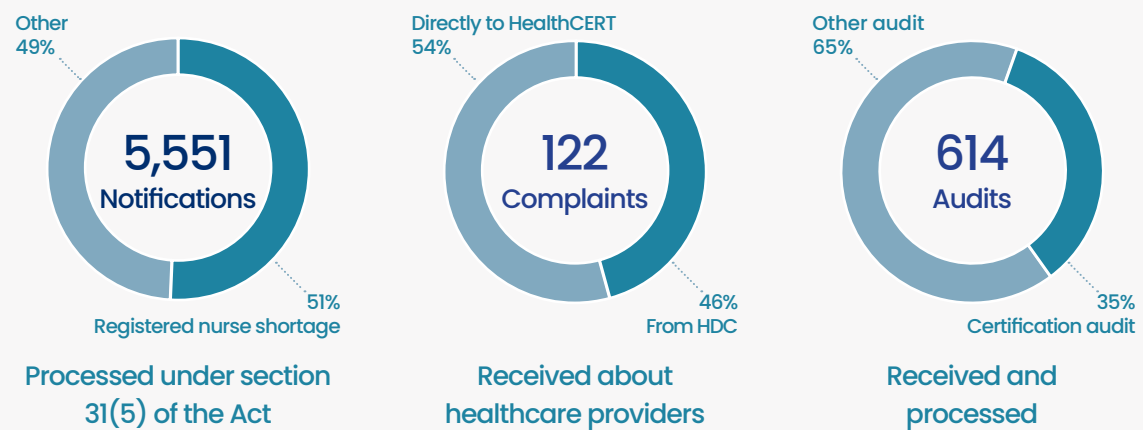
HealthCERT administers the Health and Disability Services (Safety) Act 2001 (the 2001 Act). The aim of the Act is to:

1. promote the safe provision of health and disability services to the public
2. enable the establishment of consistent and reasonable sector standards
3. encourage health and disability service providers to take responsibility for providing those services safely to the public and undertake continuous quality improvement.

A total of 581 legal entities hold 891 active certificates of regulated providers. The 2001 Act requires regulated providers to be audited against Ngā Paerewa Health and Disability Services Standard. Ngā Paerewa came into effect in February 2022, replacing previous standards, and reflects the shift towards health and disability services that are centred on people and whānau. Other significant changes included strengthened infection prevention and antimicrobial stewardship, and a greater focus on supporting service providers to meet Te Tiriti obligations.

HealthCERT’s core work for 2023/24 included the following:

- HealthCERT processed 5,551 notifications under section 31(5) of the 2001 Act (which requires a person certified to provide healthcare services to promptly give the Director-General of Health certain information such as any at-risk incident or situation, investigation or death).
- HealthCERT received 122 complaints about healthcare providers. Of this total:
 - 66 complaints came directly to HealthCERT or via the funder
 - 56 complaints were referred from the Health and Disability Commissioner.
 Currently these complaints are at various stages of investigation.
- HealthCERT received and processed 614 audits.



HealthCERT has undertaken a significant project to revise the public hospital audit framework. The Pae Ora (Healthy Futures) Act 2022 amalgamated 20 district health boards into one national entity, Health New Zealand. The new structure requires a review of how public hospital services are certified under the 2001 Act and audited against Ngā Paerewa.

The review of the public hospital audit framework began in July 2023 and a revised audit framework was submitted to the Director-General of Health in July 2024. The next phase of this project will be to plan the implementation of the changes.

Priority 6: Transform ourselves

The Ministry has needed to make shifts in our own ways of working, structure, functions and activities so that we are well positioned in our role in the reformed health system.

Future-focused Ministry transformation programme

In August 2023, the Ministry established a 12 to 18-month transformation programme to deliver a longer-term programme of work that will grow our capability and continue to develop and embed improved ways of working. The programme will ensure the Ministry has the right capabilities and size to be in line with our core role as steward of the health system.

The programme's objectives are for the Ministry to:

- be a future-focused and proactive kaitiaki of the health system with a great reputation for engaging with our public service, health system, and Te Tiriti and community partners
- have fit-for-purpose structures, processes and tools that reduce duplication, remove barriers, are affordable within reducing baselines and foster a high-trust environment
- have people with the right skill set to deliver on our strategic priorities through effective workforce planning and investment in capability development
- have a highly collaborative environment where organisational hierarchy plays less of a role in how people interact and solve problems
- be recognised as a great place to work.

On 2 October 2023, phase one of the transformation programme was complete. This work had involved establishing the right directorate structures and leadership for our refocused role in the health system.

The programme pivoted in December 2023 to support the development of proposals for organisational change that addressed the Ministry's size and structure. Despite the significant focus on change, the programme continued to lead work on implementing key capabilities that will support the Ministry to undertake its stewardship role.

This work included:

- establishing new governance arrangements to provide sufficient time for strategic conversations and to empower senior leaders with a broader scope for decision-making
- lifting capability in key areas such as maternity, horizon scanning and system reform
- refreshing the Ministry’s organisational strategy, which will inform the development of new strategic intentions
- designing a new business planning and reporting approach to be implemented in 2024/25
- delivering a rolling programme of process improvement initiatives, including digitising manual processes.

The Ministry adopted a new approach to business planning to enhance our prioritisation, collaboration and delivery. From 1 July 2024, the Ministry moved from a directorate-based annual business plan to priority-led business planning that has 90-day cycles based on medium-term and long-term priorities. This change will allow us to be more agile with our resources.

Six deputy directors-general oversee this approach in convening roles. They have responsibility for building plans that span directorates, facilitate greater cross-directorate collaboration, realise our priorities and support the new organisational structure.

Establish new structures to ensure senior leaders have sufficient time for strategic conversations and broader scope for decision-making

As the scope and role of the Ministry have changed following the enactment of the Pae Ora (Healthy Futures) Act 2022, our governance, leadership and decision-making arrangements have been redesigned to enable us to fulfil our role as health system steward.

The Executive Leadership Team has been replaced by the EGT and the Strategic Stewardship Team (SST). Both governance forums are designed to provide the Ministry’s leadership with sufficient time for strategic conversations on Ministry and health sector priorities. The EGT is about strategy, performance and risk.

The OLT has been redesigned to focus on organisational planning, reporting, policies, processes and guidelines. This allows EGT and SST to have sufficient time for higher-level strategic discussions.

The Ministry’s refreshed governance system also broadens the scope of decision-making by establishing strategic subcommittees. The membership of the subcommittees comprises non-executive leadership, drawing on the breadth of expertise and knowledge from across the Ministry. Subcommittees support the EGT and SST by providing detailed information on strategic priority areas, such as equity and Te Tiriti, and system monitoring.

Continue to ensure clarity on roles and responsibilities for Māori health following the Pae Ora (Disestablishment of Māori Health Authority) Amendment Act 2024

One of the initiatives in the Government's 100-day plan was to introduce legislation to disestablish Te Aka Whai Ora. The Pae Ora (Disestablishment of Māori Health Authority) Amendment Act 2024 (the 2024 Amendment Act) saw 13 positions from Te Aka Whai Ora transferred to the Ministry under the Health Sector (Transfers) Act 1993. The transferred positions relate to Māori health policy and monitoring functions and align with the Ministry's leadership and chief steward responsibilities as principal advisor on health policy, strategy and monitoring for Māori. The Ministry provided new team members with a tailored orientation programme including facilitated workshops to support their understanding of the Ministry's role, stewardship responsibilities, functions and priorities.

Under the 2024 Amendment Act, the Director-General of Health also assumes responsibility for recognition of IMPBs from 1 July 2024. The Ministry has supported work to establish IMPBs previously and is well placed to take up this function.



Results from outcome measures and interim system measures

In this section, we report on both outcome measures and measures for system performance. These measures reflect the Ministry's role as steward of both the health of the population of Aotearoa New Zealand, where we assess health outcomes and trends, and the health system, where we focus on how the system works.

The Ministry has used an interim set of measures for system performance for the year ended 30 June 2024. The Health System Indicators (HSI) framework, which the Ministry previously reported against, was disestablished in 2023/24, and targets came into effect from 1 July 2024 (for more details, see *Interim measures for system performance*).

As Health New Zealand is responsible for the day-to-day running of the public health system, including hospital and specialist services, and primary and community care, it is through our stewardship role that the Ministry contributes to the specific measures. The measures below represent key elements and evidence for monitoring the performance of the health system and are relevant to the Ministry's own functions and objectives.

Outcome measures

Health-adjusted life expectancy improves over time

Measures	Health-adjusted life expectancy is the number of years a person at birth can expect to live at a given age in good health taking into account mortality and disability.
Target	Improved results for males and females.
Results	People in New Zealand live longer in good health but spend a higher proportion of their lives with disability.

Health-adjusted life expectancy (years)^{26, 27}

	1990	2000	2010	2015	2016	2017	2018	2019	2020	2021
Female	65.8	68.1	69.6	69.9	70.1	70.0	70.1	70.2	70.7	70.4
Male	63.2	66.2	68.7	69.2	69.4	69.4	69.5	69.4	69.8	69.9

²⁶ Results from earlier years have been updated as the estimates are recalibrated and re-estimated based on new information, data and methods each year. See: Global Health Data Exchange (GHDx) for Global Burden of Disease study results: vizhub.healthdata.org/gbd-results/

²⁷ These figures are from GHDx health-adjusted life expectancy for age group (0–6 days), downloaded 17 June 2024.

Life expectancy increases over time

Measure Life expectancy at birth as an indicator of the number of years a person can expect to live, based on population mortality rates at each age in a given year/period.

Target Improved results for male/female and Māori/non-Māori.

Result Life expectancy is a summary measure of mortality. Although the long-term trend for New Zealand continues to be upward, the rate of growth has slowed markedly for women since 2010 and for men since 2018. Improvements in Māori life expectancy at birth since 1995–97 have narrowed the gap between Māori and non-Māori.

Life expectancy at birth (years of life)²⁸

	1995–97	2000–02	2005–07	2012–14	2017–19	2019–21	2020–22	2021–23
Female	79.7	81.1	82.2	83.2	83.5	84.1	84.0	83.7
Male	74.4	76.3	78.0	79.5	80.0	80.5	80.5	80.3

Ethnicity and sex²⁹

	1995–97	2000–02	2005–07	2012–14	2017–19
Māori female	71.3	73.2	75.1	77.1	77.2
Māori male	66.6	69.0	70.4	73.0	73.5
Non-Māori female	80.6	81.9	83.0	83.9	84.4
Non-Māori male	75.4	77.2	79.0	80.3	80.9

Note: Please take care when making comparisons to 2012–14 period life tables, particularly for the Māori ethnic group. The revised Māori population estimates suggest an apparent underestimation of the Māori ethnic group.

Life expectancy figures for 2019–21 and 2020–22 are an interim indication of trends from abridged period life tables. All other figures are based on complete period life tables.

28 Data in this table is available at the following locations:

- 1995–97 to 2017–19: stats.govt.nz/information-releases/national-and-subnational-period-life-tables-2017-2019
- 2019–21: stats.govt.nz/information-releases/births-and-deaths-year-ended-december-2021-including-abridged-period-life-table/
- 2020–2022: stats.govt.nz/information-releases/births-and-deaths-year-ended-december-2022-including-abridged-period-life-table/
- 2021–23: stats.govt.nz/information-releases/births-and-deaths-year-ended-december-2023-including-abridged-period-life-table/

Each number given is the median (50th percentile) expected years of life remaining at age zero.

29 National and subnational period life tables: 2022–24 will be released in 2025.

Decrease age-standardised disability-adjusted life years (DALYs) per 1,000 people

Measure DALY is an abbreviation for disability-adjusted life year. One DALY represents the loss of one year lived in full health. DALYs include health losses from premature mortality and years lived with a disability based on severity. It allows policy makers, researchers and others to compare very different populations and health conditions across time. DALYs allow us to estimate the total number of healthy years of life lost due to specific causes and risk factors.

The age standardised DALY rate is the raw DALY rate adjusted for differences in the age distribution of different populations and is used for population comparisons, for example, between different periods or different countries.

Target Decrease.

Result Age-standardised DALY rates per 1,000 decreased from 1990 until 2019. As the population is growing and ageing, the absolute number of DALYs has slowly increased from 1,074,208 in 1990 to 1,348,336 in 2021.

Disability-adjusted life years (DALYs) per 1,000 people³⁰

	1990	2000	2010	2015	2016	2017	2018	2019	2020	2021
Female	265	231	211	205	204	204	202	203	197	200
Male	328	269	228	219	216	217	214	216	209	209
Total	294	249	219	211	210	210	208	209	202	204

³⁰ Results from previous years have been updated as the estimates are recalibrated and re-estimated based on new information, data and methods each year. For more information, see: ghdx.healthdata.org/gbd-results-tool.

Life expectancy by health spending per capita compares well within the OECD

Measure	New Zealand maintains its position within the Organisation for Economic Co-operation and Development (OECD), balancing relatively high life expectancy outcomes with relatively modest health expenditure.
Target	Maintain OECD position.
Result	In 2021, New Zealand ranked 14th out of the 35 OECD countries that reported on life expectancy at birth. For this indicator, New Zealand continues to maintain a relatively high life expectancy among other comparable countries and is ranked in the top half of countries within the OECD. Fluctuations in the rank position of New Zealand among similar countries over time do not necessarily reflect an improving or declining life expectancy relative to the other OECD countries. In 2022, New Zealand ranked 16th out of 38 OECD countries for health expenditure. Health expenditure is measured per capita in terms of constant prices and 2015 purchasing power parities. ³¹

OECD Life expectancy and health expenditure – position among OECD countries³²

	2005	2010	2015	2017	2018	2019	2020	2021	2022
Life expectancy at birth	12th of 38	13th of 38	16th of 38	16th of 38	19th of 38	16th of 38	11th of 37	14th of 36	No data ³³
Health expenditure	21st of 38	20th of 38	19th of 38	19th of 38	19th of 38	19th of 38	19th of 38	19th of 38	16th of 38

Independent life expectancy

We have not reported the outcome measure 'independent life expectancy' because updated results from the 2023 Household Disability Survey are not yet available. Data was last collected in 2023 and results are expected by around November 2024. The Ministry and Stats NZ calculate the update of independent life expectancy following the release of the survey results. The last results are from 2013.

31 Health expenditure as reported here covers expenditure on health by both government and households. Downloaded from OECD Data Explorer, data-explorer.oecd.org, 11 July 2024.

32 This data was obtained from OECD Data Explorer's health statistics data base stats.oecd.org/index.aspx?DataSetCode=HEALTH_STAT#, 18 June 2024. When countries are tied, each country is given the minimum ranking for that value. For example, if two countries have an equal life expectancy that is in second place, they will both be given the ranking 2 and the next country will be ranked 4.

33 Life expectancy about birth data for New Zealand is not available in the OECD dataset as of 25 June 2024.

Interim measures for system performance

In this section, we use the following interim set of measures to report on system performance:

1. immunisation rates for children of 24 months of age
2. ambulatory sensitive hospitalisations (ASH) for:
 - a. children (aged 0–4 years)
 - b. adults (aged 45–64 years)
3. shorter stays in emergency departments
4. under 25-year-olds able to access specialist mental health services within three weeks of referral
5. funding received by kaupapa Māori health service providers
6. people report they can get primary healthcare when they need it.

The strategic intentions 2022–2026 included the health system indicators (HSI) framework to measure the performance of the Aotearoa New Zealand health system. These health system indicators included:

- immunisation rates for children at 24 months of age
- ASH for children (aged 0–4 years)
- under 25-year-olds able to access specialist mental health services within three weeks of referral
- access to primary mental health and addiction services (in development)
- ASH for adults (aged 45–64 years)
- participation in the bowel screening programme
- acute hospital bed day rate
- access to planned care
- people report they can get primary care when they need it
- people report being involved in the decisions about their care and treatment
- annual surplus/deficit at financial year-end
- variance between planned budget and year-end actuals.

The Ministry previously reported against these health system indicators. However, in 2023/24, the HSI framework was disestablished. The new suite of health targets and mental health and addiction targets came into effect from 1 July 2024, replacing the HSI framework. Given the gap in 2023/24, the Ministry developed the interim set of system measures to report against for the year ended 30 June 2024.

Key considerations in developing the interim set of measures included whether measures were material to system performance, quality of data available, and a set that includes both measures that look backwards (eg, indicators in the HSI framework and Whakamaua) and measures that are future focused (eg, aligned to Government Targets or health targets). The resulting interim set contains the following health system indicators from the HSI framework:

- immunisation rates for children at 24 months of age
- ASH for children (aged 0–4 years)
- under 25-year-olds able to access specialist mental health services within three weeks of referral
- ASH for adults (aged 45–64 years)
- people report they can get primary healthcare when they need it.

Health New Zealand will report on all the health system indicators from the HSI framework in its annual report.

For several of the measures, data for the year ending 30 June 2024 is not available. In these cases, we report here on data for the 12 months to March 2024, which is the most up-to-date information available at the date of publication. This reflects the time required to take important process steps, including in collecting, processing and validating data to reduce the risk of errors and provide confidence in publicly reported performance information.

Where the most up-to-date information available for a measure is for 12 months to March 2024, data for the year to March has been included across the time series to provide consistency and for ease of comparison. In these instances, we have used baseline data to March rather than the baselines in the strategic intentions 2022–2026.

Immunisation rates for children of 24 months of age

Indicator description Percentage of children who have had all their age-appropriate scheduled vaccinations by the time they are two years old.

Baseline data 14,146 two-year-old children fully immunised (91.9% of children of 24 months of age).³⁴

Results (Percentage of children fully immunised at age 24 months for the year ending 30 June)

	Baseline (Oct to Dec 2019)	12 months to June 2020	12 months to June 2021	12 months to June 2022	12 months to June 2023	12 months to June 2024
All ethnicities	91.9%	91.3%	83.3%	83.7%	82.4%	77.3%
Māori	87.5%	87.1%	79.3%	69.5%	68.2%	64.9%
Pacific peoples	93.8%	93.5%	88.1%	82.2%	80.6%	73.3%
Asian	–	–	–	–	93.0%	83.7%
Non-Māori non-Pacific non-Asian	–	–	–	–	86.0%	82.4%

Comment

Timely immunisations protect children against harmful and avoidable diseases. When community immunisation coverage is below 95%, the risk of vaccine-preventable diseases increases, particularly for measles and pertussis (whooping cough). The National Immunisation Schedule is a series of vaccines offered free as part of the National Immunisation Programme, with the aim of protecting children from serious diseases when they are most vulnerable.

This indicator counts the children enrolled on the Aotearoa Immunisation Register (AIR) who turn 24 months old during the reporting period and have completed all age-appropriate immunisations according to the National Immunisation Schedule (events currently at 6 weeks, 3 months, 5 months, 12 months and 15 months) by the age of 24 months.

Note: Immunisation status does not indicate whether the vaccinations were given on time. It shows only whether a child has had all the recommended vaccinations by that age.

During the 2023/24 financial year, Health NZ transitioned immunisation reporting from the retired National Immunisation Register (NIR) to the Aotearoa Immunisation Register (AIR). The AIR denominator incorporates individuals from the NIR and COVID-19 Immunisation Registers (CIR) and is validated against the National Health Index. This has identified an increase in active consumers of AIR, resulting in a reduction in reported immunisation rates (as these would generally not be included in the numerator). This is considered an improvement in data collection methodology.

A comparison for the 12 months ended June 2023 between the reported prior year figures from NIR and the updated figures from the AIR is:

NIR:	AIR:
Population*: 62,090	Population#: 65,943
Completed milestone: 50,997	Completed milestone: 50,128
Result:	
NIR: 82.13%	AIR: 76.02%

* Children (2-year-olds) registered at the time of vaccination

All children (registered and unregistered) are now counted in the denominator

34 The strategic intentions 2022–2026 incorrectly provides the baseline data for this indicator alongside ASH for children (age range 0–4 years).

Ambulatory sensitive hospitalisations (ASH) for children aged 0–4 years

Indicator description Rate of hospital admissions for children under five years old for an illness that might have been prevented or better managed in the community.

Baseline data 21,559 ambulatory sensitive hospital admissions for children under five years old (7,066 per 100,000 children under five years old).³⁵

Results (ASH rate per 100,000 children 0 to 4-year-olds for 12-months ending 31 March*)

	Baseline (12 months to March 2019)	12 months to March 2020	12 months to March 2021	12 months to March 2022	12 months to March 2023	12 months to March 2024*
All ethnicities	7,066	6,575	4,533	5,893	7,665	7,356
Māori	8,494	7,966	5,267	6,748	8,155	8,046
Pacific peoples	12,698	12,024	7,397	10,604	14,312	14,151
Asian	6,048	5,601	4,018	4,999	6,902	6,755
Non-Māori non-Pacific non-Asian (or other)	5,378	4,970	3,680	4,723	6,219	5,656

* At the time of publication, the most up-to-date data available is for the 12 months to March 2024. We have used 12 months of data to take account of seasonal fluctuations in the rate.

Comment

Ambulatory sensitive hospitalisations are a group of mostly acute admissions that are considered potentially reducible through prophylactic or therapeutic interventions delivered in a primary care setting.

As a likely consequence of COVID-19, the number of child ASH admissions was relatively low for the years ending March 2021 and March 2022. The overall child ASH rate has since increased and is now higher than the 2019 (pre-COVID-19) rate. The higher rates for Māori and especially Pacific populations remain concerning and are a key focus for improvement.

The ASH numbers reported for 2023/24 differ from the previous year's reporting due to the numbers changing as the underlying system National Minimum Dataset is live and districts can retrospectively update records in the system – this includes adding, amending or removing records in prior years

35 The strategic intentions 2022–2026 incorrectly provides baseline data for this indicator alongside immunisation rates for children at 24 months of age.

Ambulatory sensitive hospitalisations (ASH) for adults aged 45–64 years

Indicator description Rate of hospital admissions for adults aged 45–64 years for an illness that might have been prevented or better managed in the community.

Baseline data 48,340 ambulatory sensitive hospital admissions for adults aged 45–64 years (3,892 per 100,000 adults aged 45–64 years).

Results (Age standardised ASH rate per 100,000 adults 45 to 64-year-olds for 12-months ending 31 March*)

	Baseline (12 months to March 2019)	12 months to March 2020	12 months to March 2021	12 months to March 2022	12 months to March 2023	12 months to March 2024*
All ethnicities	3,892	3,816	3,496	3,594	3,693	3,849
Māori	7,465	7,498	6,677	6,792	6,976	7,265
Pacific peoples	8,644	8,347	7,151	7,063	7,510	8,188
Asian	2,405	2,261	2,056	2,200	2,156	2,449
Non-Māori non-Pacific non-Asian (or other)	3,173	3,095	2,893	2,971	3,028	3,063

* At the time of publication, the most up-to-date data available is for the 12 months to March 2024. We have used 12 months of data to take account of seasonal fluctuations in the rate.

Comment

Ambulatory Sensitive Hospitalisations (ASH) are a group of mostly acute admissions that are considered potentially reducible through prophylactic or therapeutic interventions delivered in a primary care setting.

As a likely consequence of COVID-19, the number of adult ASH admissions decreased in the year ending March 2021. The rate then increased steadily from the year ending March 2022 through to the year ending March 2024 and is now close to levels before COVID-19. Higher ASH rates for Māori and Pacific populations remain concerning and are a key focus for improvement.

The ASH numbers reported for 2023/24 differ from the previous year's reporting due to the numbers changing as the underlying system National Minimum Dataset is live and districts can retrospectively update records in the system – this includes adding, amending or removing records in prior years

Shorter stays in emergency departments

Indicator description The percentage of emergency department (ED) patients who are admitted, discharged, or transferred from an ED within six hours.

Baseline data 1,055,552 out of 1,194,864 ED attendances were admitted, discharged, or transferred within six hours (88.3%) in the 12 months to March 2019.

Results (Distinct count of ED attendances where minutes between date and time of presentation, to date and time of departure is less than 360 minutes (6 hours) ending 31 March*)

	Baseline (12 months to March 2019)	12 months to March 2020	12 months to March 2021	12 months to March 2022	12 months to March 2023	12 months to March 2024*
All ethnicities	88.3%	85.4%	85.6%	80.0%	73.0%	69.6%
Māori	89.0%	86.6%	86.9%	82.3%	76.7%	73.9%
Pacific peoples	89.1%	85.4%	87.2%	79.5%	71.8%	67.7%
Asian	91.2%	88.4%	89.3%	83.1%	75.2%	71.9%
Non-Māori non-Pacific non-Asian	87.6%	84.5%	84.4%	78.8%	71.5%	67.8%

* At the time of publication, the most up-to-date data available is for the 12 months to March 2024. We have used 12 months of data to take account of seasonal fluctuations in the rate

Comment

This indicator is one of the 10 health and mental health and addiction targets that the Government announced and is Target 1 in the suite of nine Government Targets. It examines flow of patients through hospitals and EDs and is an important barometer of system performance.

Performance has deteriorated over time due to a range of factors including increased acute demand and growth in ED presentations, an ageing population and increased complexity of patients, and an increase in the number of patients unable to access timely primary and community care. The Ministry is working closely with Health New Zealand to improve performance with particular attention to reducing hospital bed block, preventing avoidable hospitalisations, and increasing hospital and community capacity.

Under 25-year-olds able to access specialist mental health services within three weeks of referral

Indicator description Percentage of child and youth accessing mental health services within three weeks of referral.

Baseline data 70.9% of under-25-year-olds able to access specialist mental health services within three weeks of referral.

Results (Percentage of under 25-year-olds who were able to access specialist mental health services within three weeks of referral for the 12 months ending 31 March*)

	Baseline (12 months to March 2019)	12 months to March 2020	12 months to March 2021	12 months to March 2022	12 months to March 2023	12 months to March 2024*
All ethnicities	70.9%	69.4%	69.1%	72.6%	69.2%	66.7%
Māori	75.8%	74.2%	75.4%	79.4%	76.6%	73.0%
Pacific peoples	78.1%	77.9%	78.6%	86.6%	80.8%	78.0%
Asian**	–	–	–	–	–	69.1%
Non-Māori non-Pacific non-Asian**	–	–	–	–	–	62.0%

* At the time of publication, the most up-to-date data available is for the 12 months to March 2024. We have used 12 months of data to take account of seasonal fluctuations in the rate.

** It is not possible to provide data for the earlier periods for these groups as the data has not been extracted with the ethnicity breakdown for them.

Comment

Early and timely access to specialist mental health and addiction services for people who need it is crucial to support people's recovery, help them to live well, and prevent further deterioration in their mental health and overall quality of life. Accessing help for mental health issues for young people is associated with better outcomes and reduced disruption to important developmental tasks such as engaging in education and employment, developing and maintaining supportive peer relationships, and taking on increasingly more independent tasks.

The indicator measures the time from referral to first in-scope contact with specialist mental health services and relates to the young people who have the most severe mental health issues. While not all young people need to be seen urgently, the measure provides a view of how responsive services are to young people's needs and provides an indicator of the demand pressure that services are under. Performance against the measure is impacted by a range of factors including workforce supply and capability, funding of services, and how closely services are connected to other providers in their community.

Timely access to specialist mental health and addiction services is one of the Government's mental health targets. Wait times currently vary between services and among age groups. Fewer people aged under 25 years are seen within three weeks compared with other age groups, and this difference in outcome has seen no sustained improvement since 2019. While the target focuses on wait times for all age groups, we will closely monitor improvements in wait times for those aged under 25 years to ensure this inequitable gap is addressed.

Funding received by kaupapa Māori health service providers

Indicator description Funding to Māori health providers (ie, suppliers of healthcare services that are owned and governed by Māori and are providing health and disability services primarily but not exclusively for Māori).

Baseline data Total funding to Māori health providers was \$403.1 million in 2018/19.

Results (Total funding to Māori health providers as a percentage of Vote Health 2018/19 to 2022/23*)

	Year					Increase	
	2018/19 \$m	2019/20 \$m	2020/21 \$m	2021/22 \$m	2022/23 \$m	2018/19 to 2022/23 \$m	2018/19 to 2022/23* %
Funding							
The health entities' funding to Māori health providers	309.9	324.6	366.8	447.5	523.3	213.6	68.9
Other funding to Māori health providers	93.2	177.3	212.6	323.9	289.3	196.1	210.4
Total funding to Māori health providers	403.1	501.9	579.4	771.4	812.8	409.7	101.6
Vote Health	16,737	17,890	19,313	20,704	21,111	4,374	26.1
Total funding as a percentage of Vote Health	2.4%	2.8%	3.0%	3.7%	3.9%	-	-

Source: Ministry of Health; Health Sector – Estimates of Appropriations, The Treasury.

Notes: Due to rounding, individual figures may not add to the stated totals and percentages may appear to differ from those stated.

* The most up-to-date data available is for 2022/23 which was published in March 2024. This information requires a significant amount of work to collate and check. Hence, this work is only done once a year and usually published in quarter 3 of the following financial year. Most of the delay is due to the time it takes to update and confirm the Māori health providers, source and check the contract information for these providers, and then source, check and collate the payment data for these contracts.

Comment

For iwi, hapū, whānau and Māori communities to deliver their own services, they need to have access to fair levels of resourcing. By measuring the trend in Vote: Health funding that kaupapa Māori providers receive, we can track changes in this area. An improvement in this measure will see that more funding is being directed to kaupapa Māori health service providers.

For more information, see *Funding to Māori Health Providers 2018/19 to 2022/23*.³⁶ This report, published in April 2024, follows on from reports in 2017, 2021 and 2022 on the same topic and is part of our monitoring of Whakamaua: Māori Health Action Plan 2020–2025.

Total funding to Māori health providers increased by \$409.7 million (101.6%) from \$403.1 million in 2018/19 to \$812.8 million in 2022/23. As in previous reports, this shows that although total funding to Māori health providers is increasing, it remains a small part of Vote Health, increasing from 2.4% in 2018/19 to 3.9% in 2022/23.

The precise number of Māori health providers is difficult to determine because of acquisitions, mergers, closures, and the use of subsidiaries and trading names. In 2022/23, there were around 310 (265 excluding subsidiaries) Māori health providers, 20 more than the number reported in 2021/22.

36 Ministry of Health. 2024. *Funding to Māori Health Providers 2018/19 to 2022/23*. URL: health.govt.nz/publications/funding-to-maori-health-providers-201819-to-202223 (accessed 1 September 2024).

People report they can get primary healthcare when they need it

Indicator description Percentage of people who say they can always get primary healthcare from a general practitioner or nurse.

Baseline data (12 months to June 2021) 81% of people reported they could always get healthcare from a general practitioner or nurse when they needed it.

Results (Percentage of people who say they can always get primary healthcare from a GP or nurse when they needed it in the last 12 months)

	Q4 2021 (Baseline)	Q4 2022	Q4 2023	Q4 2024
All ethnicities	81%	78%	77%	77.2%
Māori	75%	73%	72%	72.7%
Pacific peoples	78%	75%	74%	76.2%
Non-Māori non-Pacific	83%	79%	78%	77.5%

Comment

The percentage of people who can always get primary healthcare when they need it has seen little change year-on-year, although levels remain lower than at the baseline period of 2021. Māori are statistically more likely to report that they were not able to always get primary care when they needed it, but Pacific and non-Māori, non-Pacific respondents give statistically identical responses.

The adult primary care survey, on which these results are based, is held in August, November, February and May of each financial year.

Survey size, response rate and confidence interval

Approximately 205,000 to 225,000 patients are invited to participate in the adult primary care survey each survey wave. The following table sets out the response rate and the number of responses for the last four survey waves.

	Response included (for survey)	Response rate	Confidence interval (for relevant question)
Q1 2023/24 August 2023	35,440	16.87%	+/- 0.7 percentage points
Q2 2023/24 November 2023	24,662	11.74%	+/- 0.8 percentage points
Q3 2023/24 February 2024	31,692	15.09%	+/- 0.3 percentage points
Q4 2023/24 May 2024	31,690	15.09%	+/- 0.3 percentage points

The 'Response included' column shows the total number of respondents to the question on access to primary care. The 'Response rate' column shows the percentage of total invited respondents (210,000) who answered this question. Unweighted results were used here because whole numbers make more sense.

Detailed results by quarter

Results (Percentage of people who say they can always get primary healthcare from a GP or nurse when they needed it in the last 12 months).

2020/21	Q1	Q2	Q3	Q4 baseline
All ethnicities	82%	81%	81%	81%
Māori	77%	74%	74%	75%
Pacific peoples	80%	75%	80%	78%
Non-Māori non-Pacific	83%	82%	82%	83%
2021/22	Q1	Q2	Q3	Q4
All ethnicities	80%	80%	79%	78%
Māori	74%	76%	73%	73%
Pacific peoples	78%	79%	77%	75%
Non-Māori non-Pacific	81%	81%	80%	79%
2022/23	Q1	Q2	Q3	Q4
All ethnicities	77%	76%	76%	77%
Māori	73%	70%	69%	72%
Pacific peoples	74%	71%	74%	74%
Non-Māori non-Pacific	78%	77%	77%	78%
2023/24	Q1	Q2	Q3	Q4
All ethnicities	77.2%	74.9%	75.6%	77.2%
Māori	72.3%	69.7%	70.6%	72.7%
Pacific peoples	73.7%	70.4%	73.6%	76.2%
Non-Māori non-Pacific	78.2%	76.0%	76.5%	77.5%

Significant Budget initiatives

Government departments are expected to provide information that sets out their significant initiatives from at least the previous three Budgets. This supports the move towards increased transparency in annual reporting and helps the public to understand the outcomes of significant investments. Departments are required to note if an initiative has been stopped, scaled back or significantly altered.

As a result of the health system reform of 2022, many of the significant investments for Vote Health are now the responsibility of Health New Zealand. Health New Zealand will report on these investments in its annual report.

Reinstating the \$5 co-payments for prescriptions with targeted exemption

Budget 2023 provided \$619 million over four years to remove the \$5 co-payment for prescription medicines, starting in July 2023. It was funded through the Delivering Primary, Community, Public and Population Health Services appropriation, a non-departmental output expense in Vote Health.

The new Government has stopped this initiative. From 1 July 2024, people now pay the standard \$5 prescription charge. Exemptions apply for those aged 13 years or under, those aged 65 years or over, Community Services Card holders and their dependent children and holders of a Prescription Subsidy Card.

The Government estimates that reinstating the co-payments will result in savings of \$269.622 million over the next five years. Of this total, \$153.479 million is to be used to fund additional medicines, leaving a net saving of \$116.143 million over the period.



**Who we are and
what we do**

**Ko mātou me ā
mātou mahi**

How we are set up to give effect to our role

Our role as chief steward of health and the health system

As chief steward, the Ministry sets the direction, policy, regulatory framework, and investment for health, and monitors outcomes and system and organisational performance. The Ministry also includes:

- the Public Health Agency, which provides leadership on public health
- Medsafe, which regulates therapeutic products.

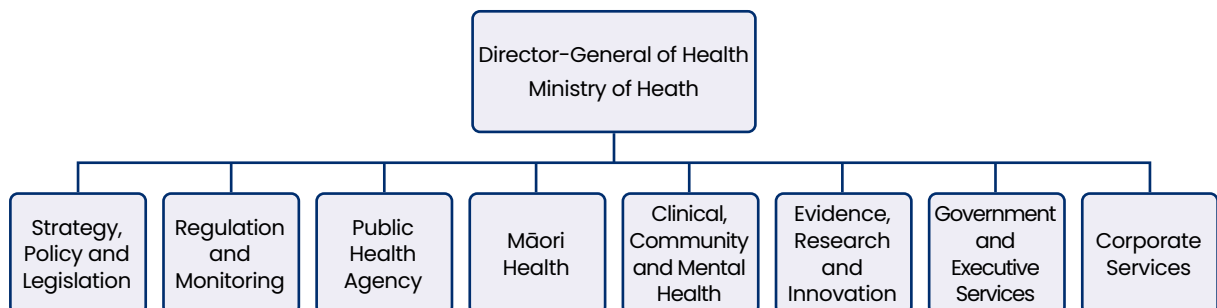
Our role is to create an environment where New Zealanders are supported to stay well, and all parts of the health system are supported to operate at their best.

Kaitiakitanga and our role as kaitiaki of the health system

Kaitiakitanga is a Māori world view on stewardship. As kaitiaki of the health system, it is our responsibility to enable the mana of people, nurture their mauri, achieve better health outcomes for all New Zealanders – and uphold and contribute towards meeting the Crown’s obligations under Te Tiriti.

Our directorates

Our organisational structure includes the Director-General of Health and Chief Executive, and eight directorates.



Six directorates focus on the delivery of our core roles and responsibilities.

Strategy, Policy and Legislation – Te Pou Rautaki

The Strategy, Policy and Legislation directorate provides leadership across the Ministry to achieve our overall priority as the Government’s primary advisor on health priority setting, strategy and policy. The directorate leads long-term strategy, setting direction and priority areas for investment. It also leads the Ministry’s policy advice.

Its strategy function sets the longer-term vision and overall direction for the health and wellbeing of the people of Aotearoa New Zealand. The policy function translates strategy into the tools, rules and requirements to achieve the direction. Legislation is one of the levers used when all practical options for achieving a policy objective have been considered.

Regulation and Monitoring – Te Pou Whakamaru

The Regulation and Monitoring directorate combines two of the Ministry’s primary roles. As a regulator, the Ministry is responsible for ensuring public safety and quality. Regulation interprets and applies Government expectations through approving, certifying and licensing responsible authorities, services, products and providers, and monitoring compliance.

The Ministry monitors the performance of the health system as a whole and the individual entities within it in achieving Government priorities and their responsibilities under the Pae Ora (Healthy Futures) Act 2022 and the Crown Entities Act 2024. Our monitoring function provides insights and advice about performance, risks and opportunities, which give assurance to Ministers and inform our wider strategic work.

Public Health Agency – Te Pou Hauora Tūmatanui

The Public Health Agency is a distinct business unit within the Ministry. It leads on public and population health strategy, policy, regulation, intelligence, evaluation and monitoring functions. Its work includes coordinating and collaborating across government and sectors on the broader determinants of health.

The Public Health Agency advises central government on what public health measures are needed to improve everyone’s health, now and into the future.

Māori Health – Te Pou Hauora Māori

As the Minister of Health’s chief steward for Māori health, Te Pou Hauora Māori exercises the Ministry’s kaitiakitanga function for Māori health. This function provides assurance that the health system is meeting its obligations under Te Tiriti, addressing Māori health aspirations and achieving equity for Māori.

Clinical, Community and Mental Health – Te Pou Whakakaha

The Clinical, Community and Mental Health directorate provides specialist capabilities and knowledge in clinical leadership and in mental health, addiction and suicide prevention. It draws on research, insights and leading practice locally and globally, informed by sector-wide networks. It offers a deep understanding of clinical service delivery and performance, as well as the drivers behind poor or inequitable outcomes.

This directorate is the chief advisor to the Minister for Mental Health and leads a whole-of-government approach to mental wellbeing. It administers legislation related to mental health and addiction and provides clinical advice across all health portfolios. It also brings a clinical quality and safety lens to monitoring system and entity performance.

Evidence, Research and Innovation – Te Pou Whakamārama

The Evidence, Research and Innovation directorate provides high-quality analytics, research, science, health economics and other evidence to help make evidence-led decisions, strategies and policies and to drive innovation.

It works closely with people across the Ministry, delivering timely and fit-for-purpose evidence to inform decision-making against our priorities. It leads the conversation, driving sector-wide work programmes and generating evidence in line with our priorities.

Two directorates consolidate the functions and capabilities needed to run the Ministry as an effective organisation and government department.

Government and Executive Services – Te Pou Whakatere Kāwanatanga

The Government and Executive Services directorate provides expertise and support to the organisation and to Ministers to ensure we operate as a good public service agency, adhering to the conventions and norms of our system of government. It supports our leaders and people to tell our strategic story, uphold our reputation (and trust), maintain accountability, protect our brand and champion integrity. This is done through having strong organisational governance and systems, processes, frameworks and policies that support our people to do the right things every day in accordance with relevant laws and conventions.

Corporate Services – Te Pou Tiaki

The Corporate Services directorate ensures that the internal machinery of the Ministry works well so that it supports our people to do their jobs to the best of their ability and keeps them safe at work. It manages key organisational risks, and monitors and reports on the Ministry’s overall performance (financial and non-financial). It also ensures that the Ministry is aligned with direction from the Public Service Commission and central government.

The Ministry has three time-limited offices.

System Reform Integration Office and System Reform Assurance Office

Together, the System Reform Integration Office and System Reform Assurance Office ensure implementation of the health reform is effectively integrated across the system and provide assurance over the reform programme.

Transformation Management Office

The Transformation Management Office has been the vehicle through which we have designed and delivered a longer-term programme of work to grow the Ministry’s capability and to continue to develop, and further embed improved ways of working.

Our governance structure

Governance enables the Ministry to operate effectively and achieve its core purpose through a framework of leadership, assurance and decision-making. The Ministry's main governance forums are the Executive Governance Team (EGT), Strategic Stewardship Team (SST) and Operational Leadership Team (OLT). Members of each of these teams work collaboratively and think strategically about the interests of the Ministry. This approach provides a whole-of-system perspective, making sure that the right things are done at the right time, we are kept on track and the Ministry is kept safe from risk.

Executive Governance Team

The EGT is the Ministry's strategic governance mechanism and final decision-making body with responsibilities that align with those of a board. Its purpose is to:

1. set the aspirations, organisational purpose, long-term strategy and collective interests of the Ministry
2. set, model and advocate for the desired organisational culture and behaviours that will achieve a sustainable organisation and attain the desired strategic direction
3. determine and maintain governance structures, systems and practices
4. ensure a clear and demonstrable focus on Te Tiriti and the achievement of equity
5. ensure high-quality regulatory stewardship processes are in place
6. hold the organisation to account on the delivery of its purpose and functions.

The Director-General of Health and all deputy directors-general are members of the EGT. They meet monthly. For more information, go to Executive Governance Team on the Ministry's website.³⁷

Strategic Stewardship Team

The SST is a new group with responsibility for enabling an adaptive approach to strategic thinking and helping us deliver on our stewardship role. Although the SST holds no decision-making powers, it plays an important role in providing key advice to the EGT. SST meets six-monthly.

Operational Leadership Team

The OLT provides operational leadership across the Ministry. Its functions include:

- overseeing and monitoring organisational performance
- aligning operational activities and capability to the Ministry's organisational strategies and priorities, as set by the EGT
- providing timely and agile direction for the delivery of key initiatives, risks and issues
- overseeing organisational policies and processes such as business continuity, business planning processes, procurement, recruitment, people, information technology, security and privacy.

³⁷ Ministry of Health. 2024. Executive Governance Team. URL: health.govt.nz/about-us/organisation-and-leadership/executive-governance-team (accessed 12 September 2024).

Risk and Assurance Committee

The Risk and Assurance Committee (RAC) provides independent, trusted advice and support to the Director-General of Health on strategic and operational risks and issues. In particular, it focuses on:

- policy, control and compliance frameworks
- the effectiveness of controls and identifying potential improvements to control practices
- suitability and coverage of internal audit and other assurance programmes
- external audit plan and findings and the Ministry's response
- financial and organisational performance and suitability of performance reporting and indicators
- enterprise governance arrangements
- cyber-security risk management and response capability.

Our values

Ngā uaratanga – our values guide our decisions, actions and behaviours.



Manaakitanga

We show care, inclusion respect, support, trust and kindness to each other.



Kaitiakitanga

We preserve and maintain an environment that enables the Ministry and our people to thrive.



Whakapono

We have trust and faith in each other to do the right thing.



Kōkiri ngātahi

We connect and work together collectively towards a common purpose.



Our people

Ko mātou kaimahi

Summary of data on our people

Note: This summary excludes data from Te Aho o Te Kahu – Cancer Control Agency.

- Measured by both headcount and full-time equivalent (FTE) staff, the size of our workforce has increased by 6.1% since 2022/23. As at 30 June 2024, we had 800 employees.
- The proportion of staff by gender has remained the same. As at 30 June 2024, 69.6% of our people identified as female.
- The Ministry's gender and ethnic pay gaps have moved noticeably. Ethnic pay gaps between European, Māori and Pacific staff have all reduced since 2023. However, the gender and Asian ethnic pay gaps have widened.
- The average length of service for employees is 5.5 years. The proportion of employees with under one year of service at the Ministry has reduced from 26.3% to 21.3%.

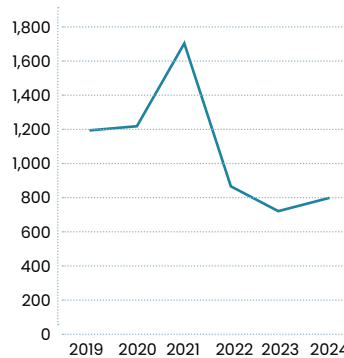
The number of people who work at the Ministry

777.57 full-time equivalent (FTE)*

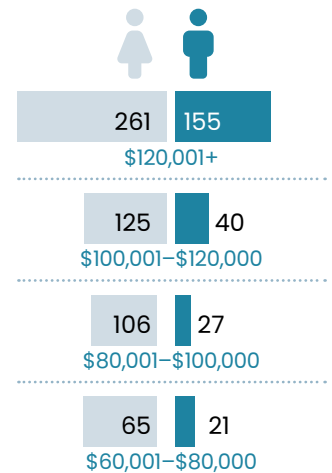
800 employees



Overall headcount and by year



Gender and remuneration



Staff by location



Auckland	27
Christchurch	10
Dunedin	1
Wellington	758
Remote	4
Total	800

Average salary

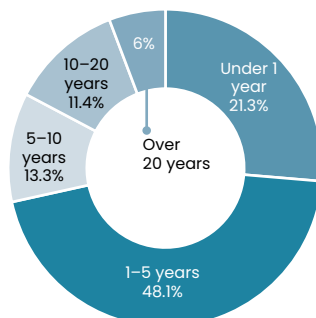
\$136,152

72.6% paid over \$100,000

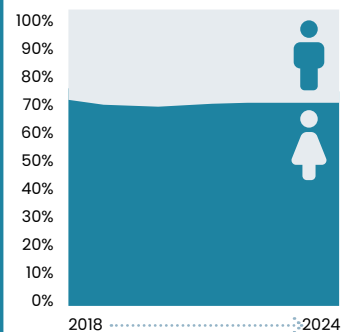
Gender pay gap

14.1% as at 30 June 2024

Length of Service



Gender percentage



* This is our total permanent and fixed term employee FTE. It excludes employees on parental leave or leave without pay and Te Aho o Te Kahu – Cancer Control Agency FTE.

Profile of our people

The following tables provide a profile of the Ministry's workforce in terms of its size and the location, gender, age, salary and ethnicity of our staff as at 30 June 2024. They include an analysis of gender and ethnicity pay gaps.

Overall headcount and FTEs by year

Data as at 30 June each year

Year	Headcount	FTE
2019	1,205	1,161.71
2020	1,224	1,186.85
2021	1,680	1,631.46
2022	885	862.82
2023	754	729.57
2024	800	777.57

Staff by location

Location	Headcount
Auckland	27
Christchurch	10
Dunedin	1
Wellington	758
Remote	4
Total	800

Gender: year-on-year comparison

Data as at 30 June each year.

Year	Number		
	Females	Males	Total
2019	824	381	1,205
2020	832	392	1,224
2021	1,126	554	1,680
2022	600	285	885
2023	523	231	754
2024	557	243	800

Gender: year-on-year comparison

Data as at 30 June each year.

Year	Percentage	
	Females	Males
2019	68.4%	31.6%
2020	68.0%	32.0%
2021	67.0%	33.0%
2022	67.8%	32.2%
2023	69.4%	30.6%
2024	69.6%	30.4%

Gender and remuneration

	Females	Males	Total
	\$40,001–\$60,000	0	0
\$60,001–\$80,000	65	21	86
\$80,001–\$100,000	106	27	133
\$100,001–\$120,000	125	40	165
\$120,001+	261	155	416

Length of service

Length of service	Percentage
Under 1 year	21.3%
1–5 years	48.1%
5–10 years	13.3%
10–20 years	11.4%
Over 20 years	6.0%
Total	100.0%

Age group (years) by gender

	Female	Male	Total
<30	108	27	135
30–39	144	60	204
40–49	114	56	170
50–59	122	57	179
60+	63	41	104
Unknown	6	2	8

Average salary

\$136,152

**Percentage of staff paid \$100,000 or more
Data as at 30 June each year.**

Year	Percentage
2021	48.5%
2022	53.1%
2023	67.2%
2024	72.6%

Senior management and total staff by gender

	Female	Male	Other
Senior managers	33	23	0
All other staff	524	220	0

Gender pay gap

Data as at 30 June each year.

Year	Gender pay gap
2019	11.3%
2020	14.0%
2021	11.4%
2022	10.7%
2023	12.6%
2024	14.1%

The gender pay gap is analysed on a monthly basis by band and directorate. The Ministry is committed to Kia Toipoto, the Public Service Commission's initiative to close the pay gaps for women, Māori, Pacific peoples and other ethnic groups in the public sector. 'Like for like' analyses are performed yearly to establish whether staff are being fairly paid based on their time in their role.

The gender pay gap within the Ministry increased in 2024. We will conduct an in-depth analysis of contributing factors and will explore particular areas of concern as part of the Ministry's Kia Toipoto – Pay Gap Action Plan.

Ethnicity breakdown for senior managers and other staff

Ethnicity	Percentage of total senior managers	Percentage of total other staff
European	76.8%	74.2%
Māori	19.6%	10.6%
Pacific peoples	3.6%	6.3%
Asian	3.6%	14.1%
Middle Eastern, Latin American, African	0.0%	2.0%
Other	3.6%	2.0%

Ethnicity pay gap

Ethnicity	2021	2022	2023	2024
European	-13.8%	-8.4%	-9.5%	-8.7%
Māori	1.2%	2.5%	3.0%	1.6%
Pacific peoples	17.7%	12.3%	5.0%	3.9%
Middle Eastern, Latin American, African	NA	NA	NA	NA
Asian	14.2%	10.0%	13.6%	17.0%
Other	NA	NA	NA	NA

Note: NA (not applicable) indicates where one ethnic group did not have more than 20 employees.

Where an employee has identified multiple ethnicities, their data is counted within each ethnic group that they identify with.

The pay gaps for European, Māori and Pacific staff have continued to close. However, the Asian pay gap has increased considerably. The Ministry will explore reasons for this increase when we complete our Kia Toipoto – Pay Gap Action Plan.

**How we manage
our business**

Ngā whakahaere

The Ministry as a good employer

Our People Retention Strategy

The Ministry continued to implement Kia Mau Rā – People Retention Strategy and achieve key milestones across the three-year programme of work that began in November 2022. The strategy focuses on nine core influences spanning social connection, work enablement and organisational success.

We monitor retention outcomes quarterly by analysing unplanned turnover and employee experience. The insights inform the actions we take. The 12-month rolling average unplanned turnover rate reduced from 20.9% in 2022/23 to 14.6% in 2023/24. Following the elevated rate since 2020, the rate now aligns with longer-term turnover statistics.

We launched the Leadership Progression Programme for managers and team leaders who aspire to higher or more complex leadership roles. To date, 19 leaders have participated in the programme.

Recognising career development as a key indicator of retention, we launched the Internal Opportunities Platform in February 2024. This provides on-the-job work opportunities to help people build their skills.

Other ongoing work under Whiria Te Tangata – Our Culture and Inclusion Strategy, Kia Tū Kaha – Wellbeing Plan and the transformation programme has continued to support the People Retention Strategy.

The Ministry as a great place to work

We engage with our people to understand how they feel about working at the Ministry, and to gain insights into where we should focus our efforts. This engagement includes the Ministry's Kōrero Mai Employee Experience Survey, and onboarding and exit surveys. The following table sets out the key results from these surveys.

Key results of the Ministry's staff surveys

Survey	Main findings
Kōrero Mai Employee Experience (last conducted October 2023)	<p>79% of staff responded.</p> <p>93% of respondents agreed (somewhat agreed, agreed, or strongly agreed) that the Ministry is a great place to work (up from 88% in 2022 and 87% in 2020).</p> <p>The overall score, remained stable and positive at 74% (compared with 72% in 2022).</p>
Ministry's 90-day onboarding survey	<p>43% of new staff completed the survey.</p> <p>98% agreed that overall they had a good experience at the Ministry.</p>
Ministry's exit survey	<p>82% of respondents who were leaving the Ministry agreed they would recommend the Ministry as a place to work.</p> <p>90% would consider re-joining the Ministry if an opportunity arose.</p>



Our Culture and Inclusion Strategy

The Ministry is committed to supporting our people to behave and make decisions in a manner that is consistent with promoting diversity and inclusion. Whiria te Tangata – Our Culture and Inclusion Strategy sets out the actions we will take to achieve this and aligns directly with Kia Toipoto – Pay Gap Action Plan and the Public Service Commission’s Papa Pounamu – Diversity and Inclusion Programme.

We have continued to deliver on our Kia Toipoto – Pay Gap Action Plan.³⁸ We intend to publish Whiria te Tangata – Our Culture and Inclusion Strategy and Kia Toipoto in a single integrated plan by 15 November 2024.

In August 2023, we conducted a review of Whiria te Tangata with input from key stakeholders across the Ministry, including our employee-led networks. The results of this review have enabled us to set the future direction and next actions for the strategy.

Our achievements contributing to diversity and inclusion during 2023/24 include the following.

- Of the people who responded to our Kōrero Mai Employee Experience survey in 2023, 85% agreed that the person they reported to creates an inclusive team environment and shows care for their success and wellbeing.
- We continued to support five employee-led networks: the Rainbow Network, Asian Network, Women’s Network, Pacific Forum and Disability Network.
- Our Asian Network was a winner of one of the Ministry’s 2023 Ngā Uaratanga Awards for its dedication to fostering inclusivity, celebrating diversity and supporting one another.
- We continued to support events promoting diversity and inclusion, such as Pink Shirt Day, Matariki, Chinese New Year and Pacific Language Week.
- We delivered disability awareness training to 107 staff.
- We held Te Tupuranga – a te reo and tikanga Māori programme for staff who have Māori whakapapa.
- Unconscious bias e-learning remains mandatory for all new staff.
- We actively monitored our demographics to understand our people and leadership workforce and their career aspirations.

³⁸ Ministry of Health. Pay Gap Action Plan. URL: health.govt.nz/about-us/careers/pay-gap-action-plan (accessed 2 September 2024).

Accessibility and flexible work

The Ministry has continued to provide an environment that enables a balance between work requirements and personal commitments. Our Flexible First policy plays a big part in our culture and the way we do our work.

The Ministry is committed to providing our staff with accessible and inclusive services, support and advice, regardless of their disability, ethnicity, faith, sexual orientation, gender or location. We have maintained the Accessibility Tick,³⁹ which recognises our commitment to being an accessible and inclusive workplace.

Building our capability to engage with Māori

Whāinga Amorangi is our action plan for developing capability and confidence in te reo and tikanga Māori. We achieved the following key initiatives under Whāinga Amorangi in 2023/24.

- We formed Tū Tira, the Ministry's equity, Te Tiriti and anti-racism community of practice.
- We refreshed and implemented Te Pūtahi Whakawhiti Reo Māori, which provides translation guidance and business rules in te reo Māori for written products.
- We developed a Ministry corpus of te reo Māori words and phrases as a companion guide for Ministry translation work.
- Our people have continued to use Whāia, an interactive learning resource that allows them to improve their understanding of and engagement in te ao Māori.
- We continued to hold a mihi whakatau to welcome each of our new people to the Ministry building.
- We rolled out the results of our second Whāinga Amorangi survey through our Tū Tira champions. The findings were used to inform directorate plans related to Te Tiriti and equity.
- We continued to implement our Te Māhere Reo Māori – Māori language plan by running regular te reo Māori programmes at levels 1 and 2.
- We continued to offer a variety of opportunities to learn more about te reo and tikanga Māori, including through e-learning. Wall Walk sessions are designed to raise collective awareness of key events in the history of Aotearoa New Zealand's bicultural relations. Staff could also participate in introductory workshops on engagement with Māori, delivered by Te Arawhiti – Office for Māori Crown Relations, and Ki Tua – an immersive learning experience on Te Tiriti, equity planning and anti-racism.
- We continued to support Matariki and Te Wiki o te Reo Māori.

39 For more information, see accessibilitytick.nz

Learning and development

We support online and in-person development opportunities. These opportunities include our orientation programme, as well as learning and development related to disability awareness, te reo Māori, engaging with Māori and writing skills. A 'Policy Hub' was developed to embed the refreshed Policy Skills Framework released by the Department of the Prime Minister and Cabinet.

We use performance and development plans to support our people to set objectives so they can grow and develop in their roles and have opportunities for professional development.

In 2023/24, we provided study assistance to 13 staff undertaking tertiary study. We held two emerging leader programmes with 33 participants, and 15 people leaders attended the New People Leaders Programme. In March 2024, the Ministry held a Leadership Hui that brought together over 150 leaders to focus on priorities, collaboration and preparing for change.

Early in Career Programme

As part of our Early in Career Programme, 13 interns from across the organisation engaged in the third Summer Internship Programme, which was completed in February 2024.

The Ministry has built strong partnerships with several organisations and programmes to help attract and engage diverse staff. We continue to provide valuable learning opportunities to current students seeking a career in the health sector.

Health, safety and wellbeing

Strengthening our health, safety and wellbeing leadership

In 2023/24, our senior leaders developed their health, safety and wellbeing governance capability by taking part in an officer development course facilitated by the Institute of Directors. Our senior leaders gained assurance by:

- participating in deep dives into areas of higher risk
- considering high-level data, including lead and lag indicators of health, safety and wellbeing performance
- participating in safety observations
- sponsoring a range of events, such as Pink Shirt Day, Mental Health Awareness Week and ShakeOut.

Engaging with our people

Health and safety representatives (HSRs) have continued to build their capability, including through training and participating in quarterly HSR committee meetings. Five HSRs attended the Government Health and Safety Lead (GHSL) HSRs Conference.

The health and safety committees have input into the annual reviews of Haerenga ki te Ora – our Health, Safety and Wellbeing Strategy, and our Health, Safety and Wellbeing Policy.

Our Wellbeing Rōpū is comprised of people from across the Ministry. The rōpū is a key enabler of our psychosocial wellbeing programme of work. It keeps our focus on the lived experience of our people.

Protecting psychosocial wellbeing during times of change

The Wellbeing Rōpū enabled the Ministry to deliver effective support to our people during the change process, including through regular communications, workshops and wellbeing sessions. On-site counsellors were available during the consultation period and when decision documents were released.

The Ministry's Kia tū Kaha: Wellbeing Plan 2023–2026 entered its second year of implementation. Highlights for 2023/24 include:

- delivering the Leading Wellbeing Programme pilot for people leaders
- developing resources for conducting sensitive or high-profile work
- providing support that is relevant to the cultural contexts of our people such as by launching a pilot that offers rongoā Māori services through our employee assistance programme provider.

We continued to support the GHSL Mentally Healthy Work Community of Practice by serving as one of its chairs.

Managing our risks

The following are highlights in our work to manage our risks in 2023/24.

- In August 2023, the Ministry again achieved tertiary status as part of the Accident Compensation Corporation (ACC) Accredited Employers Programme audit.
- Our proactive management for pain and discomfort includes an early pain and discomfort programme that provides physiotherapy and work station assessments.
- We have developed mitigations for other significant risks (eg, natural disasters and driving at work).

Improving our IT infrastructure

In 2023/24, we completed and closed the 'Modernising Manatū Hauora' programme. In February 2024, we completed the work to migrate over 80 million documents from Lotus Notes into Pātengi (our information management system).

In addition, we supported the migration of technology and information from the Ministry to Health New Zealand, Te Aka Whai Ora and Whaikaha. Throughout 2023/24, we worked closely with our agency counterparts to support and enable the successful data migration of user accounts, including information and applications required for people to continue their work.

Our ongoing investment and technology upgrades

We continued to improve the technology systems that support the Ministry. During 2023/24, improvements included:

- deploying a new phishing awareness tool
- implementing a new IT Service Management tool and retiring the old solution
- upgrading and replacing our printing solutions
- implementing a new library management system
- supporting several business-led technology replacement projects such as the Ministry website replacement project, the Regulatory Platforms replacement programme and a new centralised contracts management solution
- making upgrades to maintain IT infrastructure for our people.

New or substantially upgraded IT systems delivered during the reporting period have been certified and accredited according to our protective security requirements. They all meet New Zealand Information Security Manual obligations.

Service critical assets

Appendix 5 sets out our asset performance indicators for property. We are assessing the requirement for a set of asset performance indicators for our service critical assets that meets the Cabinet Office circular CO(23)9: Investment Management and Asset Performance in Departments and Other Entities. The annual report for 2024/25 will include any reporting against these indicators.

Our statement of service performance

**He tauāki mō
ngā hua o ngā
whakatutukinga**

Our statement of service performance policies and significant judgements

This statement sets out the significant judgements that the Ministry has used in preparing and selecting service performance information for Vote Health.

For information on the Ministry as the reporting entity, see note 1 to the financial statements.

The *About us* section (pages 7 to 13) and *Who we are and what we do* section (pages 77 to 82) set out our role and purpose. At a high level, we are the steward of Aotearoa New Zealand's health system, advising the Government on health policy, setting the direction for the health system, and regulating and monitoring it so that it performs well and delivers better health outcomes for everyone.

This service performance information for the Ministry presents the performance measures and information for each appropriation funded under Vote Health (pages 97 to 109).

Developing the future Ministry of Health: Our strategy and strategic intentions, 2022 to 2026 (strategic intentions 2022–2026) outlines how we will achieve our goals.⁴⁰ We report on progress against our strategic intentions in *Our performance story*, which includes the results from outcome measures and interim system-level measures (pages 61 to 73).

In the following sections, we explain our strategic intentions and the progress that the Ministry has made towards achieving these intentions.

Additional disclosures

Reporting service performance information

The Ministry's statement of service performance is prepared in accordance with the Public Finance Act 1989. As a public benefit entity (PBE), the Ministry is subject to the requirements of the PBE-FRS 48⁴¹ on service reporting (the Standard).

The Standard establishes the requirements for selecting and presenting service performance information. It requires additional information to be disclosed on the judgements that have the most significant effect on the selection, measurement, aggregation and presentation of service performance information.

40 Ministry of Health. 2022. *Developing the future Ministry of Health: Our strategy and strategic intentions, 2022 to 2026*. URL: health.govt.nz/publications/developing-the-future-ministry-of-health-our-strategy-and-strategic-intentions-2022-to-2026 (accessed 2 September 2024).

41 External Reporting Board. 2020. *Public Benefit Entity Financial Reporting Standard 48 Service Performance Reporting (PBE FRS 48)*. URL: xrb.govt.nz/standards/accounting-standards/public-sector-standards/standards-list/pbe-frs-48/ (accessed 2 September 2024).

Selection of measures

The performance measures we have continued to use or have added were selected to cover a range of qualitative and quantitative measures across the functions the Ministry is intended to deliver. The measures are aligned to their respective output expense appropriations.

The Ministry undertook a review of the appropriateness of our existing suite of non-financial performance measures and made some minimal changes through the 2023/24 Estimates of Appropriation process and Supplementary Estimates 2023/24. Any such changes were made to enhance existing performance measures and/or to add new measures that reflect new policy decisions.

Changes made to measures during 2023/24 in the Stewardship of the New Zealand health system multi-category appropriation (MCA) relate to the following output expense subcategories.

- **Equity, evidence and outcomes:** Two additional performance measures were added to reflect the policies of the Government of the day. These were completing baseline research on the Smokefree Aotearoa 2025 Action Plan and developing a shared work programme for health research with Health New Zealand and Te Aka Whai Ora.
- **Public health and population health leadership:** The Public Health Agency added three new measures to reflect its role. These covered setting up the Public Health Knowledge and Surveillance System and the Intelligence, Surveillance and Knowledge system work programmes, and a measure on building a work programme that collects data relating to the health of Pacific peoples.

For full information on the 2023/24 performance measures, and any adjustments to them, see the Vote Health Estimates of Appropriation 2023/24 and Supplementary Estimates of Appropriation 2023/24.

Aggregation of service performance information

The Ministry used the following level of aggregation.

- Reporting against the strategic intentions (grouping the activities provided within 'Our performance story' within each strategic intention listed)
 - a. Reporting on non-financial performance measures
 - i. Vote Health Estimates of Appropriation 2023/24 and Supplementary Estimates of Appropriation 2023/24
 - b. Departmental agency reporting
 - ii. Te Aho o Te Kahu – Cancer Control Agency annual report is attached and audited alongside the Ministry's annual report.

Performance of the Ministry of Health

This section details the performance of the Ministry against our output measures and targets specified in Vote Health – Main Estimates of Appropriation 2023/24⁴² and (where updated) in Vote Health – Supplementary Estimates of Appropriation 2023/24⁴³ for the multi-category expenses for our departmental and non-departmental output expenses and capital expenditure appropriations.

This section focuses on our performance, measured by the following output categories, which we are responsible for:

- Stewardship of the New Zealand health system MCA
 - Equity, Evidence and Outcomes
 - Policy Advice and Related Services
 - Public Health and Population Health Leadership
 - Regulatory and Enforcement Services
 - Sector Performance and Monitoring
- Implementing the COVID-19 Vaccine Strategy
 - Non-departmental output expenses supporting the implementation of the COVID-19 vaccine strategy
- National Response to COVID-19 Across the Health Sector
 - National health response to COVID-19
- Ministry of Health – Capital Expenditure Permanent Legislative Authority.

The 2023/24 actual results are reported against each measure's Budget Standard (target) for 2022/23 as a measure of the actual performance. Where applicable, we compare our actual performance this year against the output measures and results from last year (2022/23).

42 The Treasury. 2023. *Vote Health – Health Sector – Estimates of Appropriations 2023/24*, B.5 Vol 5. URL: treasury.govt.nz/sites/default/files/2023-06/est23-v5-health.pdf (accessed 5 September 2024).

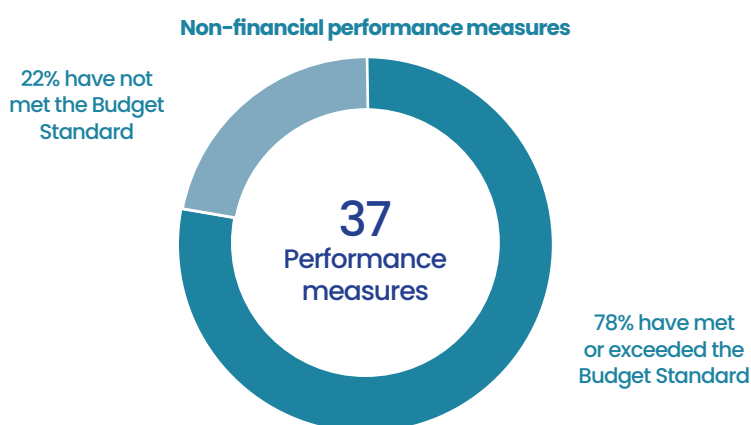
43 The Treasury. 2023. *Vote Health – The Supplementary Estimates of Appropriations 2023/24*, B.7. URL: treasury.govt.nz/sites/default/files/2024-06/suppest24health.pdf (accessed 5 September 2024).

The Ministry's 37 non-financial performance measures

Results for 2023/24 show that of the Ministry's 37 non-financial performance measures, 29 have met or exceeded the Budget Standard. Eight have not met the Budget Standard and insights from these measures will be used to improve our performance in outyears.

Within each output class in this section, we use the following symbols to provide a quick check for the 2023/24 results:

Met or exceeded the Budget Standard	✓
Did not meet the Budget Standard	✗
Not available or Not assessed	NA



Stewardship of the New Zealand health system MCA

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

Performance assessment				
Performance measure	Actual 2022/23	Budget Standard 2023/24	Actual 2023/24	At a glance
Ministerial satisfaction with how the Ministry has discharged its role as chief steward of New Zealand's health system and principal advisor to the Minister of Health	3	Equal to or greater than 4 out of 5	4.5	✓ (Note 1)
Ministerial Advisory Committee (MAC) ⁴⁴ assessment of the Ministry of Health's progress in establishing its role in the reformed system	3	Equal to or greater than 4 out of 5	5	✓

Note 1: The survey was completed by the Hon Dr Shane Reti, who became the Minister of Health in November 2023.

44 The Ministerial Advisory Committee for Health Reform Implementation.

Financial performance				
	Actual	Main estimates	Voted appropriation	Actual
	2022/23	2023/24	2023/24	2023/24
Stewardship of the New Zealand health system	\$000	\$000	\$000	\$000
Departmental output expense				
Revenue				
Crown revenue	230,017	219,534	254,065	254,065
Other revenue	19,646	18,225	31,981	29,857
Total revenue	249,663	237,759	286,046	283,922
Expenses by output category				
Equity, evidence and outcomes	19,158	15,563	22,394	23,432
Policy advice and related services	44,737	31,630	44,169	43,456
Public health and population health leadership	85,963	107,224	139,864	125,443
Regulatory and enforcement services	65,891	55,088	61,573	61,814
Sector performance and monitoring	12,962	28,254	18,046	14,925
Total expense	228,711	237,759	286,046	269,070
Net surplus / (deficit)	20,952	-	-	14,852

The variance of the actual spend against the Stewardship of the New Zealand health system final budget is mainly from the public health and population health leadership and sector performance and monitoring category. This is mainly due to the change in Government priorities. The majority of the variances in each categories compared to the final budget does not reflect redundancy changes as decisions had not been finalised at the time the supplementary estimates were finalised.

The Minister of Finance and the Minister of Health (Joint Ministers) have approved in-principle expense transfers from 2023/24 to 2024/25 of up to \$12.916 million of which \$6.7 million is for sanitary capital works subsidies. A further \$3.121 million is for vaping and tobacco technology platform work. The in-principle expense transfers will be confirmed as part of the October 2024 Baseline Update.

Equity, Evidence and Outcomes

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

Performance assessment				
Performance measure	Actual 2022/23	Budget Standard 2023/24	Actual 2023/24	At a glance
Number of page views of the Health Survey web pages	Year-on-year increase	Year-on-year increase	Year-on-year increase	✓ (Note 1)
Health Survey release is free from significant errors	Achieved	Achieved	Achieved	✓
Health Survey release is published annually no later than 1 December	17 November 2022	Achieved	Not achieved	* (Note 2)
Health and Independence Report is published annually	Achieved	Achieved	Achieved	✓
Establish with Te Aka Whai Ora and Health New Zealand cross-agency leadership, governance and a shared work programme for health research system strategic initiatives by December 2023	New measure	Achieved	Not achieved	* (Note 3)
Complete scoping and commence baseline research on the Smokefree Aotearoa 2025 action plan by January 2024	New measure	Achieved	Not achieved	* (Note 4)

Note 1: Total page views of the New Zealand Health Survey in the 2023/24 financial year was 83,000. The total number of page views in the 2022/23 financial year was 72,000.

Note 2: The 2022/23 release was delayed due to an error identified late in the analysis process. The release was published on 14 December 2023.

Note 3: Finalisation of the shared work programme has been delayed due to funding needing to be secured. A cross-agency leadership team and governance process has been agreed.

Note 4: All scoping for the evaluation was completed, the research was paused at the request of the customer.

Policy Advice and Related Services

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

Performance assessment				
Performance measure	Actual	Budget Standard	Actual	At a glance
	2022/23	2023/24	2023/24	
Percentage of Ministerial letter response provided to the Minister within agreed timeframes	98.6%	95%	99.5%	✓
Percentage of Written Parliamentary Question responses provided to the Minister within agreed timeframes	99.7%	95%	99.7%	✓
Percentage of Ministerial Official Information Act 1982 request responses provided to the Minister within agreed timeframes.	98.59%	95%	99.4%	✓
Percentage of Ministerial Letter responses provided to the Minister that required no [substantive] amendments.	99.85%	95%	100%	✓
Percentage of Written Parliamentary Question responses provided to the Minister that required no [substantive] amendments.	100%	95%	100%	✓
Percentage of Ministerial Official Information Act 1982 request responses provided to the Minister that required no [substantive] amendments.	100%	95%	100%	✓
Average score attained from a sample of the Ministry's written policy advice as assessed using the agreed DPMC Framework ⁴⁵	3.48	Greater than 3.2 out of 5	3.55	✓
Ministerial satisfaction with the policy advice service	2.96	Equal to or greater than 4 out of 5	4.27	✓ (Note 1)
Quality of policy advice papers – 85% score 3 or higher and 25% score 4 or higher ⁴⁶	Achieved	Achieved	Achieved	✓

Note 1: The survey was completed by both Hon Dr Shane Reti and Hon Matt Doocoy, who became the Minister of Health and Minister for Mental Health respectively in November 2023. The result is the average of the two survey responses.

45 Department of the Prime Minister and Cabinet. 2024. *Policy Quality Framework: A guide on panels and processes for assessing policy advice papers*. URL: dpmc.govt.nz/publications/using-policy-quality-framework-assess-papers (accessed 2 September 2024).

46 This measure breaks down the overall quality of policy advice. Of the 50 papers reviewed, 17 received a score of 4 or above and 30 received a score of 3 or above.

Public Health and Population Health Leadership

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

Performance assessment				
Performance measure	Actual 2022/23	Budget Standard 2023/24	Actual 2023/24	At a glance
Ministerial satisfaction with how the Ministry provided leadership on policy, strategy, regulatory, intelligence, surveillance and monitoring of public and population health	2.67	Equal to or greater than 4 out of 5	4	✓ (Note 1)
Annual work programme is developed and agreed with the public health advisory committee chair, Public Health Agency in the Ministry of Health and the Minister. All reports are delivered on time	Achieved	Achieved	Achieved	✓
Establish a Pacific Health Chart Book work programme of health outcomes and system performance for Pacific peoples by 30 June 2024	New measure	Achieved	Not achieved	✗ (Note 2)
Set the foundations for an effective Intelligence, Surveillance and Knowledge system by: <ul style="list-style-type: none"> • establishing the Public Health Knowledge and Surveillance System (PHKSS) programme alongside Te Aka Whai Ora • developing frameworks and systems to ensure that Aotearoa's public health system is well supported with evidence, data and insights 	New measure	Achieved	Achieved	✓
Set up the Public Health Knowledge and Surveillance System to consistently collect and disaggregate Māori data that demonstrates how public health programmes and activities impact on public health outcomes for Māori by 30 June 2024	New measure	Achieved	Not achieved	✗ (Note 3)

Note 1: The survey was completed by Hon Dr Shane Reti, who became the Minister of Health in November 2023.

Note 2: The original timeline has been extended to August 2024 as capacity and capability constraints have slowed progress on the Chartbook and affected delivery.

Note 3: Whilst we have established the PHKSS work programme with the aim of consistently collecting and disaggregating Māori data, ongoing challenges with data systems across the health sector hinder progress. Addressing baseline data collection issues is the first step, and we are working towards this.

Regulatory and Enforcement Services

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

Performance assessment				
Performance measure	Actual 2022/23	Budget Standard 2023/24	Actual 2023/24	At a glance
The percentage of high priority incident notifications relating to medicines and medical devices that undergo an initial evaluation within 5 working days.	100%	90%	100%	✓
The percentage of all certificates issued to providers under the Health and Disability Services (Safety) Act 2001 within target timeframes.	90%	90%	91%	✓
Percentage of licences and authorities issued under the Medicines Act 1981 and Misuse of Drugs Act 1975 within target timeframes	91%	90%	79%	✗ (Note 1)
The percentage of all licences and consents issued to radiation users under the Radiation Safety Act 2016 within 10 working days of accepting the application	98%	90%	86%	✗ (Note 2)
The percentage of all New Medicines Applications (for ministerial consent to market) that receive an initial assessment within 200 days	81%	80%	88%	✓
The percentage of all Changed Medicines Notifications (for ministerial consent to market) responded to within 45 days	99%	100%	100%	✓
Mean rating for statutory committee satisfaction with the secretariat services provided by the Ministry	3.75 out of 5	4 out of 5 or greater	4.36	✓
The percentage of District Mental Health Inspectors' monthly reports, on their duties undertaken, sent to the Director of Mental Health, within one month after completion	82.76%	90%	95.6%	✓
The start of the Mental Health Tribunal reviews are held within 28 days of receipt of the applications	98.5%	80%	98.9%	✓

Note 1: Impact on pharmacy licensing resulting from a judicial review decision relating to pharmacy ownership. The impact has occurred during the 2023/24 year.

Note 2: Resourcing constraints have caused delays in issuing licenses.

Sector Performance and Monitoring

This category is intended to advise and provide assurance on health sector planning and system performance including the Government Policy Statement on Health and the New Zealand Health Plan and monitoring and supporting the governance of health sector Crown entities.

Performance assessment				
Performance measure	Actual 2022/23	Budget Standard 2023/24	Actual 2023/24	At a glance
The percentage of quarterly monitoring reports about Crown entities (includes Te Aka Whai Ora and Health New Zealand) provided to the Minister within agreed timeframes	100%	100%	100%	✓
The percentage of appointments to other health Crown entity boards (includes Te Aka Whai Ora – Māori Health Authority and Te Whatu Ora – Health New Zealand) where advice is presented to the Minister prior to the current appointee’s term expiring	100%	95%	100%	✓

Implementing the COVID-19 Vaccine Strategy

The single overarching purpose of this appropriation is to implement the COVID-19 Vaccine Strategy to minimise the health impacts of COVID-19. This appropriation is intended for the purchase of potential and proven COVID-19 vaccines and other therapeutics and the delivery of COVID-19 vaccines through an immunisation programme.

Performance assessment				
Performance measure	Actual 2022/23	Budget Standard 2023/24	Actual 2023/24	At a glance
Ministerial satisfaction with the implementation of the COVID-19 Vaccine Strategy	3	Equal to or greater than 4 out of 5	5	✓ (Note 1)

Note 1: The survey was completed by Hon Dr Shane Reti, who became the Minister of Health in November 2023.

Financial performance				
	Actual 2022/23	Main estimates 2023/24	Voted appropriation 2023/24	Actual 2023/24
Implementing the COVID-19 Vaccine Strategy	\$000	\$000	\$000	\$000
Non-departmental output expenses				
Implementing the COVID-19 immunisation programme				
Total expenses	301,794	129,918	105,287	70,287
Purchasing potential and proven COVID-19 vaccines and other therapeutics				
Total expenses	602,086	165,200	-	-
Total MCA expenses	903,880	295,118	105,287	70,287

Health New Zealand manages the Implementing the COVID-19 Vaccine Strategy appropriation with the exception of the therapeutics purchases, which is managed by Pharmac – Te Pātaka Whaioranga. Activity in the COVID-19 area has been steadily decreasing as our response to the virus has become more embedded into day-to-day activities. This has meant that the levels of activity for testing and immunisation were lower than planned and the funding provided for these services was not used. The surplus funding has been returned to the Crown.

National Response to COVID-19 Across the Health Sector

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

Performance assessment				
	Actual	Budget Standard	Actual	At a glance
Performance measure	2022/23	2023/24	2023/24	
Ministerial satisfaction with the national response to COVID-19 across the health sector	3	Equal to or greater than 4 out of 5	3	× (Note 1)

Note 1: The survey was completed by the Hon Dr Shane Reti, who became the Minister of Health in November 2023.

Departmental expenditure

Performance assessment				
	Actual	Budget Standard	Actual	At a glance
Performance measure	2022/23	2023/24	2023/24	
Mechanisms in place to routinely capture and inform public health science, response operations, intelligence, operational feedback	Achieved	Achieved	Achieved	✓

Financial performance				
	Actual	Main estimates	Voted appropriation	Actual
National Response to COVID-19 Across the Health Sector	2022/23	2023/24	2023/24	2023/24
	\$000	\$000	\$000	\$000
Departmental output expenses				
National health response to COVID-19				
Crown revenue	52,637	-	10	10
Other revenue	37	-	-	-
Total revenue	52,674	-	10	10
Total expenses	40,471	-	10	
Net surplus (deficit)	12,203	-	-	10
Non-departmental output expenses				
COVID-19 public health response				
Total expenses	1,140,344	-	210,951	177,448
Total MCA expenses	1,180,815	-	210,961	177,448

Health New Zealand now manages the national health response to COVID-19 appropriation. Activity in the COVID-19 area has been steadily decreasing as our response to the virus has become more embedded into day-to-day activities. This has meant that the levels of activity for testing and immunisation were lower than planned and the funding provided for these services was not used. The surplus funding has been returned to the Crown.

Ministry of Health – Capital Expenditure Permanent Legislative Authority

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry, as authorised by section 24(1) of the Public Finance Act 1989.

Performance assessment				
Performance measure	Actual	Budget Standard	Actual	At a glance
	2022/23	2023/24	2023/24	
Expenditure is in accordance with Ministry of Health's capital asset management plan	Achieved	Achieved	Achieved	✓

Financial performance				
Ministry of Health – Capital Expenditure PLA	Actual	Main estimates	Voted appropriation	Actual
	2022/23	2023/24	2023/24	2023/24
	\$000	\$000	\$000	\$000
Total appropriation	1,320	1,600	2,000	2,082

The capital expenditure permanent legislative authority has decreased mainly due to the transfer of assets to Health New Zealand.

Reconciliation between total appropriations for departmental expenses and the departmental statement of comprehensive revenue and expense for the year ended 30 June 2024		
Actual		Actual
2023		2024
\$000		\$000
269,392	Total expenses in departmental statement of comprehensive revenue and expense	269,070
(210)	Expense incurred for appropriation administered by entities other than the Ministry	-
269,182	Total appropriation for departmental expenses	269,070

Reconciliation between total appropriations for non-departmental expenses and the schedule of non-departmental expenditure for the year ended 30 June 2024		
Actual		Actual
2023		2024
\$000		\$000
28,375,793	Total expenses in schedule of non-departmental expenditure	29,801,933
(3,715,789)	GST input expense	(3,886,937)
24,660,004	Total appropriation for non-departmental expenses	25,914,996

Our financial statements

He tauāki pūtea

Taking care of our funds – Te penapena pūtea

Statement of responsibility

I am responsible, as Director-General of Health and Chief Executive of the Ministry of Health (Ministry), for:

- the preparation of the Ministry's financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting
- ensuring that end-of-year performance information on each appropriation administered by the Ministry is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this annual report
- the accuracy of any end-of-year performance information prepared by the Ministry, whether or not that information is included in the annual report.

In my opinion:

- the financial statements reflect the financial statements of the Ministry as at 30 June 2024 and its operations for the year ended on that date
- the forecast financial statements fairly reflect the forecast financial position of the Ministry as at 30 June 2024 and its operations for the year ending on that date.

Dr Diana Sarfati
Director-General of Health

30 September 2024

Fergus Welsh
Chief Financial Officer

30 September 2024

Independent Auditor's Report

To the readers of Ministry of Health's annual report for the year ended 30 June 2024

The Auditor-General is the auditor of the Ministry of Health (the Ministry). The Auditor-General has appointed me, Stephen Usher, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the financial statements of the Ministry on pages 116 to 150, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2024, the statement of comprehensive revenue and expense, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information for the appropriations administered by the Ministry for the year ended 30 June 2024 on pages 61 to 73 and 97 to 109;
- the statement of budgeted and actual expenses and capital expenditure incurred against appropriation of the Ministry for the year ended 30 June 2024 on pages 160 to 162, and 168; and
- the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 152 to 159 and 163 to 167 that comprise:
 - the schedules of assets and liabilities; commitments; and contingent liabilities and assets as at 30 June 2024;
 - the schedules of expenses; and revenue and capital receipts for the year ended 30 June 2024; and
 - the notes to the schedules that include accounting policies and other explanatory information.

Opinion

In our opinion:

- the financial statements of the Ministry:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2024; and
 - its financial performance and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- The performance information for the appropriations administered by the Ministry for the year ended 30 June 2024:
 - presents fairly, in all material respects:
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
 - complies with generally accepted accounting practice in New Zealand.

- The statements of budgeted and actual expenses and capital expenditure of the Ministry are presented, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.
- The schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown present fairly, in all material respects, in accordance with the Treasury Instructions:
 - the assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2024; and
 - expenses; and revenue for the year ended 30 June 2024.

Our audit was completed on 30 September 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Director-General of Health and our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Director-General of Health for the audited information

The Director-General of Health is responsible on behalf of the Ministry for preparing the:

- Financial statements that present fairly the Ministry's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- Performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand.
- Statements of expenses and capital expenditure of the Ministry, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989.
- Schedules of non-departmental activities, in accordance with the Treasury Instructions, that present fairly those activities managed by the Ministry on behalf of the Crown.

The Director-General of Health is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the audited information, the Director-General of Health is responsible on behalf of the Ministry for assessing the Ministry's ability to continue as a going concern. The Director-General of Health is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Ministry, or there is no realistic alternative but to do so.

The Director-General of Health's responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the audited information

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Ministry's Estimates and Supplementary Estimates of Appropriations 2023/24 and forecast financial figures included in the Ministry's 2022/23 annual report.

We did not evaluate the security and controls over the electronic publication of the information we audited.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director-General of Health.
- We evaluate the appropriateness of the reported performance information for the appropriations administered by the Ministry.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Director-General of Health and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ministry's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Ministry to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Director-General of Health regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Director-General of Health is responsible for the other information. The other information comprises the information included on pages iii, iv, 3 to 60, 74, 77 to 95 and 237, but does not include the information we audited, and our auditor's report thereon.

Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Ministry in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Ministry.



Stephen Usher
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Statement of comprehensive revenue and expense for the year ended 30 June 2024

Actual			Actual	Unaudited budget	Unaudited forecast
2023			2024	2024	2025
\$000		Note	\$000	\$000	\$000
Revenue					
282,864	Revenue Crown	2	254,075	219,534	212,961
19,683	Other revenue	2	29,857	18,225	22,302
302,547	Total revenue		283,932	237,759	235,263
Expenses					
101,342	Personnel costs	3	127,033	98,281	119,182
2,260	Depreciation and amortisation expense	7, 8	1,041	1,006	740
1,125	Capital charge	4	634	650	621
164,665	Other expenses	5	140,362	137,822	114,720
269,392	Total expenses		269,070	237,759	235,263
33,155	Net surplus/(deficit)		14,862	–	–
Other comprehensive revenue and expense					
Item that will not be reclassified to net surplus/(deficit)					
–	Loss on property revaluation		(565)	–	–
33,155	Total comprehensive revenue and expense		14,297	–	–

The accompanying notes form part of these financial statements.

Statement of financial position as at 30 June 2024

Actual			Actual	Unaudited budget	Unaudited forecast
2023	Note	2024	2024	2024	2025
\$000		\$000	\$000	\$000	\$000
Equity					
9,390	Taxpayers' funds	8,874	10,364	9,360	9,360
3,555	Property revaluation reserve	2,990	3,555	3,555	3,555
(8,313)	Memorandum accounts	14	(8,794)	(8,313)	(8,799)
4,632	Total equity	13	3,070	5,606	4,116
Assets					
Current assets					
5,864	Cash and cash equivalents	16	7,746	10,000	7,000
8,907	Receivables	6, 16	5,247	10,000	2,774
54,441	Debtor Crown	16	52,987	17,823	12,201
507	Prepayments		1,901	2,000	500
69,719	Total current assets		67,881	39,823	22,475
Non-current assets					
9,564	Property, plant and equipment	7	10,556	14,958	8,146
935	Intangible assets	8	419	585	345
10,499	Total non-current assets		10,975	15,543	8,491
80,218	Total assets		78,856	55,366	30,966
Liabilities					
Current liabilities					
29,974	Payables	9	39,766	40,020	17,000
34,129	Return of operating surplus	10	15,343	–	–
–	Provisions	11	8,796	–	–
10,575	Employee entitlements	12	11,100	8,490	8,550
74,678	Total current liabilities		75,005	48,510	25,550
Non-current liabilities					
908	Employee entitlements	12	781	1,250	1,300
908	Total non-current liabilities		781	1,250	1,300
75,586	Total liabilities		75,786	49,760	26,850
4,632	Net assets		3,070	5,606	4,116

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2024

Actual		Note	Actual	Unaudited budget	Unaudited forecast
2023			2024	2024	2025
\$000			\$000	\$000	\$000
22,177	Balance as at 1 July		4,632	5,606	4,116
33,155	Net surplus/(deficit)		14,862	–	–
–	Property revaluation		(565)	–	–
	Owner transactions				
(34,129)	Return of operating surplus to the Crown	10	(15,343)	–	–
943	Capital contribution – non cash			–	–
(3,473)	Capital withdrawal – cash		(400)	–	–
(14,041)	Capital withdrawal – non cash		(116)	–	–
4,632	Balance as at 30 June		3,070	5,606	4,116

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2024

Actual		Actual	Unaudited Budget	Unaudited forecast
2023		2024	2024	2025
\$000		\$000	\$000	\$000
Cash flows from operating activities				
465,335	Receipts from revenue Crown	255,529	223,339	216,209
25,952	Receipts from other revenue	32,560	18,225	22,302
(219,331)	Payments to suppliers	(136,521)	(138,944)	(236,343)
(105,783)	Payments to employees	(117,839)	(96,936)	2,132
(1,125)	Payments for capital charge	(634)	(650)	–
(25,738)	Goods and services tax (net)	5,575	–	–
139,310	Net cash flow from operating activities	38,670	5,034	4,300
Cash flows from investing activities				
25	Receipts from sale of property, plant and equipment	–	–	4,000
(1,142)	Purchase of property, plant and equipment	(2,259)	(1,500)	(1,500)
–	Purchase of intangible assets	–	(100)	(100)
(1,117)	Net cash flow from investing activities	(2,259)	(1,600)	2,400
Cash flows from financing activities				
(3,473)	Capital withdrawal	(400)	–	–
(142,589)	Return of operating surplus	(34,129)	(3,434)	(6,700)
(146,062)	Net cash flow from financing activities	(34,529)	(3,434)	(6,700)
(7,869)	Net increase in cash held	1,882	–	–
13,733	Cash at the beginning of the year	5,864	10,000	7,000
5,864	Cash at the end of the year	7,746	10,000	7,000

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2024 (continued)

Reconciliation of net surplus/(deficit) to net cash flow from operating activities:

Actual		Actual
2023		2024
\$000		\$000
33,155	Net surplus/(deficit)	14,862
	Add/(less) non-cash items	
(743)	Crown entities transfer	(116)
2,260	Depreciation and amortisation expense	1,041
1,517	Total non-cash items	925
	Add/(less) items classified as investing or financing activities	
8	(Gains)/losses on disposal of property, plant and equipment	–
8	Total items classified as investing or financing activities	–
	Add/(less) movements in working capital items	
4,563	(Increase)/decrease in receivables	3,660
182,471	(Increase)/decrease in debtor Crown	1,454
8,713	(Increase)/decrease in prepayments	(1,394)
(77,118)	Increase/(decrease) in payables*	9,969
–	Increase/(decrease) in provisions	8,796
(13,999)	Increase/(decrease) in employee entitlements	398
104,630	Total movements in working capital items	22,883
139,310	Net cash flow from operating activities	38,670

* Payables for capital expenditure have been excluded when calculating the increase/decrease in the payables movement as they are relating to investing activities.

Statement of cash flows for the year ended 30 June 2024 (continued)

Reconciliation of net cash flow from financing activities:

Actual		Actual
2023		2024
\$000		\$000
	Movement in liability arising from financing activities	
(108,460)	Increase/(decrease) in return of operating surplus liability	(18,786)
(108,460)	Total movement in liability arising from financing activities	(18,786)
	Non-cash item	
(34,129)	Operating surplus to be paid to the Crown in 2023/24	(15,343)
(34,129)	Total non-cash item	(15,343)
	Add/(less) owner's contribution and withdrawal	
(3,473)	Capital withdrawal	(400)
(3,473)	Net owner's contribution and withdrawal	(400)
(146,062)	Net cash flow from financing activities	(34,529)

The accompanying notes form part of these financial statements.

Statement of commitments as at 30 June 2024

Capital commitments Capital commitments are the aggregate amount of capital expenditure contracted for the acquisition of property, plant and equipment and intangible assets that have not been paid for or are not recognised as a liability at balance date.

Cancellable capital commitments, which have penalty or exit costs explicit in the agreement on exercising that option to cancel, are reported below at the lower of the remaining contractual commitment and the value of those penalty or exit costs.

Non-cancellable operating lease commitments

The Ministry leases property, plant and equipment in the normal course of its business. The majority of these leases are for premises and car parks, which have a non-cancellable leasing period ranging from two to ten years.

The Ministry's non-cancellable operating leases have varying terms, escalation clauses and renewal rights.

Actual 2023 \$000		Actual 2024 \$000
Capital commitments		
1,827	Property, plant and equipment	–
1,827	Total capital commitments	–
Operating leases as lessee		
Future aggregate lease payments to be paid under non-cancellable operating leases are as follows		
9,057	Not later than one year	9,882
32,898	Later than one year and not later than five years	33,858
25,910	Later than five years	20,541
67,865	Total non-cancellable operating lease commitments	64,281
69,692	Total commitments	64,281

The Ministry has medium to long-term leases on its premises in Auckland and Wellington, and Hamilton, Christchurch and Palmerston North are leased premises only for Te Aho o Te Kahu. The annual lease payments are subject to regular reviews ranging from one to four years. Amounts disclosed are based on current rental rates.

Statement of contingent liabilities and contingent assets as at 30 June 2024

The Ministry is defending a small number of legal disputes involving past employees for which a potential liability has not yet been quantified as at 30 June 2024.

The Ministry had no other contingent liabilities as at 30 June 2024 (2023: \$nil).

The Ministry had no contingent assets as at 30 June 2024 (2023: \$nil).

Notes to the financial statements for the year ended 30 June 2024

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1. Statement of accounting policies

Reporting entity

The Ministry of Health (the Ministry) is a government department as defined by section 5 of the Public Service Act 2020 and is domiciled and operates in New Zealand. The relevant legislation governing the Ministry's operations includes the Public Finance Act 1989, the Public Service Act 2020 and the New Zealand Public Health and Disability Act 2000. The Ministry's ultimate parent is the New Zealand Crown.

The financial statements of the Ministry for the year ended 30 June 2024 are consolidated financial statements including the Ministry and Te Aho o Te Kahu – Cancer Control Agency (Te Aho o Te Kahu). Te Aho o Te Kahu (established 1 December 2019) is a departmental agency as defined by section 2 of the Public Finance Act 1989 and section 5 of the Public Service Act 2020 and is hosted within the Ministry. Unless explicitly stated, references to the Ministry cover the Ministry and the departmental agency (see note 17).

In addition, the Ministry has reported on Crown activities that it administers in the Non-departmental statements and schedules on pages 151–167.

The Ministry's primary objective is to provide services to the New Zealand public. The Ministry funds, administers and monitors the delivery of health services.

The Ministry has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice.

The financial statements are for the year ended 30 June 2024 and were approved for issue by the Director-General of Health on 30 September 2024.

Basis of preparation

The financial statements have been prepared on a going-concern basis and the accounting policies have been applied consistently throughout the year.

Statement of compliance

The financial statements and service performance information of the Ministry have been prepared in accordance with the requirements of the Public Finance Act 1989, which include the requirement to comply with generally accepted accounting practice and Treasury instructions.

The financial statements and service performance information have been prepared in accordance with PBE standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

Comparative figures	When presentation or classification of items in the financial statements is amended or accounting policies are changed, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.
New or amended standards adopted	<p>Standards and amendments that have been issued and have been early adopted by the Ministry are as follows.</p> <p>Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)</p> <p>Amendments to PBE IPSAS 1 Presentation of Financial Reports change the required disclosures for fees relating to services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories. The amendments to PBE IPSAS 1 aim to address concerns about the quality and consistency of disclosures an entity provides about fees paid to its audit or review firm for different types of services. The enhanced disclosures are expected to improve the transparency and consistency of disclosures about fees paid to an entity's audit or review firm. This is effective for the year ended 30 June 2025.</p> <p>The Ministry is already in compliance with this standard.</p> <p>PBE IFRS 17 Insurance Contracts</p> <p>This new standard sets out accounting requirements for insurers and other entities that issue insurance contracts and applies to financial reports covering periods beginning on or after 1 January 2026.</p> <p>The Ministry has assessed this standard and there are not anticipated to be any impacts on the financial statements as the Ministry does not currently issue insurance contracts.</p>
Other changes in accounting policies	There have been no other changes in the Ministry's accounting policies since the date of the last audited financial statements.
Summary of significant accounting policies	Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.
Foreign currency transactions	Foreign currency transactions are translated into New Zealand dollars using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the surplus or deficit.

Cash and cash equivalents

Cash and cash equivalents comprise funds in current accounts with Westpac New Zealand Limited, a registered bank.

The Ministry is only permitted to expend its cash and cash equivalents within the scope and limits of its appropriations.

Cash and cash equivalents are subject to the expected loss requirements of PBE IFRS 9. However, no loss allowance has been recognised because the estimated loss allowance for credit losses is considered to be nil or trivial.

Goods and services tax

Items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, Inland Revenue is included as part of receivables or payables in the statement of financial position. The net GST paid to or received from Inland Revenue, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Income tax

The Ministry is a public authority and consequently is exempt from income tax. Accordingly, no provision has been made for income tax.

Budget and forecast figures

Basis of the budget figures

The 2023/24 budget figures are for the year ended 30 June 2024 and were published in the 2022/2023 Annual Report. They are consistent with the Ministry's best estimate at the time for financial forecast information submitted to the Treasury for the Budget Economic and Fiscal Update for the year ended 2023/24.

Basis of the forecast figures

The 2024/25 forecast figures are for the year ending 30 June 2025, which are consistent with the best estimate at the time for the Budget Economic and Fiscal Update forecast financial information submitted to the Treasury for the year ending 2024/25.

The forecast financial statements have been prepared as required by the Public Finance Act 1989 to communicate forecast financial information for accountability purposes. The 30 June 2025 forecast figures have been prepared in accordance with and comply with PBE FRS 42 Prospective Financial Statements.

The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

The Director-General of Health, as Chief Executive of the Ministry, is responsible for the forecast financial statements, including the appropriateness of the assumptions underlying them and all other required disclosures. The forecast financial statements were approved by the Chief Executive on 23 April 2024.

While the Ministry regularly updates its forecasts, updated forecast financial statements for the year ending 30 June 2025 will not be published during the year.

Significant assumptions used in preparing the forecast financial information

The forecast figures contained in these financial statements reflect the Ministry's purpose and activities and are based on a number of assumptions about what may occur during the 2024/25 year. The forecast figures have been compiled on the basis of existing government policies and ministerial expectations at the time the Main Estimates were finalised.

The main assumptions, which were adopted as at 23 April 2024, were as follows.

- The Ministry's activities and output expectations will remain substantially the same as in 2023/24, focusing on the Government's priorities.
- Personnel costs were based on current wages and salary costs adjusted for anticipated remuneration changes. This also reflects time limited initiatives coming to an end and potential reductions in personnel costs to meet the Government's request for the Ministry to find saving targets as announced in Budget 2024.
- Operating costs were based on historical experience and adjusted for factors that are believed to be reasonable in the circumstances. They are the Ministry's best estimate of future costs that will be incurred.
- Estimated year-end information for 2023/24 was used as the opening position for the 2024/25 forecasts.

The actual financial results achieved for 30 June 2025 are likely to vary from the forecast information presented and the variance may be material. Factors that may lead to a material difference between information in these forecast financial information statements and the actual reported results include:

- changes to the budget through initiatives approved by Cabinet during 2024/25 and reflected in the Vote Health 2024/25 Supplementary Estimates
- technical adjustments to (including transfers between) financial years
- timing of expenditure relating to significant programmes and projects.

2. Revenue

Accounting policy

The specific accounting policies for significant revenue items are explained below.

The Ministry derives revenue through the provision of outputs to the Crown and for services to third parties. Such revenue is recognised at fair value of consideration received.

Revenue Crown

Revenue from the Crown is measured based on the Ministry's funding entitlement for the reporting period. The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year. The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year approved prior to the balance date.

There are no conditions attached to the funding from the Crown. However, the Ministry can incur expenses only within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement of \$254.075 million (2023: \$282.864 million).

Supply of services

Revenue from the supply of services is recognised by reference to the stage of completion of the transaction at balance date and only to the extent that the outcome of the transaction can be estimated reliably.

Other revenue

Actual		Actual
2023		2024
\$000		\$000
10,581	Medicines registration	11,919
4,425	Annual licence and registration fees	3,981
–	Lease income	3,900
4,677	Other revenue	10,057
19,683	Total other revenue	29,857

Explanation of major variances against budget

Revenue Crown was \$34.541 million above higher than budget mainly due:

- changes to funding for public health surveillance activities (\$24 million) and drawdown of a contingency held to strengthen the Ministry's stewardship role (\$23.949 million), offset by funding returned of \$19.577 million relating to district health board sustainability funding as part of a package of short-term savings
- an in-principle expense transfer totalling \$6.782 million, which was carried over from 2022/23 into 2023/24. This was confirmed after the 2022/23 Annual Report's completion in September 2023.

Other revenue was \$11,632 million higher than budget mainly due to:

- funding received from the Ministry of Foreign Affairs and Trade for the Polynesian Health Corridors Programme (\$7.042 million)
- an additional \$4.190 million received from Health New Zealand for IT and facilities costs.

Debtor Crown was \$35.164 million higher than budget mainly as less cash was required and drawn down during the financial year, resulting in a greater Debtor Crown balance at year-end.

3. Personnel costs

Accounting policy

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes

Defined contribution schemes

Employer contributions to the State Sector Retirement Savings Scheme, KiwiSaver and the Government Superannuation Fund are accounted for as defined contribution superannuation schemes and are expensed in surplus or deficit as incurred.

Actual		Actual
2023		2024
\$000		\$000
95,359	Salaries and wages	117,619
3,084	Employer contributions to defined contribution plans	3,543
1,077	Increase/(decrease) in employee entitlements	621
1,822	Other personnel costs	5,250
101,342	Total personnel costs	127,033

Explanation of major variances against budget

Personnel costs were \$28.752 million higher than budget due to sustainability funding (additional for new roles), public sector pay adjustment and a one-off redundancy provision of \$5.768 million.

The redundancy provision costs arose as a result of making necessary changes to our structure to continue to effectively lead our health system and to deliver the 6.5% savings required by the Government from 2024/25 as part of the Budget 2024 baseline savings exercise.

4. Capital charge

Accounting policy

The capital charge is recognised as an expense in the financial year to which the charge relates.

The Ministry pays a capital charge to the Crown on its equity balance (adjusted for memorandum accounts) as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2024 was 5.0% (2023: 5.0%).

5. Other expenses

Accounting policy

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease.

Lease incentives are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Other expenses

Other expenses are recognised as expenditure as goods and services are received or delivered.

Funding to third parties

The Ministry provides funding to third parties. Expenditure is recognised by the Ministry when milestones set out in the agreements or contracts are assessed as met.

Actual		Actual	Unaudited budget	Unaudited forecast
2023		2024	2024	2025
\$000		\$000	\$000	\$000
43,597	Scientific advice	43,117	23,081	29,857
33,004	Professional specialist fees***	39,003	56,812	38,350
46,945	Contractors and consultants	18,537	26,692	9,360
12,636	Operating lease payments	13,385	10,756	12,972
13,521	Computer services	11,381	5,436	8,751
4,177	Occupancy costs other than leases	3,828	5,521	3,870
5*	Repairs and maintenance	3,501	–	–
2,335	Travel	1,994	1,847	2,167
1,778*	Communications	1,556	1,752	2,001
1,069*	Insurance	1,415	1,905	1,435
696	Printing and stationery	419	558	410
491	Fees to Audit New Zealand for audit of financial statements**	381	423	423
287	Advertising	254	103	123
312	Sector and public consultations	210	2,224	495
371	Impairment loss on receivables	(40)	–	–
8	Net loss on sale/disposal of property, plant and equipment	–	–	–
3,433*	Other expenses	1,421	712	506
164,665	Total other expenses	140,362	137,822	114,720

* Other expenses have been restated for prior years as the expenditure for insurance and repairs and maintenance have been separately disclosed. Courier costs has been included in other expenses.

** Audit New Zealand are our appointed auditors. The fees paid are for the audit of our financial statements and performance information only. No other services were provided by our auditors in 2024 (2023: nil).

*** Professional services fee includes \$13.469 million (2023: \$0.136 million) of funding provided to local authorities for water fluoridation, as a result of direction notices under the Health Act 1956.

Explanation of major variances against budget

Other expenses were \$2.540 million higher than budget.

Operating costs were based on historical experience and other factors that are believed to be reasonable in the circumstances. They are the Ministry's best estimate of future costs that will be incurred at the time of preparing the 2023/24 Main Estimates.

Estimated year-end information for 2022/23 was used as the opening position for the 2023/24 budget. Significant changes during the year that impact on the year-end results against the budget are outlined in the Vote Health 2023/24 Supplementary Estimates.

Scientific advice expenditure was \$20.036 million higher than budget due to additional funding received during 2023/24 for public health surveillance funding.

The Ministry has worked to reduce expenditure on contractors and consultants in line with public sector expectations. The Ministry's spend in this area was \$8.155 million less than budget.

6. Receivables

Accounting policy

Short-term receivables are measured at amortised cost and recorded at the amount less any provision for uncollectable amounts and an allowance for credit losses according to the requirements of PBE IFRS 9.

A receivable is considered to be uncollectable when there is evidence that the amount will not be fully collectable. The amount that is uncollectable is the difference between the carrying amount due and the present value of the amount expected to be collected.

Breakdown of receivables and further information

Actual		Actual
2023		2024
\$000		\$000
9,278	Gross receivables	5,578
(371)	Less: allowances for credit losses	(331)
8,907	Net receivables	5,247
Receivables consist of:		
8,907	Receivables from registration and licence fees and other revenue	5,247
8,907	Total receivables	5,247

As at 30 June 2024, impairment of gross receivables has been calculated based on a review of specific overdue receivables.

There have been no changes during the reporting period in the estimation techniques or significant assumptions used in measuring the loss allowance.

Ageing profile of receivables

2023			2024		
Gross	Impairment	Net			
\$000	\$000	\$000	Gross	Impairment	Net
			\$000	\$000	\$000
1,566	–	1,566	3,789	–	3,789
1,950	–	1,950	261	–	261
33	–	33	86	–	86
293	–	293	25	–	25
5,436	(371)	5,065	1,417	(331)	1,086
9,278	(371)	8,907	5,578	(331)	5,247

Movement in the allowance for credit losses

Actual		Actual
2023		2024
\$000		\$000
–	Balance as at 1 July	371
371	Increase/(decrease) in loss allowance made during the year	87
–	Receivables written off during the year	(127)
371	Balance as at 30 June	331

Explanation of major variances against budget

Receivables were \$4.753 million lower than budget mainly from the settlement of long outstanding debtors and a focused programme of collecting overdue accounts.

7. Plant, property and equipment

Accounting policy

Property, plant and equipment consists of the following asset classes: land, leasehold improvements, furniture, plant and equipment and motor vehicles.

Land is measured at fair value. All other classes are measured at cost less accumulated depreciation and impairment losses.

Individual assets or groups of assets are capitalised if their cost is greater than \$4,000.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant and equipment have been estimated as follows.

	Useful life	Depreciation rate
Motor vehicles	5 years	20%
Furniture, plant and equipment	5–10 years	10–20%
Leasehold improvements	5–10 years	10–20%
Computer hardware	3–5 years	20–33.3%

Leasehold improvements are capitalised over the shorter of the unexpired period of the lease or the estimated remaining useful lives of the improvements.

The residual value and useful life of an asset are reviewed, and adjusted if applicable, at each balance date.

Work in progress

Work in progress is recognised at cost less impairment and is not depreciated.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Ministry and the cost of the item can be measured reliably.

An item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset and are included in surplus or deficit. When a revalued asset is sold, the amount included in the property revaluation reserve in respect of the disposed asset is transferred to taxpayers' funds.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Ministry and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in surplus or deficit as they are incurred.

Revaluations

Land is revalued with sufficient regularity to ensure that the carrying amount does not differ materially from its fair value. Land is revalued at least every three years.

The carrying value of the revalued asset is assessed annually to ensure that it does not differ materially from fair value. If there is a material difference, then the off-cycle asset class revaluation is carried out.

Revaluation movement is accounted for on a class-of-asset basis.

The net revaluation result is credited or debited to other comprehensive revenue and expense and is accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in surplus or deficit.

Any subsequent increase on revaluation that reverses a previous decrease in value recognised in surplus or deficit will be recognised first in surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense. A revalued asset can be impaired without having to revalue the entire class-of-asset to which the asset belongs.

Impairment

Property, plant and equipment held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is the present value of the asset's remaining service potential. Value in use is determined using an approach based on one of three approaches, a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is considered to be impaired and the carrying amount is written down to the recoverable service amount. The total impairment loss is recognised in surplus or deficit, unless the asset belongs to a class that is measured using the revaluation model. Reversal of an impairment loss is recognised in surplus or deficit.

Movement of property, plant and equipment

The land that is at 108 Victoria Street, Christchurch was valued by Bayleys Valuations Limited, an independent valuer on 30 June 2024. The building on the land was damaged and had been derecognised since the 2011 Christchurch earthquake.

	Land	Leasehold improvements	Furniture plant and equipment	Motor vehicles	Computer hardware	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Cost or valuation						
Balance as at 1 July 2022	6,315	5,588	1,986	452	1,272	15,613
Additions	–	1,304	16	–	–	1,320
Disposals*	–	(675)	(1,221)	(281)	(492)	(2,669)
Balance as at 30 June 2023	6,315	6,217	781	171	780	14,264
Balance as at 1 July 2023	6,315	6,217	781	171	780	14,264
Additions	–	2,082	–	–	–	2,082
Revaluation	(565)	–	–	–	–	(565)
Disposals	–	–	(11)	–	–	(11)
Balance as at 30 June 2024	5,750	8,299	770	171	780	15,770
Accumulated depreciation and impairment losses						
Balance as at 1 July 2022	–	3,448	1,343	197	1,204	6,192
Depreciation expense	–	459	70	27	8	564
Eliminate on disposal*	–	(674)	(769)	(175)	(438)	(2,056)
Balance as at 30 June 2023	–	3,233	644	49	774	4,700
Balance as at 1 July 2023	–	3,233	644	49	774	4,700
Depreciation expense	–	442	50	27	6	525
Eliminate on disposal	–	–	(11)	–	–	(11)
Balance as at 30 June 2024	–	3,675	683	76	780	5,214
Total property, plant and equipment including work in progress						
At 30 June 2022	6,315	2,140	643	255	68	9,421
At 30 June 2023	6,315	2,984	137	122	6	9,564
At 30 June 2024	5,750	4,624	89	93	–	10,556

* Included in the disposal is the transfer of assets to Health New Zealand (net book value of \$0.579 million) on 1 July 2022.

Work in progress

As at 30 June 2024, work in progress was nil.

As at 30 June 2023 work-in-progress costs incurred were \$1.621 million, related to compliance for a storage facility. This project was completed and capitalised during 2023/24.

Restrictions

There are no restrictions over the title of the Ministry's property, plant and equipment.

8. Intangible assets

Accounting policy

Intangible assets are initially recorded at cost. The cost of an internally generated intangible asset represents expenditure incurred in the development phase of the asset only. The development phase occurs after the following can be demonstrated:

- technical feasibility
- ability to complete the asset
- intention and ability to sell or use the asset
- where development expenditure can be reliably measured.

Expenditure incurred on research related to an internally generated intangible asset is expensed when it is incurred. Where the research phase cannot be distinguished from the development phase, the expenditure is expensed when it is incurred.

Software acquisition and development

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the costs of services, software development, employee costs and an appropriate portion of relevant overheads.

Costs of software updates or upgrades are capitalised only when they increase the usefulness or value of the software.

Staff training costs, costs associated with maintaining software, and costs associated with the development and maintenance of the Ministry's website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in surplus or deficit. The useful lives and associated rates of major classes of intangible assets have been estimated as follows.

	Useful life	Amortisation rate
Software – internally generated	3–7 years	14.3–33.3%
Software – other	3–7 years	14.3–33.3%

Impairment

Intangible assets subsequently measured at cost that have an indefinite useful life or are not yet available for use are not subject to amortisation and are tested annually for impairment. For further details, refer to the policy for impairment of property, plant and equipment in note 7, as the same approach applies to the impairment of intangible assets.

Critical accounting estimates and assumptions

Useful lives of software

The useful life of software is determined at the time the software is acquired and brought into use and is reviewed at each reporting date for appropriateness. For computer software licences, the useful life represents management's view of the expected period over which the Ministry will receive benefits from the software but not exceeding the licence term. For internally generated software developed by the Ministry, the useful life is based on historical experience with similar systems as well as on anticipation of future events that may impact the useful life, such as changes in technology.

Software as a service

The Ministry exercises judgement in capitalising costs incurred in implementing software as a service. Generally, the costs incurred in configuring and customising software under a software as a service arrangement are expensed in the period when they are incurred. Software as a service costs that are identifiable, and that generate future economic benefits, and where the Ministry can demonstrate control over the asset, are capitalised when incurred.

Costs of configuring and customising commercial off-the-shelf software are capitalised.

Movement of intangible assets

	Acquired software	Internally generated software	Total
	\$000	\$000	\$000
Cost			
Balance as at 1 July 2022	18,681	80,643	99,324
Additions	–	–	–
Disposals*	(17,162)	(68,177)	(85,339)
Balance as at 30 June 2023	1,519	12,466	13,985
Balance as at 1 July 2023	1,519	12,466	13,985
Additions	–	–	–
Disposals	(1,509)	(1,544)	(3,053)
Balance as at 30 June 2024	10	10,922	10,932
Accumulated amortisation and impairment losses			
Balance as at 1 July 2022	18,303	66,614	84,917
Amortisation expense	17	1,679	1,696
Eliminate on disposal*	(16,801)	(56,762)	(73,563)
Balance as at 30 June 2023	1,519	11,531	13,050
Balance as at 1 July 2023	1,519	11,531	13,050
Amortisation expense	–	516	516
Eliminate on disposal	(1,509)	(1,544)	(3,053)
Balance as at 30 June 2024	10	10,503	10,513
Total intangible assets including work in progress			
At 30 June 2022	378	14,029	14,407
At 30 June 2023	–	935	935
At 30 June 2024	–	419	419

* The total disposal of intangible assets relates to the transfer of assets to Health New Zealand on 1 July 2022.

Work in progress

As at June 2024, the Ministry has no IT projects in progress (2023: \$nil).

Restrictions

There are no restrictions over the title of the Ministry's intangible assets.

9. Payables

Accounting policy

Short-term payables are measured at the amount payable.

Revenue in advance refers to fees received in advance in relation to new medicine applications.

Actual		Actual
2023		2024
\$000		\$000
2,193	Creditors	1,527
5,898	Revenue in advance	5,018
20,479	Accrued expenses	26,242
1,404	GST payable	6,979
29,974	Total payables	39,766

10. Return of operating surplus

Actual		Actual
2023		2024
\$000		\$000
33,155	Net surplus/(deficit)	14,862
	Add:	
974	(Surplus)/deficit of memorandum accounts	481
34,129	Total operating surplus/(deficit)	15,343
34,129	Total return of operating surplus	15,343

The return of operating surplus to the Crown is required to be paid by 31 October of each year.

11. Provisions

Accounting policy

A provision is recognised for future expenditure of an uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation
- a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for net deficits from future operating activities.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Provisions to be settled beyond 12 months are recorded at their present value.

Breakdown of provisions and further information.

Actual 2023 \$000	Actual 2024 \$000
Current portion	
– Restructuring	5,768
– Demolition and remediation of 108 Victoria Street	3,028
– Total current portion	8,796

Movements for each class of provision are as follows.

	Restructuring \$000	Demolition and remediation of 108 Victoria Street \$000	Total \$000
Cost			
Balance as at 1 July 2023	–	–	–
Additional provisions made	5,768	3,028	8,796
Balance as at 30 June 2024	5,768	3,028	8,796

Restructuring provision

A provision for restructuring is recognised when an approved detailed formal plan for the restructuring has been announced publicly to those affected or implementation has already begun.

The restructuring provision arose as a result of making necessary changes to our organisational structure to continue to effectively lead our health system and to deliver the 6.5% savings the Government required of the Ministry from 2024/25 by the Government as part of the Budget 2024 baseline savings exercise. It is anticipated that the restructuring will be completed within 12 months of balance date, and the amount of the liability is reasonably assessed.

Demolition and remediation of 108 Victoria Street

The new storage facility has been completed and became operational in February 2024. A provision has been raised for the remediation of the site of the previous store at 108 Victoria Street, Christchurch. The building on the land was damaged and had been derecognised since the 2011 Christchurch earthquake. The store requires demolition, and the land needs to be remediated before it can be made available for sale.

Explanation of major variances against budget

When the original budget was set, the Ministry was not expecting to raise any provisions. The restructuring provision arose as a result of making necessary changes to our structure to continue to effectively lead our health system and deliver the 6.5% savings the Government required of the Ministry from 2024/25 as part of the Budget 2024 baseline savings exercise.

12. Employee entitlements

Accounting policy

Short-term employee entitlements

Employee entitlements that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay.

These entitlements include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, long-service leave, retirement gratuities expected to be settled within 12 months.

Long-term employee entitlements

Employee entitlements that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service, such as retirement and long-service leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement and contractual entitlements information
- the present value of the estimated future cash flows.

Actual		Actual
2023		2024
\$000		\$000
Current portion		
7,203	Annual leave	7,379
657	Retirement and long-service leave	575
2,715	Accrued salaries	3,146
10,575	Total current portion	11,100
Non-current portion		
908	Retirement and long-service leave	781
908	Total non-current portion	781
11,483	Total employee entitlements	11,881

Critical accounting estimates and assumptions

The measurement of long-service leave and retirement gratuities obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability are the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

Expected future payments are discounted using discount rates derived from the yield curve of New Zealand government bonds. The discount rates used have maturities that match, as closely as possible, the estimated future cash flows. A weighted average discount rate of 5.30% (2023: 5.43%) was used. The discount rates and salary inflation factor used are those advised by the Treasury.

If the discount rates were to differ by 1% from the Ministry's estimates, with all other factors held constant, the carrying amount of the liability and the surplus or deficit would be an estimated \$7,977 higher/lower (2023: \$9,900 higher/lower).

If the salary inflation rates were to differ by 1% from the Ministry's estimates, with all other factors held constant, the carrying amount of the total liability and the surplus or deficit would be an estimated \$13,129 higher/lower (2023: \$15,147 higher/lower).

13. Equity

Accounting policy

Equity is the Crown’s investment in the Ministry and is measured as the difference between total assets and total liabilities (net assets).

Capital management

The Ministry’s capital is its equity, which comprise taxpayers’ funds, memorandum accounts and property revaluation reserve.

The Ministry manages its revenues, expenses, assets, liabilities and general financial dealings prudently. The Ministry’s equity is largely managed as a by-product of managing revenue, expenses, assets and liabilities, as well as through compliance with the government budget processes, Treasury instructions and the Public Finance Act 1989.

The objective of managing the Ministry’s equity is to ensure that the Ministry effectively achieves the goals and objectives for which it has been established, while remaining a going concern.

Memorandum accounts

Memorandum accounts reflect the cumulative surplus or deficit on those departmental services provided that are intended to be fully cost recovered from third parties through fees, levies or charges. The balance of each memorandum account is expected to trend toward zero over time.

Property revaluation reserve

Property revaluation reserve is the result of land revaluation to fair value.

Actual		Actual
2023		2024
\$000		\$000
Taxpayers' funds		
25,961	Balance as at 1 July	9,390
33,155	Net surplus/(deficit)	14,862
974	Transfer of memorandum account net deficit for the year	481
(34,129)	Return of operating surplus to the Crown	(15,343)
943	Capital injection – non cash	–
(3,473)	Capital withdrawal – cash	(400)
(14,041)	Capital withdrawal – non cash	(116)
9,390	Balance as at 30 June	8,874
Property revaluation reserve		
3,555	Balance as at 1 July	3,555
–	Revaluation gains/(losses) on land	(565)
3,555	Balance as at 30 June	2,990
Memorandum accounts		
(7,339)	Balance as at 1 July	(8,313)
(974)	Net memorandum account deficits for the year	(481)
(8,313)	Balance as at 30 June	(8,794)
4,632	Total equity	3,070

14. Memorandum accounts

The memorandum accounts summarise financial information relating to the accumulated surpluses and deficits incurred in the Ministry's provision of statutory information and performance of accountability reviews to third parties on a full cost-recovery basis.

The balance of each memorandum account is expected to trend toward zero over a reasonable period of time, with interim deficits being met either from cash from the Ministry's statement of financial position or by seeking approval for a capital injection from the Crown. Capital injections will be repaid to the Crown by way of cash payments throughout the memorandum account cycle.

Action taken to address surpluses and deficits

To recover the deficit memorandum account from revenue in the future years, the Ministry has undertaken fees reviews. As a result, Medsafe and the Office of Radiation Safety have implemented changes to their fees. These changes are expected to address the deficit in the medium term. A review is also underway for Medicinal Cannabis, which is expected to implement a new fee schedule in 2024/25.

	Problem Gambling*	Office of Radiation Safety	Medsafe	Medicinal Cannabis	Vaping	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Balance as at 1 July 2022	(707)	(2,151)	(3,029)	(704)	(748)	(7,339)
Revenue	–	1,182	10,166	453	1,586	13,387
Expenditure	–	(1,985)	(10,610)	(957)	(809)	(14,361)
Balance as at 30 June 2023	(707)	(2,954)	(3,473)	(1,208)	29	(8,313)
Balance as at 1 July 2023	(707)	(2,954)	(3,473)	(1,208)	29	(8,313)
Revenue	–	1,490	11,575	315	1,091	14,471
Expenditure	–	(2,223)	(10,755)	(874)	(1,100)	(14,952)
Balance as at 30 June 2024	(707)	(3,687)	(2,653)	(1,767)	20	(8,794)

* The Problem Gambling memorandum account was disestablished in 2019/20. The Ministry is in the process of seeking approval from the Crown to close the deficit balance of the account. Revenue collected and expenditure incurred in relation to problem gambling services are disclosed in the 'Problem Gambling Revenue Report' on page 156.

15. Related party transactions

The Ministry is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Ministry would have adopted in dealing with the party at arm's length in the same circumstances.

Further, transactions with other government agencies are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Key management personnel compensation

Actual		Actual
2023		2024
\$000		\$000
Leadership team		
4,939	Remuneration	3,990
14	Full-time equivalent staff	11

The leadership team also includes the Director-General.

The above key management personnel disclosure excludes the Minister of Health. The Minister's remuneration and other benefits are not included. The Minister's remuneration and other benefits are set by the Remuneration Authority under the Members of Parliament (Remuneration and Services) Act 2013 and are paid under permanent legislative authority, not by the Ministry.

The remuneration of the leadership team includes contributions to defined contribution plans and non-monetary benefit provided (car parks). The non-monetary benefit has been measured using the recovery rate that is applicable for other employees who use car parks in the Wellington office.

During 2023/24, as part of strengthening the role of the Ministry in the reformed health system, the Executive Leadership Team was refreshed and changed to the Executive Governance Team. This resulted in fewer members of the leadership team.

16. Financial instruments

Categories of financial instruments

The carrying amounts of financial assets and financial liabilities in each of the financial instrument categories are as follows.

Actual		Actual
2023		2024
\$000		\$000
Financial assets measured at amortised cost		
5,864	Cash and cash equivalents	7,746
8,907	Receivables	5,247
54,441	Debtor Crown	52,987
69,212	Total financial assets measured at amortised cost	65,980
Financial liabilities measured at amortised cost		
2,193	Creditors	1,527
20,479	Accrued expenses	26,242
22,672	Total financial liabilities measured at amortised cost	27,769

Financial instruments risks

The Ministry's activities expose it to a variety of financial instrument risk, credit risk and liquidity risk. The Ministry has policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow the Ministry to enter into transactions that are speculative in nature.

Market risk

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates.

Foreign currency denominated transactions are not material. Therefore, the impact of the Ministry's exposure to currency risk is minimal.

Credit risk

Credit risk is the risk that a third party will default on its obligations to the Ministry, causing a loss to be incurred.

In the Ministry's normal course of its business, credit risk arises from debtor Crown, receivables and cash and cash equivalents.

The Ministry's credit risk is concentrated with the Crown and other government agencies but not with any individual agencies. The carrying amount of financial assets best represents the Ministry's maximum exposure to credit risk at balance date.

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate, or the cash flows from a financial instrument will fluctuate, due to changes in market interest rates.

The Ministry has no interest-bearing financial instruments. Therefore, it has no exposure to interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Ministry will encounter difficulty raising liquid funds as they fall due.

As part of meeting its liquidity requirements, the Ministry closely monitors its forecast cash requirements with expected cash drawdowns from the Treasury Capital Markets. The Ministry maintains a target level of available cash to meet liquidity requirements.

Contractual maturity analysis of financial liabilities

The table below analyses the Ministry's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying amount	Total contractual cash flows	Less than 6 months	6 months to 1 year	1-5 years
	\$000	\$000	\$000	\$000	\$000
Payables	27,769	27,769	27,769	–	–
Balance as at 30 June 2024	27,769	27,769	27,769	–	–
Payables	22,672	22,672	22,672	–	–
Balance as at 30 June 2023	22,672	22,672	22,672	–	–

17. Departmental agency results

Te Aho o Te Kahu – Cancer Control Agency

On 28 August 2019, Cabinet approved the establishment of Te Aho o Te Kahu – Cancer Control Agency as a departmental agency hosted by the Ministry.

The Order in Council also named Te Aho o Te Kahu as a departmental agency within the Ministry under Schedule 1A of the then State Sector Act 1988 with effect from 1 December 2019.

The nature of this arrangement means while the agency is a separate departmental operating unit within the Ministry, it is functionally independent, with separate ministerial reporting lines and its own Chief Executive. The Ministry's financial statements include the operations of Te Aho o Te Kahu.

Te Aho o Te Kahu is funded within Vote Health baselines.

In summary, the financial performance of Te Aho o Te Kahu for the year ended 30 June 2024 was as follows:

Actual		Actual
2023		2024
\$000		\$000
Departmental activities		
15,541	Revenue	14,509
15,541	Revenue Crown	14,509
Expenses		
8,121	Personnel costs	8,803
4,483	Other expenses	3,855
12,604	Total expenses	12,658
2,937	Net surplus/(deficit)	1,851

18. Events after balance date

There were no significant events after the balance date.

Non-departmental statements and schedules for the year ended 30 June 2024

The following non-departmental statements and schedules record the revenue, expenses, assets, liabilities, commitments, contingent liabilities, contingent assets, capital receipts and trust accounts that the Ministry manages on behalf of the Crown.

The make-up of Vote Health for 2023/24 has seen one major change.

Legislation was introduced to disestablish Te Aka Whai Ora effective from 30 June 2024. From 1 April 2024, almost all staff from Te Aka Whai Ora and their functions were transferred to Health New Zealand while a small number moved to the Ministry.

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statement of the Government for the year ended 30 June 2024.

Statement of non-departmental expenses for the year ended 30 June 2024

Actual			Actual	Unaudited budget	Revised budget
2023			2024	2024	2024
\$000	Note		\$000	\$000	\$000
22,179,880	Services from Health New Zealand	2.1	23,485,461	22,223,014	23,387,209
573,647	Services from Te Aka Whai Ora	2.2	535,681	687,899	710,114
1,610,597	Services from Pharmaceutical Management Agency Limited	2.3	1,836,118	1,340,507	1,836,118
17,304	Services from Health Quality & Safety Commission		18,167	14,376	18,167
18,944	Services from the Health and Disability Commissioner		19,701	17,000	19,701
7,366	Services from other Crown entities		9,712	180,955	9,712
24,407,738	Total services from Crown entities		25,904,840	24,463,751	25,981,021
1,132	Services from government departments		1,678	–	2,000
1,132	Total services from government departments		1,678	–	2,000
251,134	Services from third parties		7,828	33,312	8,423
–	Loss on disposal of assets		650	–	750
251,134	Total services from third parties		8,478	33,312	9,173
24,660,004	Total services		25,914,996	24,497,063	25,992,194
24,660,004	Total non-departmental expenses		25,914,996	24,497,063	25,992,194
3,715,789	GST input expense		3,886,937	3,674,559	3,898,717
28,375,793	Total non-departmental expenses GST inclusive		29,801,933	28,171,622	29,890,911

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statement of the Government for the year ended 30 June 2024.

Schedule of non-departmental revenue and capital receipts for the year ended 30 June 2024

Non-departmental revenues and capital receipts are administered by the Ministry on behalf of the Crown. As these revenues are not established by the Ministry nor earned in the production of its outputs, they are not reported in the financial statements.

Actual		Actual	Unaudited budget	Revised budget
2023		2024	2024	2024
\$000		\$000	\$000	\$000
Revenue				
Reimbursement from the Accident Compensation Corporation (ACC)				
7,921	Reimbursement of complex burns costs	8,789	8,428	8,428
39,636	Reimbursement of work-related public hospital costs	43,981	43,218	44,000
468,202	Reimbursement of non-earners' account	519,526	510,510	519,753
151,632	Reimbursement of earners' non-work-related public hospital costs	168,254	165,334	168,327
73,447	Reimbursement of motor vehicle-related public hospital costs	81,498	80,084	81,533
4,437	Reimbursement of medical misadventure costs	4,923	4,838	4,925
9,222	Reimbursement of self-employed public hospital costs	10,232	10,055	10,237
754,497	Total ACC reimbursements	837,203	822,467	837,203
Other non-departmental revenue				
429,510	Capital charge from Crown entities	476,007	521,809	576,359
11,150	Fines, penalties and levies	9,633	–	10,520
–	Gain on disposal of assets	61	–	–
10,836	Miscellaneous revenue	327	–	–
1,205,993	Total non-departmental revenue	1,323,231	1,344,276	1,424,082
Non-departmental capital receipts				
15,110	Repayment of residential care loans	20,803	20,000	32,000
12,881	Equity repayments by Health New Zealand	12,499	12,499	12,499
27,991	Total non-departmental capital receipts	33,302	32,499	44,499
1,233,984	Total non-departmental revenue and capital receipts	1,356,533	1,376,775	1,468,581

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statement of the Government for the year ended 30 June 2024.

Schedule of non-departmental assets and liabilities as at 30 June 2024

Actual		Actual	Unaudited budget	Revised budget
2023		2024	2024	2024
\$000	Note	\$000	\$000	\$000
Assets				
Current assets				
72,303	Cash and cash equivalents	68,409	150,000	26,000
1,412	Receivables from Health New Zealand	(8)	10,000	500
13,239	Receivables from ACC	–	–	–
4,489	Receivables from government departments	905	8,000	1,000
4,054	Other receivables	8	6,000	200
6,390	Prepayments	1,466	5,080	1,500
101,887	Total current assets	70,780	179,080	29,200
Non-current assets				
3,150	Land and buildings	–	3,149	–
3,150	Total non-current assets	–	3,149	–
105,037	Total non-departmental assets	70,780	182,229	29,200
Liabilities				
Current liabilities				
Payables:				
9,301	Other payables	10,575	10,000	10,000
Accrued liabilities and provisions:				
60,283	Crown entities accrued liabilities	2.4	17,593	100,000
6,994	Other accrued liabilities	2.5	6,359	100,753
76,578	Total non-departmental current liabilities	34,527	210,753	92,000

The Ministry monitors a number of Crown entities, including Health New Zealand, Pharmac and (until 31 March 2024) Te Aka Whai Ora. Investment in these entities is recorded in the Financial Statements of the Government on a line-by-line basis. No disclosure of investments in Crown entities is made in this schedule.

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statement of the Government for the year ended 30 June 2024.

Schedule of non-departmental contingent liabilities and contingent assets as at 30 June 2024

Contingent liabilities

Actual		Actual
2023		2024
\$000		\$000
3,610	Legal proceedings and disputes	13,610
3,610	Total contingent liabilities	13,610

Legal proceedings and disputes

Legal claims against the Crown are for compensation in relation to perceived issues regarding treatment and care, or contractual disputes. The Crown is in the process of defending these claims.

New Zealand College of Midwives class action v Ministry of Health

In August 2022, the New Zealand College of Midwives filed class action proceeding against the Ministry on behalf of self-employed midwives over contractual issues. The High Court hearing was completed on 13 September 2024. Given the six-week length of the hearing, the decision is not expected for many months.

Stent and Brill v Minister for COVID-19 Response

In December 2022, Stent and Brill filed a claim against the Ministry and the Minister for COVID-19 Response in relation to the COVID-19 restrictions in July 2021. The High Court hearing is set for 10 March 2025.

J v Attorney General and others

The claim was filed for unlawful detention and New Zealand Bill of Rights Act 1990 compensation. The plaintiff's appeal was dismissed by the Court of Appeal on 20 December 2023. The decision was appealed and the Supreme Court hearing was completed on 24 September 2024. The decision is expected by the end of December 2024.

Safety & Medical Manufacturers Limited v Ministry of Health and Health New Zealand

This is a contract dispute relating to the cancellation of an order of masks in 2020 (as part of the COVID-19 response). The contract was transferred to Health New Zealand as part of the 2022 health system reform. No hearing date has been set.

Unquantifiable contingent liabilities

There are other liabilities which could result from current matters which is currently unquantifiable.

Contingent assets

The Ministry had no contingent assets held on behalf of the Crown as at the balance date (2023: \$nil).

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statement of the Government for the year ended 30 June 2024.

Schedule of non-departmental commitments as at 30 June 2024

Capital commitments

The Ministry had no commitments on behalf of the Crown as at the balance date (2023: \$nil)

Problem Gambling Revenue Report for the year ended 30 June 2024

In accordance with the Gambling Act 2003, the Ministry receives an appropriation for problem gambling that over time is intended to be fully funded from the levies Inland Revenue collects from the industry. These services are mainly delivered by Health New Zealand and (up until 31 March 2024) Te Aka Whai Ora. The following report shows the revenue collected to date and actual expenditure.

Actual		Actual
2023		2024
\$000		\$000
Problem Gambling		
(1,172)	Balance as at 1 July	466
22,327	Revenue	22,797
(20,689)	Expenses	(29,422)
466	Balance as at 30 June*	(6,159)

* The balance represents the accumulated balance of surpluses and deficits incurred in providing problem gambling services; they are not formal assets or liabilities of the Crown.

Revenue is actual levies collected by Inland Revenue based on the *Strategy to Prevent and Minimise Gambling Harm: Three-year service plan 2022/23–2024/25*.⁴⁷

47 Ministry of Health. 2022. *Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25*. URL: health.govt.nz/publications/strategy-to-prevent-and-minimise-gambling-harm-202223-to-202425 (accessed 3 September 2024).

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statement of the Government for the year ended 30 June 2024.

Notes to the non-departmental statements and schedules

Notes index

1. Statement of accounting policies
2. Explanation of major variances against budget
3. COVID-19 response expenditure for the year ended 30 June 2024

1. Statement of accounting policies

Reporting entity

These non-departmental statements and schedules present financial information on public funds managed by the Ministry on behalf of the Crown. The financial information is consolidated into the Financial Statements of the Government. Therefore, readers of these schedules should also refer to the Financial Statements of the Government for the year ended 30 June 2024.

Basis of preparation

The non-departmental statements and schedules have been prepared in accordance with the accounting policies of the Financial Statements of the Government, Treasury instructions and Treasury circulars.

Measurement and recognition rules applied in the preparation of the non-departmental statements and schedules are consistent with generally accepted accounting practice (Public Benefit Entity Accounting Standards) as appropriate for PBEs.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

New or amended standards adopted

Standards and amendments that have been issued and have been early adopted by the Ministry are as follows.

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)

Amendments to PBE IPSAS 1 Presentation of Financial Reports change the required disclosures for fees relating to services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories. The amendments to PBE IPSAS 1 aim to address concerns about the quality and consistency of disclosures an entity provides about fees paid to its audit or review firm for different types of services. The enhanced disclosures are expected to improve the transparency and consistency of disclosures about fees paid to an entity's audit or review firm. This is effective for the year ended 30 June 2025.

The Ministry is already in compliance with this standard.

PBE IFRS 17 Insurance Contracts

This new standard sets out accounting requirements for insurers and other entities that issue insurance contracts and applies to financial reports covering periods beginning on or after 1 January 2026.

The Ministry has assessed this standard and there are not anticipated to be any impacts on the financial statements as the Ministry does not currently issue insurance contracts.

Other changes in accounting policies

There have been no other changes in the Ministry's accounting policies since the date of the last audited financial statements.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Revenue and receipts

Revenue from ACC recoveries and capital charges from Health New Zealand and the New Zealand Blood and Organ Service are recognised when earned and are reported in the financial period to which they relate.

Cash and cash equivalents

Cash and cash equivalents are subject to the expected loss requirements of PBE IFRS 9. However, no loss allowance has been recognised because the estimated loss allowance for credit losses is considered to be nil or trivial.

Debtors and receivables

Receivables from ACC recoveries are measured at amortised cost and recorded at the value of the contract and agreed with ACC, less an allowance for credit losses according to the requirements of PBE IFRS 9. The estimated loss allowance is considered to be nil. Receivables from capital charges are recorded at estimated realisable value.

Payables

Payables are measured at amortised cost and are recorded at the estimated obligation to pay according to the requirements of PBE IFRS 9. Short-term payables are due within 12 months and are recognised at their nominal value unless the effect of discounting is material. Payables due beyond 12 months are subsequently measured at amortised cost using the effective interest method where applicable.

Accrued expenses

Accrued expenses are recorded at either the value of funding entitlements owing under Crown funding agreements or the estimated value of contracts already started but not yet completed.

Goods and services tax

All items in the financial statements, including appropriation statements, are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. In accordance with Treasury instructions, GST is returned on revenue received on behalf of the Crown where applicable.

Input tax deductions are not claimed on non-departmental expenditure. Instead, the amount of GST applicable to non-departmental expenditure is recognised as a separate expense and eliminated against GST revenue on consolidation of the Financial Statements of the Government.

Commitments

Future expenses and liabilities to be incurred on contracts that have been entered into as at the balance date are disclosed as commitments to the extent that there are equally unperformed obligations.

Budget figures

The budget figures are consistent with the financial information in the 2023/24 Main Estimates for Vote Health. In addition, these financial statements also present the updated budget information reflecting changes made during the year and reported in the 2023/24 Vote Health Supplementary Estimates (revised budget).

Cost accounting policies

The Ministry has determined the cost of outputs using the cost allocation system outlined below.

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be attributed to a specific output in an economically feasible manner.

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on cost drivers and related activity or usage information. Depreciation and capital charge are on the basis of asset utilisation. Personnel costs are charged on the basis of actual time incurred. Property and other premises costs, such as maintenance, are charged on the basis of floor area occupied for the production of each output. Other indirect costs are assigned to outputs based on the proportion of direct staff costs for each output.

Events after the balance date

Significant events after balance date are disclosed in note 18 of the Ministry's Departmental financial statements.

Appropriation statements

The following statements report information about the expenses and capital expenditure incurred against each appropriation administered by the Ministry for the year ended 30 June 2024. They are prepared on a GST exclusive basis.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations for the year ended 30 June 2024

Actual expenditure			Actual expenditure	Unaudited budget	Revised budget*	Location of end-of-year performance information [^]
2023			2024	2024	2024	
\$000	Appropriation title	Note	\$000	\$000	\$000	
Multi-category expenses						
228,711	Stewardship of the New Zealand health system MCA		269,070	237,759	286,046	
	<i>Departmental output expenses</i>					
19,158	Equity, evidence and outcomes		23,432	15,563	22,394	1
44,737	Policy advice and related services		43,456	31,630	44,169	1
85,963	Public health and population health leadership		125,443	107,224	139,864	1
65,891	Regulatory and enforcement services		61,814	55,088	61,573	1
12,962	Sector performance and monitoring		14,925	28,254	18,046	1
903,880	Implementing the COVID-19 vaccine strategy MCA	3	70,287	295,118	105,287	
	<i>Non-departmental output expenses</i>					
301,794	Implementing the COVID-19 immunisation programme		70,287	129,918	105,287	5
602,086	Purchasing potential and proven COVID-19 vaccines and other therapeutics		–	165,200	–	2, 5
1,180,815	National response to COVID-19 across the health sector MCA	3	177,448	–	210,961	
	<i>Departmental output expenses</i>					
40,471	National health response to COVID-19		–	–	10	1
	<i>Non-departmental output expenses</i>					
1,140,344	COVID-19 public health response		177,448	–	210,951	1, 2
269,182^c	Total multi-category departmental output expenses		269,070	237,759	286,056	
2,044,224	Total multi-category non-departmental output expenses		247,735	295,118	316,238	
2,313,406	Total multi-category output expenses		516,805	532,877	602,294	
269,182^c	Total departmental output appropriation		269,070	237,759	286,056	

Actual expenditure			Actual expenditure	Unaudited budget	Revised budget*	Location of end-of-year performance information [^]
2023			2024	2024	2024	
\$000	Appropriation title	Note	\$000	\$000	\$000	
Departmental capital expenditure						
1,320	Ministry of Health – capital expenditure permanent legislative authority		2,082	1,600	2,000	1
1,320	Total departmental capital expenditure		2,082	1,600	2,000	
Non-departmental output expenses						
2,023	Aged Care Commissioner		2,104	2,023	2,104	6
217,572	Delivering hauora Māori health services		704,106	615,540	704,106	2, 3
12,917,202	Delivering hospital and specialist services	2.6	14,381,833	12,720,434	14,389,512	2
8,199,205	Delivering primary, community, public and population health services	2.7	8,668,148	8,158,369	8,668,148	2
39,296	Monitoring and protecting health and disability consumer interests		41,123	39,551	41,123	4, 6
29,347	National management of pharmaceuticals		29,907	28,372	29,907	5
1,186,000	National pharmaceuticals purchasing	2.3	1,806,211	1,311,000	1,806,211	5
20,384	Problem gambling services		28,898	26,027	29,557	2
527	Strengthening international health systems [#]		–	–	–	N/A
22,611,556	Total non-departmental excluding multi-category output expenses		25,662,330	22,901,316	25,670,668	
Non-departmental other expenses						
2,277	International health organisations		2,707	2,230	2,730	7
1,947	Legal expenses		1,574	1,208	1,808	7
–	Loss on sale of Crown-owned assets		650	–	750	7
4,224	Total non-departmental other expenses		4,931	3,438	5,288	
24,660,004	Total non-departmental including multi-category output expenses		25,914,996	23,199,872*	25,992,194	

Actual expenditure			Actual expenditure	Unaudited budget	Revised budget*	Location of end-of-year performance information [^]
2023		2024	2024	2024		
\$000	Appropriation title	Note	\$000	\$000	\$000	
Non-departmental capital expenditure						
23,181	Capital investment for services to the health sector		10,916	10,800	10,916	2
1,591,596	Health capital envelope 2022–2027 (MYA)	2.8	521,594	989,543	950,000	2
62,606	New Dunedin hospital 2021–2026 (MYA)	2.9	100,080	208,000	156,871	2
-	Remediation and resolution of Holidays Act 2003 historical claims	2.10	285,836	1,642,330	572,314	2, 8
20,000	Residential care loans – payments		30,309	20,000	32,000	7
-	Standby credit to support health system liquidity		-	200,000	200,000	2
1,697,383	Total non-departmental capital expenditure		948,735	3,070,673	1,922,101	
26,357,387	Total non-departmental appropriations		26,863,731	26,270,545	27,914,295	
26,627,889	Total Vote: Health		27,134,883	26,509,904	28,202,351	

* These are the total approved appropriations from the 2023/24 Vote Health Supplementary Estimates, adjusted for any transfers under section 26A of the Public Finance Act 1989.

€ The total department output expenditure including multi-category appropriations encompasses expenditure for an administration and use of appropriations.

¥ The statement of non-departmental expenses includes funding allocated through Budget 2022 contingency drawdown to address price and demographic cost pressures.

These appropriations have now been disestablished.

^ The numbers in this column represent where the end-of-year performance information has been reported for each appropriation administered by the Ministry, as detailed below:

1. The 'Our performance outcomes' section of this annual report.
2. Health New Zealand annual report.
3. Te Aka Whai Ora annual report.
4. Health Quality & Safety Commission's annual report.
5. Pharmac annual report.
6. Health and Disability Commissioner's annual report.
7. Exemptions granted under section 15D of the Public Finance Act 1989.
8. New Zealand Blood and Organ Service's annual report.

2. Explanation of major variances against budget

Explanations for major variances from the Ministry's non-departmental appropriations against the unaudited budget are as follows.

Schedule of non-departmental assets and liabilities

2.1 Services from Health New Zealand

Services from Health New Zealand were \$1.262 billion higher than budget mainly due to:

- \$685.842 million of additional funding for the settlement of the nurses' pay equity claim
- \$110 million carried forward from 2022/23 to help clear the backlog of planned care that arose during the height of the COVID-19 pandemic
- \$54.550 million for a technical adjustment to fund changes in Health New Zealand's capital charge payments following the revaluation of the assets
- \$19.828 million of additional funding to support the investment in data and digital priority areas that enable improvements in health system performance
- \$55.506 million of additional funding to close the pay gap across mental health and addiction and other government-funded residential care and health services
- \$43.570 million carried forward from 2022/23 for the Cyber Security and Hira tranche 1 programmes, reflecting the rephasing of the programme
- \$19.030 million of additional funding to implement the pay equity extension for identified employees in community and iwi organisations who undertake social work or work that is substantially similar.

2.2 Services from Te Aka Whai Ora

Services from Te Aka Whai Ora were \$152.218 million lower than budget reflecting the legislation changes to disestablish Te Aka Whai Ora. As of 1 April 2024, a small number of staff from Te Aka Whai Ora and their functions were transferred to the Ministry. All remaining staff were transferred to Health New Zealand, along with the funding.

The financial impact of the final decision for services to be provided by Health New Zealand from 1 April 2024 were not reflected in the final budget, as the changes were still being finalised at the time when forecast budgets were closed.

2.3 Services from Pharmaceutical Management Agency Limited

Services from Pharmaceutical Management Agency Limited (Pharmac) were \$495.611 million higher than budget mainly due to an increase in funding in the National Pharmaceuticals Purchasing appropriation:

- \$449.631 million for a fiscally neutral transfer from the Implementing the COVID-19 Vaccine Strategy MCA to transition the COVID-19 vaccine funding into the combined pharmaceutical budget managed by Pharmac
- \$45.580 million of additional fund, including \$21.800 million transferred from the Delivering Primary, Community, Public, and Population Health Services appropriation and \$23.780 million provided through Budget 2024, to allow for an increase in demand for medicines resulting from the removal of the \$5 prescription co-payments for all New Zealanders over the age of 14 years.

2.4 Crown entities accrued liabilities

Crown entities accrued liabilities were \$82.407 million lower than budget due to the timing of capital payments claims from Health New Zealand.

2.5 Other accrued liabilities

Other accrued liabilities were \$94.394 million lower than budget mainly as majority of the non-departmental payments were made to Crown entities. This has resulted in a reduction in the other accrued liabilities. This information was not known at the time of completing the 2023/24 Main Estimates and was therefore not included in the forecast. The final revised budget (Supplementary Estimates 2023/24) was adjusted to reflect the change.

Schedule of non-departmental expenses and capital expenditure against appropriations

2.6 Delivering hospital and specialist services

Delivering hospital and specialist services was \$1.661 billion higher than the revised budget mainly due to:

- \$764.719 million of additional funding through Budget 2022 contingency drawdown to address price and demographic cost pressures
- \$685.842 million of additional funding for the settlement of the nurses' pay equity claim
- \$110 million carried forward from 2022/23 to help clear the backlog of planned care that arose during the height of the COVID-19 pandemic
- \$54.550 million for a technical adjustment to fund changes in Health New Zealand's capital charge payments following the revaluation of the assets
- \$19.828 million of additional funding to support the investment in data and digital priority areas that enable improvements in health system performance.

2.7 Delivering primary, community, public and population health services

Delivering primary, community, public and population health services was \$509.779 million higher than budget mainly due to:

- \$494.980 million of additional funding through Budget 2022 contingency drawdown to address price and demographic cost pressures
- \$55.506 million of additional funding to close the pay gap across mental health and addiction and other government-funded residential care and health services
- \$43.570 million carried forward from 2022/23 for the Cyber Security and Hira tranche 1 programmes, reflecting the rephasing of the programme.

This increase was partly offset by:

- \$25 million for a fiscally neutral transfer to the Delivering Hauora Māori services appropriation to enable the Winter Wellness Immunisation programme to be delivered through the Whānau Ora Commissioning Agency and hauora Māori partners
- \$21.800 million for a fiscally neutral transfer to the National Pharmaceuticals Purchasing appropriation to allow for an increase in demand for medicines resulting from the removal of the \$5 prescription co-payments for all New Zealanders over the age of 14 years
- \$17.250 million for a fiscally neutral transfer to the Delivering Hauora Māori services appropriation to enable the commissioning of te ao Māori models of maternity and early years care
- \$12.879 million for a fiscally neutral transfer to the Delivering Hauora Māori services appropriation to fund the Māori Kaiāwhina roles as part of the comprehensive primary care teams
- \$10 million for a transfer to 2024/25 for the Breast Screen Aotearoa Critical Infrastructure Replacement programme, reflecting the rephasing of the programme.

2.8 Health capital envelope 2022–2027 (MYA)

The health capital envelope multi-year appropriation (MYA) was established from 1 July 2022 for the provision or purchase of health sector assets, providing capital to health sector Crown entities or agencies for new investments. The health capital envelope was \$467.949 million lower than budget, which is mainly reflecting phasing of projects from the updated capital expenditure plans by Health New Zealand. As this is an MYA, any underspends or overspends against forecast are moved across to the next year.

2.9 New Dunedin hospital 2021–2026 (MYA)

The New Dunedin Hospital 2021–2026 was established as an MYA last financial year to fund capital expenditure on the construction of the new Dunedin hospital and associated projects. Under an MYA any surpluses or deficits are moved across to the next year.

The actual expenditure is less than budget by \$107.920 million partly due to resets in the design of the new Dunedin hospital and rephasing of the budgets across the financial years. The budget was subsequently adjusted in 2023/24 Supplementary Estimates.

2.10 Remediation and resolution of Holidays Act 2003 historical claims

This appropriation provides funding to Health New Zealand (including its subsidiaries and associates) and the New Zealand Blood and Organ Service for resolution of claims from historical non-compliance with the Holidays Act 2003.

The actual expenditure is less than budget by \$1.356 billion as the finalisation of remediation has taken longer than planned and expenditure incurred reflects the phased approach to remediation across the Health New Zealand districts. The appropriation was adjusted in the 2023/24 Supplementary Estimates to reflect the forecast changes, and that any remaining unspent funding in 2023/24 would be approved as an in-principle expense transfer into 2024/25. The final transfer value will be confirmed in the October 2024 Baseline Update.

3. COVID-19 response expenditure for the year ended 30 June 2024

In March 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) pandemic. In response to the pandemic, total funding of \$10.737 billion has been appropriated to Vote Health for 2019/20 and outyears.

Total expenditure for the year ended 30 June 2024 across Vote Health is \$697.767 million. All 2023/24 expenditure was managed by both Health New Zealand and Pharmac through non-departmental expenditure appropriations. Underspends totalling \$68.502 million will be returned to the Crown.

Key spending on initiatives during 2023/24 includes:

- \$450.031 million – for the purchase of COVID-19 Vaccines and COVAX⁴⁸ agreement
- \$70.287 million – for Health New Zealand's delivery of the immunisation programme in administering the vaccine, the cost of technology to support vaccine delivery, costs associated with delivering equitable outcomes and the costs associated with public information campaigns on the vaccine
- \$177.448 million – for Health New Zealand's COVID-19 response covering testing, community care and all other response activities. Health New Zealand Response,

Statement of departmental capital injections for the year ended 30 June 2024

Actual capital injections	Actual capital injections	Approved appropriation
2023	2024	2024
\$000	\$000	\$000
Vote: Health		
943	Ministry of Health – capital injection	–

Statement of departmental capital injections without, or in excess of, authority for the year ended 30 June 2024

The Ministry has not received any capital injections during the year without, or in excess of, authority.

⁴⁸ COVAX is the vaccines pillar of the Access to COVID-19 Tools (ACT) Accelerator. The ACT Accelerator is a ground-breaking global collaboration to accelerate the development, production and equitable access to COVID-19 tests, treatments and vaccines.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations for the year ended 30 June 2024

Transfers under section 26A of the Public Finance Act 1989 for Vote Health

There were no appropriation transfers or adjustments made in the Supplementary Estimates under section 26A of the Public Finance Act 1989.

Statement of expenses and capital expenditure incurred without, or in excess of, appropriation or other authority for the year ended 30 June 2024

Expenses and capital expenditure incurred in excess of appropriation

	Expenditure	Approved appropriation	Unappropriated expenditure
	2024	2024	2024
	\$000	\$000	\$000
Non-departmental other expenses			
Legal expenses	1,586*	1,208*	378*

* The figures are reflected as at 31 March 2024.

This expenditure relates to the defence and settlement of health-related or disability-related legal claims against the Crown.

In March 2024, the Ministry recorded an expense of \$1.586 million against the Non-Departmental Other Expense – Legal Expenses appropriation that has total recorded authority of \$1.208 million, resulting in technical unappropriated expenditure for the month of \$378,000.

In the March 2024 Baseline Update, the Ministry sought a change in this appropriation to increase it, reflecting a forecast increase in legal costs for 2023/24. It was expected that the changes would be approved prior to the end of March 2024 before the appropriation was breached, however the change to the appropriation was approved later than anticipated, on the 3 April 2024. As the increase to appropriation was approved after the expenditure was incurred, the Ministry had expenditure that exceeded the appropriation in the month of March 2024.

The additional authority for subsequent expenditure to be incurred was authorised under imprest supply and included in the Supplementary Estimates of Appropriations 2023/24 in Vote Health. There was no further unappropriated expenditure for the remainder of the 2023/24.

Expenses and capital expenditure incurred without appropriation or outside scope or period of appropriation

Nil.



Appendices

Ngā āpitihanga

Appendix 1: Legal and regulatory framework

The Ministry is responsible for overseeing the legal and regulatory framework of the health and disability system in Aotearoa New Zealand.

By administering a wide range of regulations and legislative tools, we keep the system safe, equitable and relevant. Regulating the health and disability system helps provide assurance to all New Zealanders that the system is fair and that the services offered can be trusted.

Here we summarise the main pieces of legislation we administer within the health and disability system.

Legislation administered by the Ministry of Health

In 2023/24, the Ministry administered over 30 pieces of legislation, steering the national health and disability system:

- Burial and Cremation Act 1964
- Cancer Registry Act 1993
- Contraception, Sterilisation, and Abortion Act 1977
- Compensation for Live Organ Donors Act 2016
- COVID-19 Public Health Response Act 2020
- Disabled Persons Community Welfare Act 1975 (Part 2A)⁴⁹
- End of Life Choice Act 2019
- Epidemic Preparedness Act 2006
- Health Act 1956
- Health and Disability Commissioner Act 1994
- Health and Disability Services (Safety) Act 2001
- Health Benefits (Reciprocity with Australia) Act 1999
- Health Benefits (Reciprocity with the United Kingdom) Act 1982
- Health Practitioners Competence Assurance Act 2003
- Health Research Council Act 1990
- Health Sector (Transfers) Act 1993
- Home and Community Support (Payment for Travel Between Clients) Settlement Act 2016
- Human Assisted Reproductive Technology Act 2004 (in conjunction with the Ministry of Justice)
- Human Tissue Act 2008
- Intellectual Disability (Compulsory Care and Rehabilitation) Act 2003
- Medicines Act 1981
- Mental Health (Compulsory Assessment and Treatment) Act 1992
- Mental Health and Wellbeing Commission Act 2020

⁴⁹ The Disabled Persons Community Welfare Act 1975 is administered by both the Ministry of Social Development and the Ministry of Health.

- Misuse of Drugs Act 1975
- Pae Ora (Healthy Futures) Act 2022
- Psychoactive Substances Act 2013
- Radiation Safety Act 2016
- Residential Care and Disability Support Services Act 2018
- Smokefree Environments and Regulated Products Act 1990
- Substance Addiction (Compulsory Assessment and Treatment) Act 2017
- Support Workers (Pay Equity) Settlements Act 2017
- Therapeutic Products Act 2023.

Statutory reporting requirements

Health Act 1956

The Health Act 1956 sets out the roles and responsibilities of individuals to safeguard public health, including the Minister of Health, the Director of Public Health and designated officers for public health. It includes provisions for environmental health, infectious diseases, health emergencies and the National Cervical Screening Programme.

The Health Act 1956 requires the Director-General of Health to report every year on the current state of public health.

The Minister of Health tables a Health and Independence Report each year in Parliament. The Minister must table the report by the 12th sitting day of the House of Representatives after the date on which the Minister received the report.

The Health Act 1956 also requires the Director-General of Health to report before 1 July each year on the quality of drinking-water in Aotearoa New Zealand. The public can access the most recent report through the Ministry's website.

Pae Ora (Healthy Futures) Act 2022

The Pae Ora (Healthy Futures) Act 2022 (Pae Ora Act) took effect on 1 July 2022. It provides for the public funding and provision of services in order to:

- protect, promote, and improve the health of all New Zealanders
- achieve equity in health outcomes among Aotearoa New Zealand's population groups, including by striving to eliminate health disparities, in particular for Māori
- build towards pae ora (healthy futures) for all New Zealanders.

It also provides for health sector entities.

- Health New Zealand, as the national organisation to lead and coordinate delivery of health services across the country.
- Pharmac, which is to secure for eligible people in need of pharmaceuticals, the best health outcomes that are reasonably achievable from pharmaceutical treatment and from within the amount of funding provided.
- New Zealand Blood and Organ Service, which manages the donation, collection, processing, and supply of blood and controlled human substances, and provides oversight and clinical governance of the organ donation system, to provide support to the transplantation system.
- Health Quality & Safety Commission, which has responsibility for leading and co-ordinating work across the health sector for the purposes of monitoring and improving the quality and safety of services; and helping providers to improve the quality and safety of services.

The Pae Ora Act establishes iwi-Māori partnership boards to represent local Māori perspectives on the needs and aspirations of Māori with respect to planning and decision-making for health services at the local level.

Health New Zealand must prepare an annual performance report against the New Zealand Health Plan made under the Pae Ora Act. In addition, it must prepare an annual report assessing progress against the priority outcomes set out in any locality plan.

The Director-General of Health must, at least once every five years, review the operation and effectiveness of the Pae Ora Act.

Public Finance Act 1989

Section 19B of the Public Finance Act 1989 requires the Minister of Health to report every year on end-of-year performance information on any Vote Health appropriations that third-party health sector service providers with direct funding from the Ministry deliver, where that information is not covered in other reporting to Parliament.

The Minister of Health is responsible for presenting the Vote Health report on selected non-departmental appropriations for the previous financial year (1 July – 30 June) to Parliament within four months of the end of the financial year. If Parliament is not in session during this time, the tabling process must occur as soon as possible after the start of the next session of Parliament.

Public Service Act 2020

The Border Executive Board was established under the Public Service Act 2020 as an Interdepartmental Executive Board. Its purpose is to ensure the delivery of a safe, integrated and effective border system for Aotearoa New Zealand.

The New Zealand Customs Service hosts the Border Executive Board. The Ministry's Chief Executive is one of the Board's six members. For more information about the Border Executive Board, including membership and publications, please visit customs.govt.nz/about-us/border-executive-board/about-the-border-executive-board/

Other regulatory roles and obligations

In addition to administering the legislation outlined above, key roles within our organisation (such as the Directors of Public Health and Mental Health) have specific statutory powers and functions contained in other pieces of legislation that we do not administer:

- Biosecurity Act 1993
- Civil Defence Emergency Management Act 2002
- Education and Training Act 2020
- Food Act 2014
- Gambling Act 2003
- Hazardous Substances and New Organisms Act 1996
- Local Government Act 1974
- Local Government Act 2002
- Maritime Security Act 2004
- Prostitution Reform Act 2003
- Public Service Act 2020
- Sale and Supply of Alcohol Act 2012
- Social Security Act 2018
- Victims' Rights Act 2002
- Waste Minimisation Act 2008.

Please note, the legislation listed above are examples illustrating where these powers and functions can be found. This list may not be exhaustive.

Additional statutory reporting requirements

The Minister of Finance has not specified any additional reporting requirements.

International compliance

The Ministry helps the New Zealand Government to comply with international obligations by actively supporting and participating in international organisations (such as the World Health Organization).

The Ministry also ensures Aotearoa New Zealand complies with international requirements, such as the International Health Regulations (2005) and the Framework Convention on Tobacco Control, as well as a range of United Nations conventions.

Web resources

To search and access publications we produce, please refer to health.govt.nz/publications.

For information on regulations administered by the Ministry, please refer to health.govt.nz/regulation-legislation.

To view searchable copies of all of the Acts and associated regulations administered by the Ministry, please visit legislation.govt.nz.

Appendix 2: Delegation of functions or powers

The Public Service Act 2020 requires government departments to state where their chief executive's functions or powers have been delegated to a person outside the public service. In addition to disclosing any delegations of functions or duties, our annual report must give a detailed description and assessment of how effectively the delegated function or power was performed or exercised.

The following table provides the information and assessments that the legislation requires.

Delegation of functions or powers

Person delegated to	Function or power delegated	Assessment of how effectively the delegated function or power was performed or exercised
Police Commissioner	The power to appoint enforcement officers under section 18 of the COVID-19 Public Health Response Act 2020 (the 2020 Act). These appointments are only for the purpose of authorising enforcement officers to assist with the enforcement of any Alert Level boundary mandated by Order made under the 2020 Act.	The delegation of power was not used in 2023/2024.

Appendix 3: Substance Addiction (Compulsory Assessment and Treatment) Act 2017

In February 2018, the Substance Addiction (Compulsory Assessment and Treatment) Act 2017 (the Substance Addiction Act) came into effect, replacing the Alcoholism and Drug Addiction Act 1966.

The purpose of the Substance Addiction Act is to help people with a severe substance addiction (or addictions) who have an impaired decision-making capacity to engage in voluntary (or compulsory) addiction treatment services.

The Substance Addiction Act has been developed to be better equipped to protect the human rights and cultural needs of patients and their whānau. It places greater emphasis on mana-enhancing and health-based approaches to substance addiction treatment.

Under section 119 of the Substance Addiction Act, we are required to disclose in our annual report the following information relating to patients.

The data below has been extracted from PRIMHD⁵⁰ on 5 August 2024 and covers activities that occurred from 1 July 2023 to 30 June 2024.⁵¹

Over this period:

- 28 people were detained under the Substance Addiction Act
- 32 compulsory treatment orders were made
- 19 compulsory treatment orders were extended
- 27 discharged patients chose voluntary residential treatment and out-patient services
- for individuals for whom compulsory treatment orders were made (or extended), the average length of detention was just over 11 weeks (81 days).

50 Programme for the Integration of Mental Health Data (PRIMHD) is a Health New Zealand single national mental health and addiction information collection of service activity and outcomes data for health consumers. The data is collected from Health New Zealand district services and non-governmental organisations.

As the data from PRIMHD is only able to measure mental health and addiction outcomes, these results may not fully encompass or recognise other sources of support people recovering from severe substance addiction are receiving (eg, patients that have received support for access to housing).

51 There may be cases where a person first came under the Substance Addiction Act late in the prior year or engaged in the process late in the prior year and continued through the current report period year. Due to this possibility there may be discrepancies in reporting, where the number of people for whom compulsory treatment orders were made (or extended) was higher than the number who were detained under the Substance Addiction Act.

The following table shows the number of individuals detained under the Substance Addiction Act in 2023/24 by the duration of their detention (measured in weeks).

Number of weeks of detention ⁵²	Number of individuals
0	0
0–1	1
1–2	0
2–3	0
3–4	1
4–5	1
5–6	1
6–7	0
7–8	3
Greater than 8	19

Among these patients:

- 26.9% were detained for up to, and including, eight weeks, which is within the first period of compulsory treatment set out in the Substance Addiction Act
- 73.1% of patients were detained for a period of between 8 and 16 weeks, requiring a compulsory treatment order extension.

Data extracted from PRIMHD shows that among service users who were discharged from the Substance Addiction Act from 1 July 2023 to 30 June 2024:

- 46.7% received additional inpatient care
- 86.7% engaged with individual treatments in outpatient services
- 36.7% had family meetings arranged
- 93.3% had Supplementary Consumer Records
- 90.0% had wellness plans.

Please note, if an individual using these services was discharged in late June 2024, they are unlikely to have had enough time to engage with outpatient services during the reporting period.

For this reason, it may be difficult to draw meaningful conclusions about a service user's recovery journey from the information above.

⁵² The categories are defined as up to, and including, the upper limit. For example, one week and one day would be included in 1–2 weeks; seven weeks exactly would be included in 6–7 weeks.

Appendix 4: Committees

The Ministry is required by legislation to include information about committees.

Under section 87 of the Pae Ora (Healthy Futures) Act 2022 (the Pae Ora Act), the Minister of Health has authority to establish any committee that the Minister considers necessary for any purpose relating to the Pae Ora Act, its administration or any services. For each committee, the Ministry is required to give the following information in the annual report:

- the name of the committee
- the names of the chairperson and members of the committee
- a declaration of whether any committee has not reported to the Minister in the period covered by the annual report.

A committee established by the Minister under section 11 of the New Zealand Public Health and Disability Act 2000 continues as if it were established under section 87 of the Pae Ora Act.

The Human Assisted Reproductive Technology Act 2004 requires that we publish the chair and membership of the committees associated with this Act in our annual reports. The ethics committees below have been established to provide advice to the Minister of Health.

Set out in the following tables is information for the year to 30 June 2024 to meet these requirements.

Committees established under the Pae Ora Act

Name of the committee	Membership	Purpose	Reported to the Minister in 2023/24
Health Workforce and System Efficiencies Committee	Dr Andrew Connolly (Chair) Margareth Broodkoorn Dr Bryan Betty Dr Gary Hopgood	The Health Workforce and System Efficiencies Committee was established in April 2024 and replaced the Health Workforce Advisory Committee. The committee provides advice to the Minister of Health on health workforce matters, including strategic direction, and emerging issues and risks.	No
Ministerial Advisory Committee for Health Reform Implementation	Sue Suckling (Chair) Dr Andrew Connolly Parekawhia McLean Cathy Scott Margareth Broodkoorn Dr Deborah Ryan	The Ministerial Advisory Committee for Health Reform Implementation provided the Minister of Health with independent advice on progress towards, and consistency with, the health reform objectives. This committee was disestablished on 1 March 2024 following completion of its final report.	Yes
Hauora Māori Advisory Committee	Parekawhia McLean (Chair) Rāhui Papa Tā Mark Solomon Dr Matire Harwood Dr Jim Mather Margareth Broodkoorn Lisa Tumahai Amohaere Houkamau	The Hauora Māori Advisory Committee advises the Minister of Health on any matter relating to hauora Māori that the Minister requests.	Yes
Public Health Advisory Committee (PHAC)	Kevin Hague (Chair) Beverly Te Huia Associate Professor Jason Gurney Associate Professor Ruth Cunningham Professor Peter Crampton	The PHAC provides independent advice to the Minister and Associate Ministers of Health, the Public Health Agency and Health New Zealand on public health issues, including factors underlying the health of people, whānau and communities.	Yes
Health and Disability Ethics Committee – Northern A	Catherine Garvey (Chair) Dr Kate Parker Dr Andrea Forde Dr Sotera Catapang Jonathan Darby Jade Scott Liang Derek Chang	The health and disability ethics committees are a group of four research ethics committees: Northern A, Northern B, Central and Southern. Their purpose is to check that health and disability research (such as clinical trials) being conducted meets, or exceeds, ethical standards established by the National Ethics Advisory Committee.	No

Name of the committee	Membership	Purpose	Reported to the Minister in 2023/24
Health and Disability Ethics Committee – Northern B	Kate O'Connor (Chair) Leesa Russell Joan Pettit Dr Amber Parry-Strong Barry Taylor Alice McCarthy Maakere Marr Ewe Leong Lim	See above	No
Health and Disability Ethics Committee – Central	Helen Walker (Chair) Albany Lucas Sandy Gill Patricia Mitchell Associate Professor Patries Herst Dr Cordelia Thomas Jessie Lenagh-Glue	See above	No
Health and Disability Ethics Committee – Southern	Dominic Fitchett (Chair) Associate Professor Nicola Swain Dr Devonie Waaka Dr Maree Kirk Amy Henry Tuifa'asisina Neta Tomokino Dianne Glenn	See above	No

Other committees

Name of committee	Membership	Purpose
Advisory Committee on Assisted Reproductive Technology (ACART)	Calum Barrett (Chair) Dr Karaitiana Taiuru (Deputy Chair) Catherine Ryan Professor Debra Wilson Dr Sarah Wakeman Edmond Fehoko Neuton Lambert Dr Karen Reader Seth Fraser Tanushi Minu Punchihewa Amanda Lees	ACART formulates policy and provides independent advice to the Minister of Health. It also issues guidelines and provides advice to the Ethics Committee on Assisted Reproductive Technology. ACART is a ministerial committee established under section 32 of the Human Assisted Reproductive Technology Act 2004. The Minister of Health appoints members.
Ethics Committee on Assisted Reproductive Technology (ECART)	Dr Jeanne Snelling (Chair) Dr Annabel Ahuriri-Driscoll Dr Analosa Veukiso-Ulugia Richard Ngatai Mania Maniapoto-Ngaia Dr Simon McDowell Associate Professor Michael Legge Professor Angela Ballantyne Jude Charlton Dr Emily Liu Lana Stockman Peter Le Cren	ECART considers, determines and monitors applications for assisted reproductive procedures and human reproductive research. ECART can only consider applications for procedures that ACART has issued guidelines for. ECART is a ministerial committee established under section 27 of the Human Assisted Reproductive Technology Act 2004. The Minister of Health appoints members.
National Ethics Advisory Committee (NEAC)	Professor John McMillan (Chair) Shannon Hanrahan (Deputy Chair) Edmond Carrucan Rochelle Style Dr Lindsey Te Ata o Tū MacDonald Associate Professor Vanessa Jordan Dr Hansa Patel Nora Jaye Parore Maree Candish Tania Moerenhout Julia Black	The NEAC is an independent advisor to the Minister of Health on ethical issues related to health and disability research and services.

Appendix 5: Asset performance indicators

The Aotearoa New Zealand Government’s Cabinet Office Circular CO(23)9 outlines the requirements for government departments to report on relevant asset performance indicators for service critical assets in their annual report.

The following table outlines the indicator results for property and provides additional information on the indicators where applicable.

Asset performance indicator results for property

Indicator	Indicator type	Actual 2021/22	Actual 2022/23	Actual 2023/24	Target 2023/24	At a glance
Percentage of buildings with a Property Council NZ Grade of C or better (Note 1)	Condition	91.70%	100%	100%	>80%	✓
Percentage of buildings with an Initial Evaluation Process – New Building Standard Seismic Grade of C or better	Condition	100%	100%	100%	100%	✓
All building warrants of fitness current (Note 2)	Condition	100%	87%	100%	100%	✓
Average occupancy m2 per head (Note 3)	Utilisation	11.39	13.24	13.24	<14	✓
Percentage of buildings with a functionality rating of 3 or better (Note 4)	Functionality	100%	100%	100%	100%	✓
Average power used kWh/m2	Functionality	73	70	69	<80	✓

Note 1

Property Council New Zealand’s quality grading matrix includes the following grades.

- Grade A: A landmark office building located in major central business district (CBD) office markets which is a pacesetter in establishing rents and includes ample natural lighting, good views and outlook, prestige lobby finish, on-site undercover parking, quality access to and from an attractive street setting, and premium presentation and maintenance.
- Grade B: High-quality space including good views and outlook, quality lobby finish, on-site undercover parking, quality access to and from an attractive street setting, and quality presentation and maintenance.
- Grade C: Good-quality space with a reasonable standard of finish and maintenance. Tenant car parking facilities should be available.
- Grade D: Office space with lower poor-quality finish. Services fall below the minimum set for a C grade.

Note 2

A building warrant of fitness is used to confirm the specified systems for the building have been maintained and checked in accordance with the compliance schedule. This now includes the building warrant of fitness (BWoF) Report and Declaration (B-RaD) process where non-conformance is understood and actively managed. For more information, please visit [building.govt.nz/managing-buildings/managing-your-bwof/inspection-and-maintenance-of-specified-systems](https://www.govt.nz/managing-buildings/managing-your-bwof/inspection-and-maintenance-of-specified-systems).

Note 3

This is the average square metre per person. The transfer of functions from the Ministry to Health New Zealand and Te Aka Whai Ora resulted in an increase between 2021/22 and 2022/23.

Note 4

Building functionality assesses how fit for purpose or suitable a building is to meet the service needs of its users. The rating scale for this measure is defined as:

1. actively hinders operation
2. not fit for purpose/significant issues
3. fit for purpose/generally fine
4. ideal.



Appendix 6: Carbon Neutral Government Plan – Greenhouse gas emissions 2023/24

The Ministry is committed to playing our part in the Carbon Neutral Government Plan to minimise our environmental footprint by reducing our greenhouse gas emissions.

Each year, the Ministry releases our Greenhouse Gas Emissions Report and Inventory, which covers notable events during the period as well as our progress towards our 2025 and 2030 reduction goals.

Our provisional and unverified data for 2023/24 shows we emitted 801.98 tonnes of carbon dioxide equivalent (tCO₂e).⁵³ These emissions equate to a 59% reduction from our base year emissions (1,966.23 tCO₂e), and a further 13% reduction from the previous 2022/23 period.

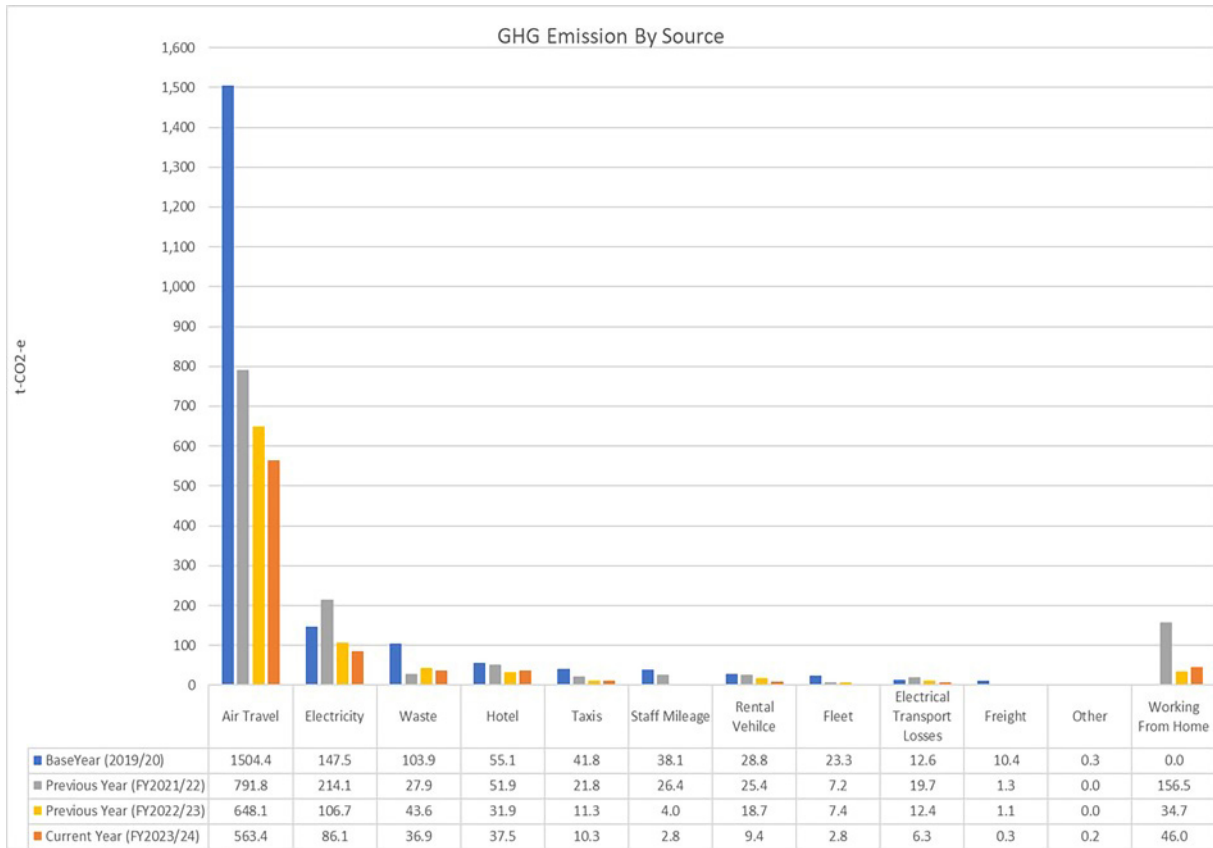
A wider focus on cost reductions across the Ministry has led to reductions in travel and related travel emission sources. The largest of these was a reduction of over 84 tCO₂e in air travel emissions.

Only one source reported an increase in emissions. The working-from-home source increased to 11.3 tCO₂e. Much of this change is due to the more refined approach to collecting and reporting data rather than a significant increase in staff working offsite. This was one of the planned initiatives identified in the 2022/23 report.

Figure A1 provides an overview of our emissions, broken down by source. It compares emissions in 2023/24 against our base year and emissions from the two previous years.

⁵³ Our emissions will be formally audited by a certified carbon auditor and published on the Ministry's website health.govt.nz. As such, the emissions reported here for 2023/24 are considered provisional and unverified.

Figure A1: Annual emissions by source for base year (2019/20) and each subsequent year to 2023/24



Progress towards our 2025 and 2030 targets

In line with the Carbon Neutral Government Programme target to achieve a 21% reduction in gross emissions by 2025 and a 42% reduction by 2030, the Ministry has set targets for emitting no more than:

- 1,553.3 tCO₂e for the year 2025
- 1,140.4 tCO₂e for the year 2030.

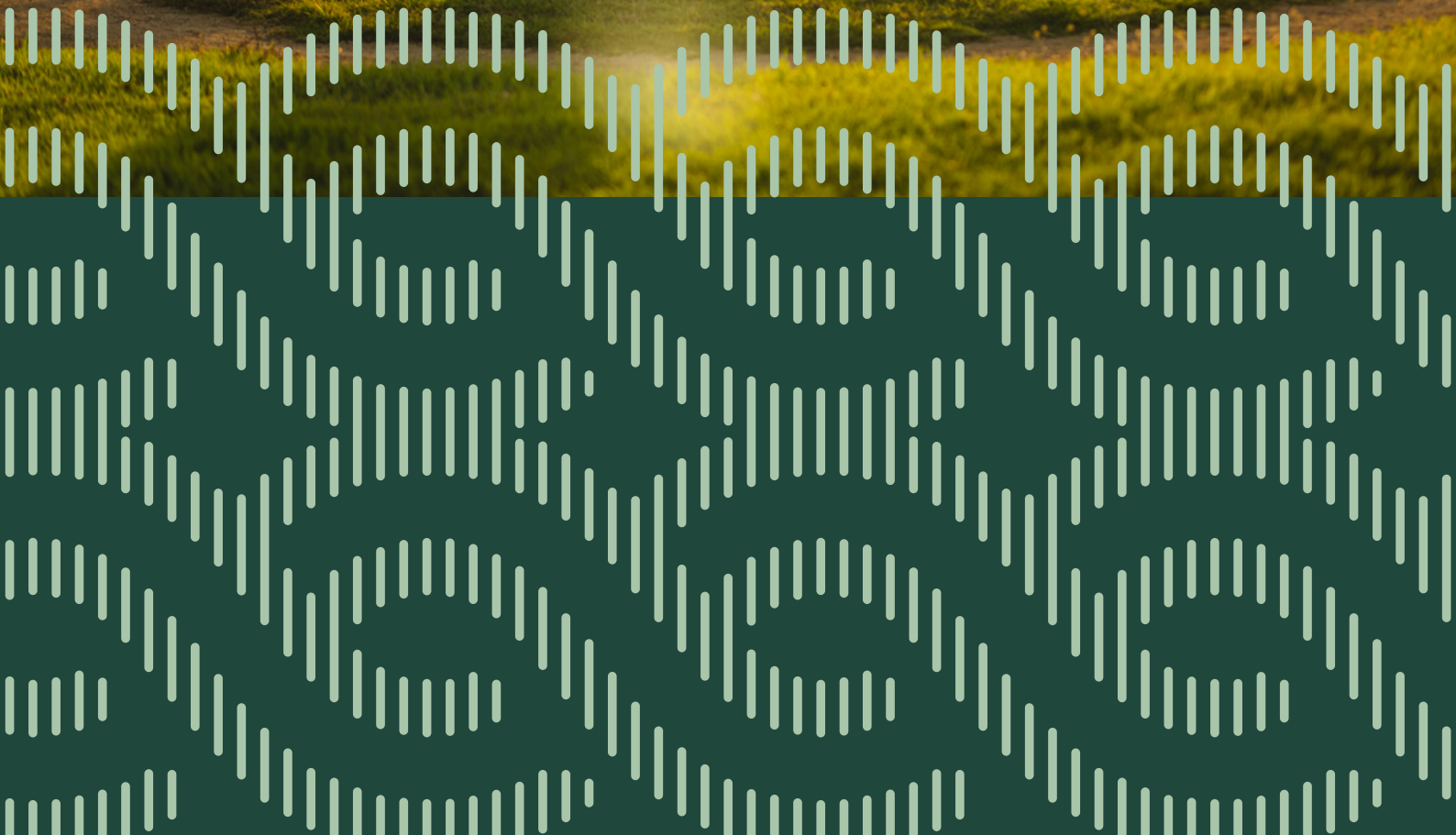
With the reductions achieved in 2023/24, the Ministry is well placed to meet its 2030 emissions reduction goal and will continue to deliver further reductions as opportunities arise through improvements in systems, technology and procurement.





TE AHO
O TE KAHU
CANCER
CONTROL
AGENCY

ANNUAL REPORT 2023/24





Chief Executive foreword

Tēnā koe

Reflecting on my first year as Tumu Whakarae (Chief Executive) for Te Aho o Te Kahu, I am proud of the collective efforts of our kaimahi (staff), and the many people working tirelessly across the cancer system – and of the positive impact of those efforts. At the same time, I acknowledge there is more work ahead to achieve our vision of fewer cancers, better survival, and equity for all.

Actions to improve the experience and outcomes for people and whānau living with cancer are being developed and put into place, in the face of growing demand and rapidly evolving treatment options.

We have a growing population who are living longer, often with multiple conditions. With more people surviving their first diagnosis of cancer, this requires the health system to provide them with more complex or long-term support and monitoring.

Cancer treatment options are evolving rapidly, including new medicines to precision medicines and artificial intelligence. The costs for treatments are also often increasingly expensive.

These factors, combined with global shortages of cancer and healthcare workers, and fiscal constraints, means we are focusing on helping the sector prepare for new treatments, balanced with continuing to deliver quality cancer care services in ways we know will deliver the most effective outcomes for people, while increasing prevention and early detection efforts.

Over the past year, Te Aho o Te Kahu continued to lead and/or support key work to enable the system to respond to these challenges. This was in close collaboration with our Advisory Groups (clinicians, consumers, and system leaders), Health New Zealand – Te Whatu Ora, the Ministry of Health – Manatū Hauora, Hei Āhuru Mōwai, health system stakeholders, and whānau. These are some highlights from that mahi:

- Updated the National PET-CT indication list and criteria, which received approximately \$3M of government funding to provide equitable access to these scans across the motu (country).
- Expansion of radiation treatment capacity informed by our modelling and resource forecasting work – including progress on new treatment facilities in Whangārei, Taranaki, and Hawke's Bay.
- Advised government on the \$604 million cancer medicines funding policy announcement and finalising a blood cancer medicines gaps analysis report.



- Developed a cancer workforce implementation plan to attract and retain the current workforce; support international recruitment for specialists; and develop training and career pathways for Māori and Pacific peoples in health.
- Designed four Optimal Cancer Care Pathways that will guide the planning, coordination, and delivery of best practice cancer prevention and care services across New Zealand for different types of cancer.
- Finalise a comprehensive Stem Cell Transplant Model of Care to guide future work to deliver optional transplant and cellular therapy.

At the heart of our efforts are the thousands of people and whānau living with, or who have lost loved ones to cancer. These lived experiences continue to drive our work to continually improve access to cancer services and put people at the heart of how they are delivered.

Ngā manaakitanga,



Rami Rahal

Tumu Whakarae, Chief Executive

Te Aho o Te Kahu, Cancer Control Agency





He mihi nā te Tumu Whakarae

Tēnā koe

I a au e tiro whakamuri ana ki taku tau tuatahi hei Tumu Whakarae o Te Aho o Te Kahu, e tū whakahīhī ana au i ngā mahi a ō mātou kaimahi katoa rātou ko te kāhui nui tonu huri noa i te pūnaha mate pukupuku i ā rātou whakapaunga kaha – waihoki ko ngā hua o aua mahi. Heoi, e mōhio ana au arā atu anō ngā mahi e tutuki ai tō mātou wawata kia iti ake ngā momo mate pukupuku, kia nui ake te whakarauoratanga mai i tēnei māuiui me te whakaūnga o te mana taurite mā te katoa.

Kei te whakawhanakehia, kei te whakatinanahia hoki ngā tūmahi hei whakapai ake i ngā wheako me ngā hua ki ngā tāngata me ngā whānau e pāngia ana e te mate pukupuku, ahakoa e piki haere tonu ana ngā hiahia me ngā ara rongoā hei whai mā te tūrora.

Kei te piki ake te nui o te taupori me te roa o te oranga, he tini hoki ngā mate o te nuinga. Nō te pikinga ake o ngā tāngata e whakarauorahia ana i te kitenga tuatahi o te mate pukupuku, me kaha hoki te pūnaha hauora ki te tautoko i ō rātou hiahia matatini, me ū hoki rānei ngā mahi tautoko, me aroturuki hoki.

Kei te tere whanake mai ngā momo rongoā mō te mate pukupuku, pērā i ngā rongoā o ngā pae hauora hou me te hangarau atamai. Kei te piki ake hoki te utu o ngā rongoā.

I runga i ēnei āhuatanga, waihoki te iti o te puna kaimahi me ngā here ki te taha pūtea, ko te aronga matua, he āwhina i te rāngai hauora ki te takatū mō ngā rongoā hou i a mātou e whakarato tonu ana i ngā mahi atawhai ki te hunga e pāngia ana e te mate pukupuku, e tino whaihua ai te tangata, e piki ake ai hoki ngā mahi kaupare mate pukupuku me te kitenga tōmua o tēnei mate.

I te roanga o tērā tau, kei te kōkiri/kei te tautoko tonu a Te Aho o Te Kahu i ngā mahi mātāmua kia āhei te pūnaha ki te whakaea i ērā take. He mahinga ngātahi hoki tēnei ki te taha o ā mātou Rōpū Whāiti (ko ngā kaimahi haumanu, ko ngā kiritaki, ko ngā kaiārahi hauora) rātou ko Te Whatu Ora, ko Te Manatū Hauora, ko Hei Āhuru Mōwai, ko ngā kaiārahi o te pūnaha hauora, ko ngā whānau. Anei ētahi o ngā mahi whakahirahira mai i aua mahi:

- UKua whakahoungia te rārangi tūtohu me ngā paearu a te National PET-CT. I whakawhiwhia tērā kaupapa ki te \$3m i te kāwanatanga kia taurite te whakawhiwhinga ki ēnei momo karapa huri noa i te motu.
- Ko te whakawhānuitanga o te haumanu iraruke i runga anō i ā mātou tauira me ngā matapae e pā ana ki ngā rauemi – pērā i te ahunga whakamua o ngā whare rongoā hou ki Whangārei, ki Taranaki me Te Matau-a-Māui.
- Kua tāpae kōrero ki te kāwanatanga mō te whakapuakitanga o te kaupapa here e pā ana ki te pūtea mō ngā rongoā mate pukupuku, e \$600M te nui.



- Kua whakawhanakehia mai tētahi mahere mō te whakatinanatanga o te kāhui kaimahi mō te mate pukupuku, hei whakapoapoa, hei whakaū hoki i ngā kaimahi o nāianei; hei tautoko i te mahi rapu mātanga ki rāwāhi, hei whakawhanake hoki i ngā mahi whakangungu me ngā ara mahi i te ao hauora mā te Māori me ngā iwi o Te Moananui-a-Kiwa.
- Kua whakahoahoatia kia whā ngā Optimal Cancer Care Pathways, hei ārahi i te whakamaheretanga, i ngā whakaritenga me te whakaratonga o ngā mahi e āta kaupare atu ana i te mate pukupuku, e atawhai tika ana i te tangata e pāngia ana e ngā momo mate pukupuku rerekē, huri noa i te motu. Kua whakaoti tētahi kaupapa nui e pā ana ki te Stem Cell Transplant Model hei ārahi i ngā mahi e haere mai ana, hei whakapuare mai i te kūwaha ki te huaranga me te whakatō pūtautau, hei kōwhiringa anō mā te tūrora.

Kei te pūtake o ā mātou mahi, ko te takitini rātou ko ō rātou whānau e pāngia ana, e tangi ana hoki rānei i te iwi nui kua riro i te mate pukupuku. Kei te āia ā mātou mahi e ēnei wheako tūturu, kia pai ake ngā toronga atu ki ngā ratonga o te mate pukupuku, ā, kia noho te tangata ki te pūtake o te whakaratonga o aua mahi.

Ngā manaakitanga,



Rami Rahal

Tumu Whakarae, Chief Executive

Te Aho o Te Kahu, Cancer Control Agency



Tā mātou aronga

An agency focused on cancer

Te Aho o Te Kahu Cancer Control Agency's vision for Aotearoa New Zealand is that all people will experience fewer cancers, better survival rates, and equitable cancer outcomes. Our strategic direction and work are guided by our values. We are equity-led, knowledge-driven, outcomes-focused and person and whānau-centred.

We are a departmental agency that reports directly to the Minister of Health and is hosted by Ministry of Health - Manatū Hauora. We were set up in 2020 to:

- unite work across cancer control to deliver better health outcomes for all people across New Zealand
- report on the health sectors' progress towards the goals and outcomes in the **New Zealand Cancer Action Plan 2019–2029 – Te Mahere mō te Mate Pukupuku o Aotearoa 2019–2029** (the Cancer Action Plan).

The Cancer Action Plan outlines a range of actions the health sector will deliver to achieve the following four outcomes:

- 1 New Zealanders have a system that delivers consistent and modern cancer care.**
Lifting our country's performance in cancer care requires coordinated national leadership, a skilled and sustainable workforce and the information at the right time to inform decisions.
- 2 New Zealanders experience equitable cancer outcomes.**
Everyone diagnosed with cancer will receive the best treatment and care, regardless of who they are or where they live.
- 3 New Zealanders have fewer cancers.**
Investing in policies and programmes to help prevent cancer will have the most significant impact on reducing cancer in New Zealand and will ensure the delivery of equitable health outcomes for all people.
- 4 New Zealanders have better cancer survival, supportive care, and end-of-life care.**
People and whānau receive quality cancer care at the right times in ways that suit them. This care includes early detection, diagnosis, and treatment, as well as living well with cancer or end-of-life care.

Cancer continues to be the leading cause of death across the country.

Each year, 9,000 people in New Zealand die of cancer, and another 27,000 are diagnosed with some form of this disease. We predict the number of people diagnosed with cancer in our country will double by 2050.

Many people or communities continue to experience inequities in cancer outcomes.

- Māori people are 20% more likely to be diagnosed with cancer and twice as likely to die from it compared with the rest of our population.
- Pacific peoples experience worse cancer survival rates and treatment outcomes than other people in New Zealand.
- Thyroid cancer rates are higher for Asian people than other ethnicities.
- Disabled people often experience increased health risks and face a range of barriers to health care, including transport, communication issues, and access to appropriate services.
- People living in poorer areas are more likely to be diagnosed with cancer.

Our cancer survival rates are not keeping up with survival rates in similar countries. This can, in part, be attributed to the following factors:

- An aging and growing population. (We are treating more people who are often living with multiple health conditions, or have advanced cancer, both require more complex, coordinated care and support.)
- More support and monitoring (People who survive cancer often need more complex/long-term support and monitoring.)
- Stretched cancer and clinical workforces.
- Increasing costs to provide current and new medicines/treatments.
- Rapidly changing technologies, treatments, and medicines, which may require additional qualified staff and spaces to deliver.
- Inequitable access to cancer services and screening, as well as socio-economic inequities.

- Changes across the key health organisations following the health reforms.

We support and unite the wider health system by:

- providing and coordinating advice to the government on the design and function of cancer services and addressing service issues or opportunities
- maintaining strong partnerships with key health organisations that work across cancer prevention, care, and treatment
- bringing together sector stakeholders to progress and achieve shared objectives
- leading or coordinating national initiatives to improve cancer outcomes
- collating and sharing cancer data to inform decisions and improve service delivery
- supporting cancer services when a service is, or is likely to be, disrupted or is not meeting demand or expectations.

Key partner agencies consult us on activities they lead within the cancer system and we often work together to produce joint advice. For more information, see Ngā hoamahi – Our partners.

In the year from 1 July 2023 to 30 June 2024 we reset our agency's structure and how we work to lead and unite the cancer control work within the reformed health system. The cancer sector is making steady progress towards achieving the goals of the Cancer Action Plan. Having an agency that is solely focused on cancer within the health sector remains critical to reduce cancer incidence, improve survival rates and provide equitable, quality cancer care to those who need it. International studies confirm that countries with a dedicated cancer control agency deliver better cancer outcomes, compared with those where cancer control is one function of a wider health organisation.





Ngā hoamahi

Our partners

We partner with a range of government and non-governmental organisations and advisory groups on improving cancer outcomes for all people. Our partners provide invaluable advice, insights and connections that inform our work, advice and understanding of the wider health and disability system.

Figure 1 shows the work we are involved in and where we collaborate with key stakeholders across all aspects across the cancer continuum.



We also work closely with Te Tāhū Hauora Health Quality & Safety Commission New Zealand on the quality improvement and safety of cancer services.

Figure 1: The relationship of agencies involved in specific areas of cancer control



We collaborate with Hei Āhuru Mōwai Cancer Leadership Aotearoa (Hei Āhuru Mōwai) on agreed strategic work and projects focused on improving Māori cancer outcomes. We also support their leadership and rangatiratanga through operational and project funding.

Hei Āhuru Mōwai members sit on other key advisory and working groups, providing strategic input to our work programme direction, targeted advice towards achieving equitable cancer outcomes for Māori, access to Māori cancer expertise and support for developing Māori capability across our organisation.

We are indebted to Hei Āhuru Mōwai for gifting our agency a precious taonga - our te reo Māori name. Te Aho o Te Kahu means '**the central thread of the cloak**'. The aho or thread binds the many whenu (strands) into one kahu (cloak) to protect people and whānau affected by cancer. This name reflects our role in the cancer system rather than being a translation of 'cancer control agency', which is why we use both terms in our branding.

We thank outgoing Tumuaki Chief Executive of Hei Āhuru Mōwai Cindy Dargaville (Ngāti Maniapoto, Waikato, Te Rarawa) for the strong relationship we had developed over the past year.

He Ara Tangata our Consumer Reference Group provides advice and solutions from a lived-experience perspective. Members are embedded in projects across our work programme to ensure consumers' voices are reflected in our mahi. To support our commitment to Te Tiriti of Waitangi (Te Tiriti), He Ara Tangata is led by Māori chair with 50% Māori membership.

The **National Clinical Assembly** provides clinical advice to support our long-term strategic direction for reducing cancer incidence and improving the cancer care system. Clinicians representing a broad range of cancer-related medical, nursing, and allied health specialities are members of the assembly.

The **National Child Cancer Network New Zealand and Adolescent and Young Adult Cancer Network Aotearoa** are contracted organisations who care for children and young people with cancer. We collaborate on their work programmes, discuss progress and issues, and provide support on delivery.

Working and other advisory groups. We engage regularly with three primary clinical working groups - Medical Oncology, Radiation Oncology and Haematology. Their expertise informs our agency's work and maintains our connections with regions and districts. We also meet with more than 200 health professionals via a range of time-limited advisory groups, on specific subjects as needed.

We also engage with a wide array of other government entities, sector groups, programmes, and projects as part of being 'Te Aho' across the cancer system, including:

- whānau with lived experience of cancer
- iwi and Māori organisations and service providers
- Pacific organisations and service providers
- government organisations including: Whaikaha – Ministry of Disabled People; Ministry for Ethnic Communities – Te Tari Mātāwaka; Health and Disability Commissioner – Te Toihau Hauora, Hauātanga; and Health Research Council
- clinicians (in the Clinical Assembly and specialised clinical working groups)
- research/academic institutions: University of Otago (including the Surgical Cancer Research Group), University of Auckland (Waipapa Taumata Rau) and The University of Queensland, Australia
- international organisations including Cancer Australia, CPAC (Canadian Partnership Against Cancer) and we have and will continue to participate in the International Cancer Benchmarking Partnership, spearheaded by Cancer Research UK
- Cancer Non-Governmental Organisations (CANGO)
- peak and professional bodies, including Royal Australasian College of Surgeons and Cancer Nurses College.







Anei mātou

Who we are

In July 2023, we welcomed our new Tumuaki (Chief Executive) Rami Rahal to the agency. Rami moved from Canada bringing with him over 30 years of health system leadership experience and dedication to improving outcomes for people affected by cancer, particularly indigenous communities.

In his first few months Rami focused on meeting our kaimahi, key partners, advisory groups and the regional cancer services and people they care for, to understand the broader cancer system, and the challenges and opportunities ahead.

In October 2023 the Executive Leadership embarked on a process with kaimahi and key stakeholders to develop a new 'knowledge to action' approach to our work, supported by revisions to the organisational structure, and revised work programme. This was an opportune time to clarify and confirm our role and activities, within the newly reformed health system, and as we near the midpoint in delivering the National Cancer Action Plan 2019-2029.

Our aims for the new strategy and structure and ways of working, alongside our advisory groups) were to set us up to:

- deliver on our strategic priorities
- maintain a strong focus on equity and person/whānau centred care
- use a whole-of-organisation approach to convert data and insights into actions that can improve/innovate the cancer system (Knowledge to Action strategy)
- better support strategic system leadership and engagement with partners
- create more opportunities for career progression
- enhance corporate governance and organisational effectiveness, and workplace culture.

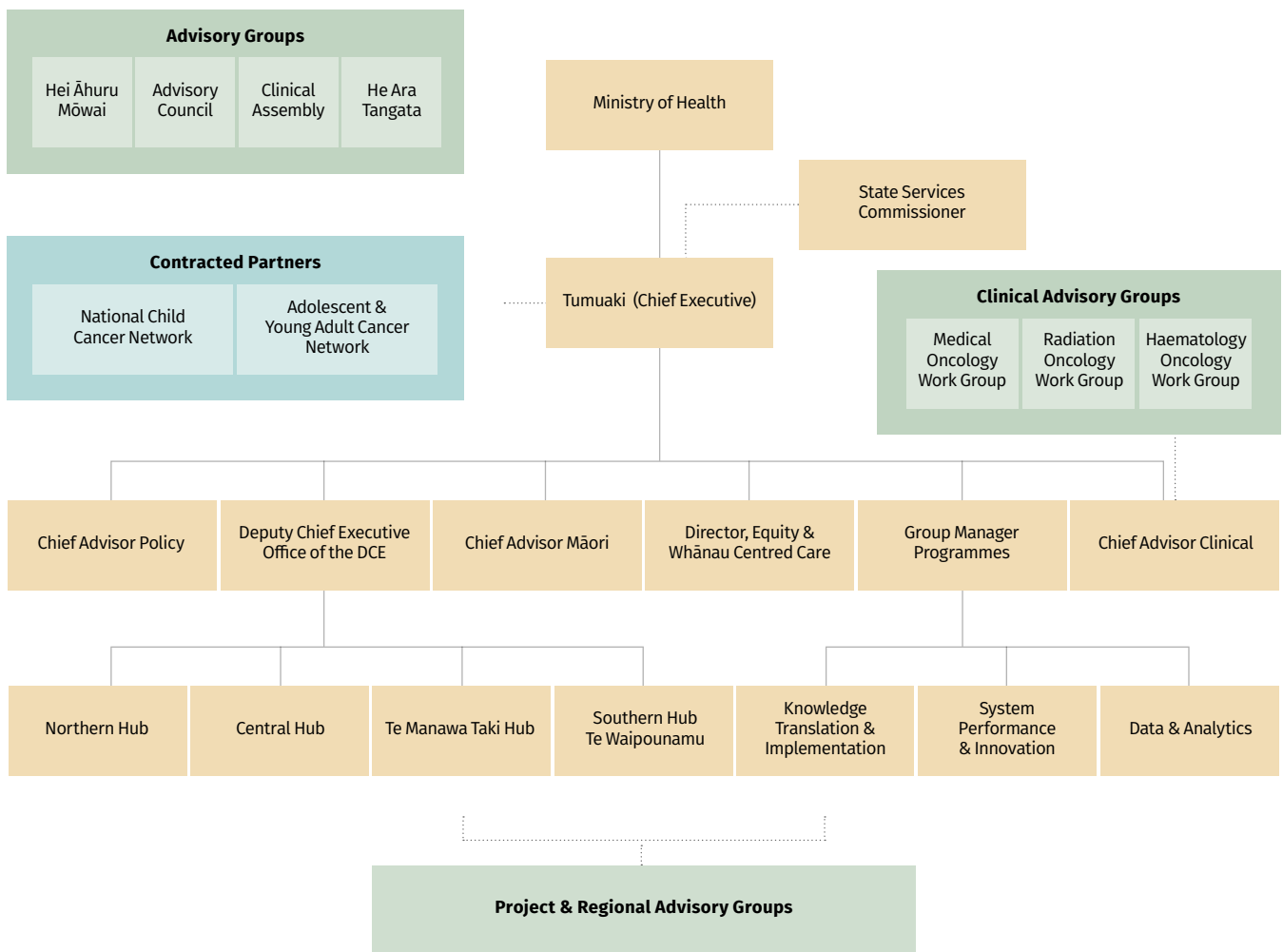
The three strands of the knowledge to action approach are:

- Data and analytics – collaborating on data collections, standards and tools needed to deliver up-to-date, shareable knowledge to inform system and patient decisions.
- System Performance and Innovation – knowledge 'snapshots', reports and research that highlight best practice, risks, or opportunities across the cancer system.
- Knowledge Translation and Implementation – collaborating with health sector and consumers on guidance, tools, and initiatives to improve the cancer system and outcomes for all people.

To support the knowledge to action approach we refined our structure and operating model. This involved:

- Setting up an Executive, Strategic, and Operational governance model to streamline decision making and planning
- Creating a team of three Chief Advisor roles to provide stakeholder management and policy advice on surgical, clinical and Māori health. We retitled two existing roles and established one new position which is yet to filled.
- Established a Director, Equity and Whānau Centred-care position on the Executive Leadership Team, by merging the vacant Manager, People-centred-care role with Manager Equity role.
- Established a Group Manager Programmes role and realigned the three administrator roles to focus on programme delivery.
- Reprioritised the agency’s work programme using a matrix model, with regional and national kaimahi leading and collaborating on work to use capabilities more effectively.

We have four regional teams who work across Northern, Te Manawa Taki, Central, and Te Wai Pounamu. They collaborate with clinical and operational cancer teams across the motu. Our national team is based in the Ministry of Health’s office in Wellington.





Pūmau ki Te Tiriti

Our commitment to Te Tiriti o Waitangi

Like the Ministry of Health, we uphold and contribute to the Crown's obligations under Te Tiriti o Waitangi (Te Tiriti) as a departmental agency of the public service (as provided by section 14 of the Public Service Act 2020).

We are also guided by the health sector principles as outlined in the Pae Ora (Healthy Futures) Act 2022 which recognise the Crown's intention to give effect to the principles of Te Tiriti, and improving the health sector for Māori and hauora Māori outcomes.



Te kanorautanga me te whaiwāhitanga

Diversity and inclusion

We actively work to create diverse and inclusive workspaces for kaimahi and guests. This contributes to overall staff retention and engagement, and better supports our role to lead or support the design and delivery of equitable cancer services.

As part of Te Kawa Mataaho - the Public Service Commission's Diversity and Inclusion Executive Champions Network, we are working towards five priorities under their Papa Pounamu diversity programme. These are: cultural competence, addressing bias, inclusive leadership, building relationships and employee-led networks.

Our Whāinga Amorangi cultural plan and E Tipu E Tipu Māori Language Plan (see Ngā whakatutukinga – What we have achieved and Tō mātou whakahaere – Our performance sections) outlines a range of learning actions and goals that support these public sector goals.

Our kaimahi work with the Ministry of Health to create, deliver, and take part in awareness, learning, and celebration events under the Ministry's culture and inclusion strategy, Whiria te Tangata. We also promote resources and events that kaimahi can use/attend that celebrate different cultures, languages, and aspects of diversity in New Zealand's communities. Some examples include Pink Shirt Day, Diwali, Sign Language Week, and Mental Health Awareness Week.

Kaimahi are also encouraged to join employee-led networks (available via the Ministry and the wider public service) to build connections and share knowledge.



Pictured above: Kaimahi from the agency and Health New Zealand brought in a shared lunch to celebrate Diwali in 2024.



Pictured above: Kaimahi from the agency wearing pink clothes to highlight Pink Shirt Day.



Pictured above: Kaimahi pictured outside Te Wharewaka on Wellington's waterfront.



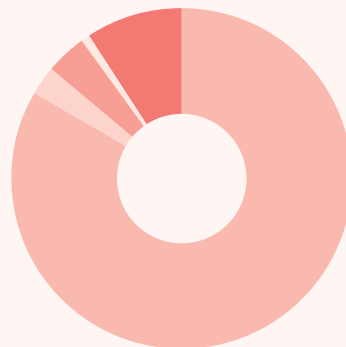
Ō mātou kaimahi

Our people

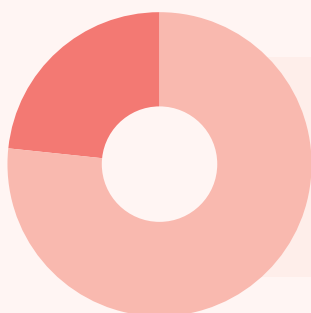
As at 30 June 2024, our agency employed 61 people (57.8%) as full-time equivalents (FTEs). This included two people on parental leave. In addition, there were a total of 2.5 FTE contract roles.

We employed 55.8 of the 57.8 FTEs on permanent contracts, with two FTE on fixed term and a 0.60 FTE on secondment.

At this time, we were recruiting six FTE roles.



● Permanent ● Fixed term ● Contractor
● Secondment ● Vacancies



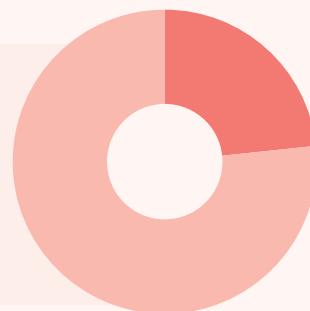
● Full time ● Part time

Full-time and part-time kaimahi

In all 78% of our permanent kaimahi work full time.

Gender

There was no change from the previous year in the distribution of gender in our workplace with 78% of kaimahi identifying as female.

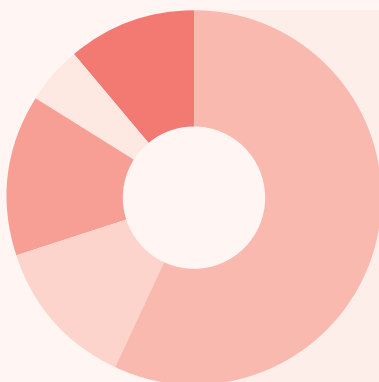


● Male ● Female

Ethnicity

To support our focus on reducing inequities across the cancer system, we actively look to retain and attract a diverse workforce.

To this end, 13% of our kaimahi identified as Māori, 5% as Pacific peoples, and 14% as Asian in the 2023/24 year.



● NZ European ● Māori ● Asian
● Pacific ● Other





Ō mātou takune

Our intentions for 2023/24

Our strategic direction and work programme aligns with, or contributes to, the goals and outcomes described in the following health and public sector strategies and strategic documents:

- The New Zealand Cancer Control Strategy 2023¹
- **New Zealand Cancer Action Plan 2019–2029.**²
- The six Pae Ora Strategies:
 - New Zealand Health Strategy
 - Pae Tū: Hauora Māori Strategy
 - Te Mana Ola: The Pacific Health Strategy
 - Health of Disabled People Strategy
 - Rural Health Strategy.
 - Women’s Health Strategy
- Government Policy Statement on Health 2024–2027.³

Improved health outcomes for all New Zealanders

Access: ensuring all New Zealanders have equitable access to the health care services they need, no matter where they live.

Timeliness: making sure all New Zealanders can access these services in a prompt and efficient way.

Quality: ensuring New Zealand’s health care and services are safe, easy to navigate, understandable, and welcoming to users, and are continuously improving.

Workforce: having skilled and culturally capable workforce who are accessible, responsive, and supported to deliver safe and effective health care.

Infrastructure: ensuring that the health system is resilient and has the digital and physical infrastructure it needs to meet people’s needs now and the future.

Government Policy Statement on Health 2024- 2027

Reduced incidence and impact of cancer

Reduced inequities with respect to cancer

Cancer Control Strategy 2003 purpose

New Zealanders have a system that delivers consistent and modern cancer care

New Zealanders have fewer cancers

New Zealanders have better cancer survival, supportive care and end-of-life care

New Zealanders experience equitable cancer

Cancer Action Plan 2019 – 2029 goals

Fewer cancers

Better survival

Equity for all

Te Aho o Te Kahu’s vision



Our work programme

Outcome 1:

New Zealanders have a system that delivers consistent and modern cancer care

Our priorities	Our work
Supporting a system that delivers consistent and modern care	<ul style="list-style-type: none">• Building a high-performing agency• Committing to capability building• Providing good systems and processes• Actively supporting the health sector• Developing and updating cancer service quality performance indicators
Transforming the future of cancer service delivery	<p>Building on the Cancer Services Planning Programme including:</p> <ul style="list-style-type: none">• Optimal Cancer Care Pathways• Models of Care for Systemic, Cellular and Radiation therapies• Multidisciplinary meetings guidelines• CAR-T Cell Therapy Model of Care• Delivering the first monitoring report <p>For more information, see Ngā whakatutukinga – What we have achieved.</p>
Providing better quality, more connected data	<p>Developing CanShare system including:</p> <ul style="list-style-type: none">• Anti-Cancer Therapies – Nationally Organised Workstreams (ACT-NOW) Programme• Structured Pathology Reporting of Cancer Data Standards Project• National Radiation Oncology Collection (ROC)• Collaboration across data and digital health

Outcome 2:

New Zealanders have fewer cancers

Our priorities	Our work
Achieving fewer cancers through a focus on prevention	<ul style="list-style-type: none">• Cancer research• Primary health care project• Advice for primary care

¹Minister of Health. 2003. The New Zealand Cancer Control Strategy. Wellington: Ministry of Health and the New Zealand Cancer Control Trust. URL: www.health.govt.nz/system/files/2011-11/cancercontrolstrategy.pdf (accessed 8 September 2024).

²Ministry of Health. 2019. New Zealand Cancer Action Plan 2019–2029 – Te Mahere mō te Mate Pukupuku o Aotearoa 2019–2029. Revised January 2020. Wellington: Ministry of Health. URL: www.health.govt.nz/publications/new-zealand-cancer-action-plan-2019-2029 (accessed 8 September 2024).

³Minister of Health. 2024. Government Policy Statement on Health 2024–2027. Wellington: Ministry of Health. URL: www.health.govt.nz/publications/government-policy-statement-on-health-2024-2027 (accessed 9 September 2024).

Outcome 3:

New Zealanders have better cancer survival

Our priorities	Our work
Improving cancer survival	<ul style="list-style-type: none">• Quality performance indicator programme (QPI)• Released a QPI monitoring report: Route to Cancer Diagnosis Report: People diagnosed with cancer within 30 days of an emergency or unplanned hospital admission⁴• Analysis and report on blood cancer medicines availability• Supporting cancer medicines implementation• Supporting clinical trials

Outcome 4:

New Zealanders experience equitable cancer outcomes

Our priorities	Our work
Improving equity of cancer outcomes	<ul style="list-style-type: none">• Feeding back through Māori community hui (meetings)• Embedding equity-led thinking• Finalising the Pacific peoples' cancer research project• Disability and cancer project completed• Supporting cancer care navigation services• Supporting equity-led work across the health sector including the National Travel Assistance scheme• Ensuring the cancer service quality performance indicators report from an equity perspective.

⁴Te Aho o Te Kahu. 2024. Quality Improvement Monitoring Report – Route to diagnosis: People diagnosed with cancer within 30 days of an emergency or acute (unplanned) hospital admission. Wellington: Te Aho o Te Kahu – Cancer Control Agency.





Ngā whakatutukinga

What we have achieved

He pūnaha manaaki

Supporting a system that delivers consistent and modern care

Over the 2023/24 year, we supported the outgoing and incoming Ministers and Associate Ministers of Health by providing responsive, high-quality, timely advice across a range of cancer topics through regular meetings, briefing papers, and weekly updates. We maintain strong relationships with the Ministers' offices to continue our role as the trusted cancer advisor to government.

We have continued to strengthen our regional and national relationships with Health New Zealand over the past year to provide cancer advice and support in resolving challenges and taking opportunities to improve cancer care for all New Zealanders. Some highlights include progressing key deliverables in the Cancer Services Planning Programme, and providing advice and support to implement the new medicines (including cancer) that are being made available through the Government's \$604 million budget boost to Pharmac's Combined Pharmaceutical Budget (CPB).

We have continued to engage He Ara Tangata Consumer Advisory Group on our and the wider health sectors' activities so the voices of people and whānau are strengthened throughout the design and delivery cancer care across the motu (country).

We also focused on the relationships with many service providers nationwide who play a key role in supporting people and whānau to ensure that our approaches are relevant, meet each region's needs and implementable.

National Clinical Network Cancer

We worked with Health New Zealand to start to establish a joint National Clinical Network Cancer. The joint Network Cancer is one of several that Health New Zealand has been working to set up since October 2023 to help drive unified healthcare standards, reduce variations, and enhance equitable access to health services nationwide.

In June 2024 we signed the agreed Terms of Reference and shared governance for the Network. We supported Health New Zealand with an Expression of Interest (EOI) process to appoint the Network's Co-leads. They will work with the

Network's oversight group (senior leaders from both organisations) to lead the network, including the delivery of the Health New Zealand cancer work programme and the EOI process to appoint the members.

Through the EOI process it is expected that there will be approximately 20 members appointed. They will include Māori and Pacific peoples, interprofessional and primary care leadership and membership to ensure the networks take a system-wide view. Each region will also be represented.

We expect to confirm the Co-leads and open the EOI for members in October 2024, and hold the network's inaugural meeting by early 2025.

We are also engaged with other clinical networks managed by Health NZ that are cancer related, such as radiology, to support improvements across the health system.

Transforming the future of cancer service delivery

We have made strong progress in delivering the Cancer Services Planning Programme. This involves several workstreams that will change the way cancer treatment is delivered. We will support Health New Zealand to deliver equitable access to high-quality care by producing evidence-based guidance to commissioning entities on how

treatment and support services should be organised to achieve optimal, equitable cancer outcomes.

This programme started by working with clinical and cancer specialists and consumers to identify the current issues in adult cancer treatment services in Aotearoa New Zealand.

We are continuing to work with these groups on the design and implementation of the recommendations.

Between July 2023 and June 2024 we achieved a number of key deliverables that will support the system to provide more equitable, person and whānau centred care consistently across the motu, which you can read in more detail in the next section.

Cancer Services Planning Programme

Improved and equitable patient outcomes and experience

Te Tiriti centric, Evidenced-based, Equity-led, Whānau-centred, Outcomes Focused

Optimal Cancer Care Pathways

Treatment Modality Projects

**Systemic
Anti-Cancer
Therapies**

**Stem Cell
Transplant**

**Complex
Cancer Surgery**

**Radiation
Oncology**

Projects Deliverables

Phase One: Current State Analysis (the basis for comparison)

Phase Two: Model of Care (the expected standard going forward)

Phase Three: Implementation (steps for system transformation from current state to expected model of care)

Cancer Services Planning programme involves the following areas:

1. Transplant and Cellular Therapy

Cellular therapies play a growing role in treating cancer.

Each year in Aotearoa New Zealand, around 370 people receive a stem cell transplant. These therapies can provide people with improved health outcomes, and for a significant number, a long-term cure. The Stem Cell Transplant Project was set up to develop a model of care for this complex critical treatment pathway.

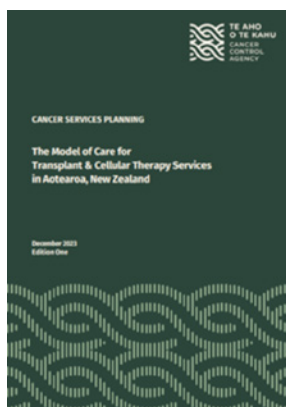
Creating the comprehensive end-to-end pathway for providing optimal transplant and cellular therapy involved 18 months of extensive clinical engagement across the motu, and the agency's advisory groups.

Edition One of the Model of Care for Transplant and Cellular Therapy Services in Aotearoa, New Zealand was released on 1 December 2023. Feedback from the sector is showing the pathway is informing both large planning decisions, and how to improve these services day-to-day. It was used to inform the development of a significant national business case to expand these services.

We are supporting Health New Zealand on work to identify variations between current practices and the Model of Care and develop an action plan to respond to any gaps, which they are leading. They have also recently commissioned a Clinical Service Plan to implement the identified priorities for improvement.

2. Stem cell transplant

Stem cell transplant services are fragmented, inequitable, and do not meet the growing needs across the motu. In June 2023 we finalised a sustainable future service model for stem cell transplant. We are continuing to use the model to inform planning with clinical trials and Health New Zealand and to help resolve capacity issues.



3. Surgical services

Over 2023 and 2024 the agency developed three capability frameworks for three types of complex cancer surgery in Aotearoa New Zealand. They were Hepato-Pancreatico-Biliary (HBP) surgery, Oesophagogastric (throat) surgery and Head and Neck surgery. The Framework describes a set of capabilities a hospital needs to ensure safe, high quality and equitable cancer outcomes for people requiring complex cancer surgeries. We are currently working with Health New Zealand to develop an implementation approach with clinical leads.

4. Radiation oncology

The radiation oncology component of the Cancer Services Planning Programme involves the development of a model of care which describes how radiation oncology services will optimally be structured and delivered to achieve equitable, accessible treatment for all people. The first draft of the model of care has been developed in partnership with the radiation oncology sector and was presented to the radiation oncology working group in May 2024. The model of care describes radiation oncology as a single system of care, operating under a standardised national service model that is sustainable for the future. It also focuses on increasing the workforce and the linear accelerator stock in public hospitals.

5. Workforce

The cancer workforce continues to struggle to meet existing demand. This demand is expected to grow by 40% by 2040. Health New Zealand, the agency and the Ministry continue to work together on planning for future workforce needs, such as targeted approaches to address specific role shortages such as radiation oncologists.

In 2023 Te Aho o Te Kahu with sector partners, in response to capacity issues that radiation therapists (RTs) were facing, developed 'National Guidance for Advanced Practice in Radiation Therapy'. The document aims to support services to utilise the skills of RTs working to top of scope. There is a significant exit rate for RTs with limited career options and fewer RTs are entering the training programme.

We created a specific cancer workforce plan which has contributed to the development of the Health New Zealand's strategic plan. We are continuing

to work with Health New Zealand to ensure cancer workforce capacity and capability will align with future demand for, and improvements to, cancer treatment across Aotearoa New Zealand.

6. Optimal Cancer Care Pathways

It is important to focus on ways to identify and remove unwarranted variations in how people receive cancer services and care. This is because these variations can contribute to people experiencing worse cancer or health outcomes.

Working with clinicians and advisory groups the agency developed optimal cancer care pathways for the most common tumours. These pathways clearly describe what to expect, and who is involved at every stage in delivering quality cancer care to people and whānau, regardless of who they are or where they live.

The pathways are based on the Australian Optimal Care Pathway approach and are a tool for system leaders and service providers to identify unwarranted variations and inequity to drive continuous quality improvement.

In June 2024 we finalised the first editions for bowel, breast, lung, and pancreatic cancers which will be piloted by Health New Zealand. There are another fourteen pathways in the final stages of development.

7. Standards for high-quality cancer Multidisciplinary Meetings (MDMs)

Multidisciplinary Meetings (MDMs) are an important part of providing quality and equitable cancer care. MDMs are where health professionals review and discuss all the clinical, psychosocial, and cultural information about a patient, and recommend personalised treatment and care options based on the person's needs and best practice cancer treatment pathways.

Effective meetings can improve the quality of cancer care people receive and, often their health outcomes. MDMs can help:

- improve treatment planning as health professionals considers the full range of therapeutic options available
- reduce health inequities experienced by Māori, Pacific peoples, people living rurally and other priority patients using a person-centred framework

- improved communication between care providers as clear lines of responsibility are developed between members of the MDM
- improved service coordination
- greater continuity of care and less duplication of services
- more patients being offered the opportunity to take part in relevant clinical trials
- enabling clinicians to share and discuss latest evidence and/or approaches to increase skills and knowledge.

We worked across the sector with subject matter experts and an advisory group to reset the direction of MDMs in New Zealand and provide detailed best practice requirements for MDM governance, resourcing, processes and data. This resulted in the agency releasing the Standards for high-quality cancer Multidisciplinary Meetings (MDMs) in Aotearoa New Zealand in March 2024.

8. Cancer care coordination

Cancer care coordination and support services currently exist across Aotearoa but are not consistently available, supported, or prioritised. Cancer care coordination plays a significant role in reducing the trauma of cancer diagnosis and increases the likelihood that whānau will complete their cancer treatment and increase their survival rates, particularly for Māori and Pacific peoples who often experience worse cancer outcomes.

We are working across the health sector to develop a Cancer Care Navigation Guide to provide clear requirements when establishing a community-based Cancer Care Navigation Service (CCNS). This will enable the commissioning of effective and consistent cancer co-ordination services throughout the country, with the initial focus on reducing the disparities for Māori and Pacific cancer patients.

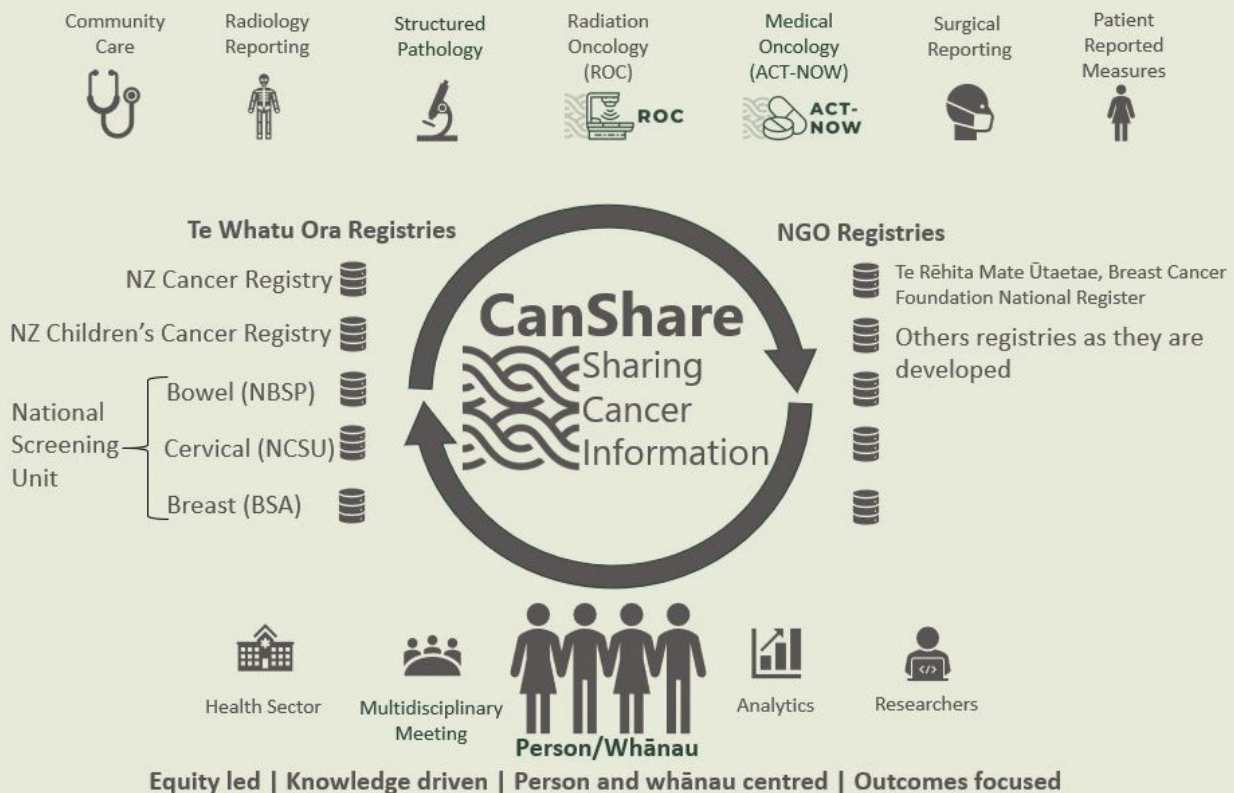
Providing better quality, more connected data

CanShare national health informatics platform

Providing clinicians, people and whānau with up-to-date information to inform their decisions at the point of care is a crucial in helping improve cancer outcomes. The CanShare programme is a series of workstreams that aims to bring together separate treatment and cancer data collections, supported by new national data standards and analytics under one national platform. This will enable clinicians and health organisations to:

- Access accurate and up-to-date data to plan and monitor a person’s cancer care and treatment.
- Monitor cancer treatment across the motu (country) to quickly identify and address potential service disruptions, or inconsistencies in care.

We have continued to work closely with Health New Zealand who are responsible for the cloud database that will host CanShare. We are leading several CanShare data workstreams, some of which are outlined below



Anti-Cancer Therapies – Nationally Organised Workstreams (ACT-NOW)

The ACT-NOW programme is building a national systemic anti-cancer therapy (SACT) data collection and analytics. Using consistent ways to collect treatment regime data will allow the health sector to:

- monitor and compare how different regimens and/or services are performing
- identify any variations and where quality improvement interventions may be needed
- potentially add in early warning systems to flag areas of concern before they occur.

This will help the cancer system ensuring all people receive consistent cancer care, no matter where they live, or who they may be.

We are continuing to work with key partners agreeing on SACT definitions for the different treatment regimes.

Structured pathology

This project involves the wider sector to develop HISO (Health Information Standards Organisation) endorsed pathology data standards, to enable data to be shared and compared.

We have released 17 HISO standards over the past two years. We are working with the sector to finalise 40 data standards across the gastrointestinal, genitourinary, gynaecological, and soft tissue and bone cancer groups. The learnings from this work are helping us develop industry leading tools to support pathology providers and vendors implement these with clinicians.

National Radiation Oncology Collection (ROC)

This central repository of detailed radiation oncology information informs an understanding of radiation oncology service delivery and linear accelerator capacity, utilisation, and planning. This supports actions to improve access to radiotherapy and drive more cost-effective treatment. The ROC has been used as the key data source to underpin national planning for increased treatment capacity and workforce.

Faster cancer treatment health target and indicator

Faster Cancer Treatment (FCT) indicators measure peoples' access to cancer services at national and regional levels. Health New Zealand collects standardised information on the time for patients who have been referred urgently with a high suspicion of cancer to see a specialist (62-day indicator) and the time to receive treatment once a 'decision to treat' is made (31-day target). Te Aho o Te Kahu has been supporting process improvements with the teams who collect this data. This has improved the quality and consistency of data collected across the country.

FCT is currently one measure of cancer care performance that helps identify areas for systematic improvement. The 31-day target measures the proportion of people that receive their first treatment within 31 days of a decision to treat.

In March 2024 the government announced five new health targets including one for cancer treatment that incorporates the 31-day measure.

While it is retrospective and there is a lead time of several weeks between activity and reporting, FCT can be reported regionally and by ethnicity which aligns with the direction Health New Zealand is taking to develop a more regionalised focus on improving health services.

In addition the Faster cancer treatment 62-day wait time indicators require districts to collect standardised information on patients who have been referred urgently with a high suspicion of cancer.

Over 2023/24 the agency supported Health New Zealand to streamline historical faster cancer treatment guidance documents by amalgamating them into a single document to support services reporting faster cancer treatment wait time indicators. This work also included clarification of the business rules to support nationally consistent reporting by services. In addition, an escalation plan and FCT coordinator/tracker orientation pack were developed, and support provided to the Health New Zealand community health pathways team with standardising

consistent FCT information for Aotearoa. We are currently supporting the quality improvement of these indicators – for example, through our work to improve consistency of business rules, quality data management and reporting. We transferred ownership of this work to Health New Zealand in 2024.

Health Information Standards Organisation (HISO) standards

We continued to work with Health New Zealand on the selection, development and adoption of data and digital standards for the health sector. Nationally agreed and HISO-endorsed data standards support the vision for a fully interoperable digital health system by enabling cancer data to be shared more easily between systems information for decision-making, quality improvement and research. Standards enable different data systems to ‘talk to each other’.

As previously mentioned, the Structured Pathology reporting programme has made progress working on up to 40 HISO (Health Information Standards Organisation) standards to describe histopathology reports; The ACTNOW programme is close to completing its entire library of systemic anticancer therapy regimens, which will allow an understanding of how patients are being treated throughout the motu. The Snowflake data analytics database is now operational and will drive improved cancer data analytics, monitoring, reporting, and research. Work is also ongoing to allow Te Rēhita Mate Ūtaetae (the Breast Cancer Foundation National Register) to be supported by the CanShare platform.

Behind these outcomes are advances in our development of SNOMED CT (the national health terminology) to describe cancer data; and FHIR, the interoperability standard supporting the near real-time sharing of these data.

Development of a monitoring framework

The New Zealand Cancer Action Plan 2019–2029 sets four outcomes and multiple related actions across the cancer control pathway. This year, we have continued to report against this monitoring framework so we can transparently assess our progress towards achieving the aspirations of the Cancer Action Plan.

We will report on 11 broad indicators to give a ‘snapshot’ of the current state of cancer control in Aotearoa New Zealand. Each year, we will calculate the indicators and present the results in a monitoring report to show progress in the cancer control system. The monitoring report will also present activities being undertaken to achieve the outcomes and actions of the Cancer Action Plan. A summary of the monitoring report is available in the section ‘Tō mātou whakahaere – Our performance’.

Leadership and collaboration across data and digital health

We continued working with Health New Zealand and the Ministry of Health to highlight the needs of cancer patients and whānau within data and digital system changes.

In 2023/24 kaimahi sat on key digital governance and advisory groups, including the Hira Programme Governance Group, the Digital Enablement Oversight Group, the Digital Health Equity Reference Group, the National Data Platform Steering Committee and Tātai Pae Ora. We also chair the Cancer Working Group within the New Zealand Telehealth Forum.

Kia whakaiti iho te mate pukupuku

Achieving fewer cancers through a focus on prevention

Cancer screening

Cervical Screening Elimination Strategy

The agency is supporting the Public Health Agency and Health New Zealand on progressing the implementation of the cervical cancer elimination strategy. This work involves improvement planning across three pillars and their corresponding World Health Organization targets which are:

- vaccination: 90% of girls fully vaccinated with the HPV vaccine by the age of 15 (in Aotearoa New Zealand this target is applied to both boys and girls).
- screening: 70% of women screened using a high-performance test by the age of 35, and again by the age of 45.
- treatment: 90% of women with pre-cancer treated and 90% of women with invasive cancer managed.

Human Papilloma Virus (HPV)

HPV testing was introduced in September 2023, and since then significant progress has been made to increase the volumes of those who fit the testing criteria. As at April 2024 coverage was 70.9%, a 2-percentage point improvement from March 2024, and improvement in uptake across all ethnicities. The investment in the targeted approach to those communities with high need has been beneficial. HPV testing will be a significant contributor to eliminating cervical cancer in Aotearoa New Zealand.

Investigating a lung screening programme

Lung cancer is one of most diagnosed cancers across Aotearoa New Zealand, and is the second most common cancer diagnosed in Māori people. In 2024 we were invited to join a new Health New Zealand project to investigate the policies, pathways, costs and capacity needed to set up and implement an equitable national lung cancer screening programme. We are supporting this through advice, resources and data to identify potential pathways.

Cancer research

Cancer Research UK (CRUK) / International Cancer Benchmarking Partnership (ICBP) New Zealand Visit

The agency's established relationships with international research partners like Cancer Research UK (CRUK) provides important insights that can inform the design and delivery of New Zealand's cancer services.

ICBP (run by CRUK) is an international multidisciplinary collaborative partnership that facilitates research to measure variations in cancer survival, incidence, and mortality between countries, and the factors that cause these differences. This is useful data countries can use to improve cancer services and policies, with the aim of increasing survival and enhancing the patient experience.

New Zealand is a partner in this research work, contributing some financial support, national data, and our expertise. We recently completed and published 'Routes to Diagnosis Report' which utilised the ICBP methodology. This has ensured consistency and comparability across partner countries.

In April 2024 we hosted the CRUK/ICBP team in Wellington for three days as part of their planned visits with partner countries. During this visit the CRUK/ICBP team introduced the third phase of their research 'cancer survival benchmark'. The visit provided an opportunity to strengthen our international collaboration with a specific focus on early detection. On that topic, the CRUK team shared very useful insights on the initiatives under way in the UK (and elsewhere in Europe) aimed at supporting primary care and community diagnostic pathways to early detection.

By strengthening our relationships with the teams at CRUK and ICBP team we will be able to continue to use their insights to inform our work in improving cancer outcomes. We have been invited to participate in phase 3 of the ICBP work, which will on Workforce. Details of this phase are currently being confirmed.

Kia runga noa ake te mataora Improving cancer survival

Blood cancer medicines availability analysis

Every year in Aotearoa New Zealand, around 2,800 people are diagnosed with a blood cancer. There are no known prevention or screening interventions for any blood cancers.

It is generally established that Aotearoa New Zealand has access to fewer cancer medicines than countries we like to compare ourselves to including Australia, the United Kingdom and Canada. To determine the extent to which there was a difference between public funding of medicines in Australia and public funding of medicines in Aotearoa New Zealand, we published *Understanding the Gap: an analysis of the availability of cancer medicines in Aotearoa in 2022*. This report identified 20 medicines that were funded for the treatment of cancer in Australia, but not in Aotearoa New Zealand, which also met a minimum threshold of clinical benefit based on a tool developed by the European Society for Medical Oncology (ESMO).

At the time of the 2022 report, there was no tool available to measure the magnitude of the clinical benefit for blood cancer medicines gaps, so the report only described the clinical benefit for solid tumour medicine gaps. In 2023, the European Society for Medical Oncology (ESMO) released a new version of the ESMO-MCBS tool called the ESMO-MCBS:H (H for haematological or blood cancers) that can be used to assess the clinical value of blood cancer medicines. This version of the tool meant we were able to determine the magnitude of clinical benefit for blood cancer medicines and complete the picture of medicine availability differences between Australia and Aotearoa.

We carried out this analysis in the first half of 2024 to develop a draft report by early June 2024. This report is now in the final stages of review, editing and layout and we expect it to be ready to publish in October 2024.

Increasing access to new cancer medicine

In June 2024 the Government announced an unprecedented \$604 million funding boost to Pharmac's Combined Pharmaceutical Budget (CPB) over four years to increase cancer medicine availability. For the first time an additional \$38 million was allocated for delivery of the new medicines in the first year. Additional implementation budget may be released in future years if required.

The Increasing Access to Medicines Programme is a collaboration between Health New Zealand and Te Aho o Te Kahu, with support from the Ministry of Health and Pharmac. Our aim is to ensure that the newly funded cancer treatments, and the cancer care that people are currently receiving in the public health system, are successfully delivered in a well-functioning, equitable and responsive cancer service. We are also embedding future focused models of care that are more sustainable, resilient and responsive to local needs and that provide care closer to home.

At the time of the funding announcement, Pharmac estimated that the additional \$604 million of funding would cover approximately:

- 26 cancer medicines for several cancers, including thyroid, bowel, breast, bladder, lung, head and neck, prostate, liver, ovarian, kidney and four different blood cancers.
- 28 other medicines for a wide range of conditions including infections, respiratory conditions, osteoporosis, sexual health, dermatology, inflammatory conditions, and mental health.

Quality improvement programme

The agency's quality performance indicator (QPI) programme provides information to support the monitoring and improvement of cancer services to ensure actions aimed at achieving better outcomes for people and whānau with cancer are prioritised.

While most people receive quality cancer care most of the time, there are others who do not. People and communities experience different inequities at every stage along the cancer continuum. From a person's exposure to cancer causing risk factors such as unhealthy diets, excess weight, smoking or alcohol, the speed of diagnosis, ability to access high quality cancer treatment, timely referral to specialist care, or the level of palliative care or bereavement support provided for whānau after death. These cumulative inequities contribute to poorer health outcomes.

The QPI team work with the wider sector on reports and monitoring (using data from national collections, such as the New Zealand Cancer Registry (NZCR)) that can identify unwarranted variation (between providers and / or between population groups) and issues with cancer detection, diagnosis, treatment, and outcomes, to inform quality improvement activities.

In March 2024 the agency released the Route to cancer diagnosis report: *People diagnosed with cancer within 30-days of an emergency or unplanned hospital admission*. Cancer that is diagnosed this way is often later stage, has fewer treatment options and patients have poorer outcomes. This report also showed that:

- New Zealanders experiences a high rate of being diagnosed with cancer after an emergency or unplanned admission - 23.9% across 22 different types of cancer, with some being much lower

(for example, breast cancer) and others, (for example lung cancer and pancreatic cancer) being much higher.

- Māori are more likely to be diagnosed following an emergency admission than people of other ethnicities in almost all districts.
- certain districts consistently perform better than others (ie have lower rates of diagnosis following and ED or unplanned admission), which may point to stronger connections between primary and secondary care services and/or more effective primary care/community diagnostics models that could be scaled and used in other parts of the country.

We are continuing to share the report findings with Health New Zealand, community and primary health care providers and other key agencies, to identify areas where we can improve cancer detection and diagnosis processes, and to help identify peoples' cancer diagnosis earlier across Aotearoa New Zealand.

With the introduction of the national health reforms and new health organisations that are responsible for commissioning and delivering health services, we are relooking at our cancer service quality improvement approach. As part of this work, we are developing a quality improvement framework for Te Aho o Te Kahu, to guide the quality improvement work that will result from the QPI programme and other projects such as CanShare.

Supporting the national clinical trials network

Clinical trials are a key tool for achieving better cancer outcomes for those people with cancer who are eligible to take part. The low availability of, or inequitable access to cancer clinical trials in Aotearoa New Zealand continues to be of concern to patients and whānau, and the health sector. The Ministry of Health is working with Health New Zealand on the design of equitable clinical trials for all conditions, including cancer, based on the

recommendations in the **Enhancing Aotearoa New Zealand Clinical Trials** report.

Over the 2023/24 year, we continued to provide support and highlight the needs of cancer patients to the Ministry and Health New Zealand. We also presented at the clinical trials workshop hosted by Cancer Trials New Zealand, and the New Zealand Society for Oncology meeting in September 2023.

Te whakapai mana taurite o ngā hua mate pukupuku

Improving equity of cancer outcomes

Hearing the voices of whānau Māori

Over 2023/24 we completed our visits with mana whenua, and local health organisations to share the results of the 13-community hui we hosted across the motu in 2022. Through the hui we listened to more than 2,500 whānau Māori, including patients, whānau and Māori working in cancer care or the wider health and social sectors.

This resulted in the release of three reports in March 2023:

- **Rongohia Te Reo, Whatua He Oranga: The voices of whānau Māori affected by cancer** shares the experiences and aspirations of thousands of whānau Māori affected by cancer.
- **Te Tikanga — Engaging with whānau Māori affected by cancer:** a kaupapa Māori approach outlines the kaupapa Māori principles used to design and deliver the hui series.
- **He Urupare: Responding to the experiences of whānau Māori affected by cancer** describes some of the work Te Aho o Te Kahu and other health agencies are doing that responds to, or aligns with, whānau insights.

We are continuing to use and share these documents to inform the agency's work programme and key cancer services planning documents such as Models of Care and Optimal Cancer Care Pathways.

Embedding equity-led thinking

We have strengthened our focus on equity, with capability development a key area of work.

We have also incorporated equity frameworks into key business processes and project planning methodology. Our internal community of practice, Te Kāhui Mana Taurite, supports equity analysis across the entire Cancer Services Planning programme. This rōpū (group) identified and analysed equity issues across each area of the

programme. The voices of patients and whānau were integrated into this analysis, as was national and international literature. Te Kāhui Mana Taurite will be broadened in 2023/24 to cover all our agency's work programme.

We have also been supporting the equity work of other agencies and organisations. Our Equity team has shared insights with other health and community colleagues, both formally and informally, through guest speaker presentations, various governance and advisory roles, and publication of research papers.

Pacific cancer patients and whānau

We partnered with Moana Connect to carry out research within the Pacific community to help identify areas to improve the coordination and delivery of cancer care for Pacific peoples and their kaaiga (family).

We are in the final stages of reviewing the research for release in late 2024/early 2025. We plan to share with kaimahi, key health organisations and providers and consider ways the health system can adapt to address the gaps, challenges and barriers some Pacific peoples experience, and improve the supports they may need.

Experiences of disabled people with cancer

In 2022/23 we developed the disability and cancer project to build health sector understanding on the incidence, experience of cancer, and cancer outcomes for disabled New Zealanders. There is little evidence in this area, but He Pūrongo Mate Pukupuku o Aotearoa 2020, the State of Cancer Report 2020, showed that disabled people can often experience poorer health outcomes.

In early 2023/24 we appointed three fixed-term lived-experience advisors (disability and cancer) to support this work. We are grateful for the insights, advice, and connections they shared with the agency. They were generous in sharing

their experiences, and the barriers they faced in being diagnosed and treated for cancer, which are available in a range of accessible formats on our website.

The advisors' insights, a literature review of disabled peoples experience in cancer care, combined with research and data matching we are conducting with the New Zealand Cancer Registry, will provide a clear picture of where we need to

influence the equitable delivery of cancer services to disabled people and their whānau in Aotearoa.

We are preparing the literature review and data reporting to publish in a range of accessible formats later in 2024. We are also developing an approach for how we embed the insights gained into cancer service design and delivery across the sector, including capabilities development across the agency.

World Indigenous Cancer Conference 2024

Between 18 - 20 March 2024, the Victorian Comprehensive Cancer Centre Alliance (VCCC) in partnership with the International Agency for Research on Cancer hosted the third World Indigenous Cancer Conference 2024 (WICC) in Naarm (Melbourne) Australia.

The conference involved researchers, cancer survivors and carers, health professionals, cancer care services and providers, policy makers and Indigenous communities and organisations from around the world. The aim was to highlight and share examples of global leadership in Indigenous cancer care, strategies, governance, advocacy, and empowerment. This included kaimahi involved in cancer research or whānau centred care, along with our partners at Hei Āhuru Mōwai.

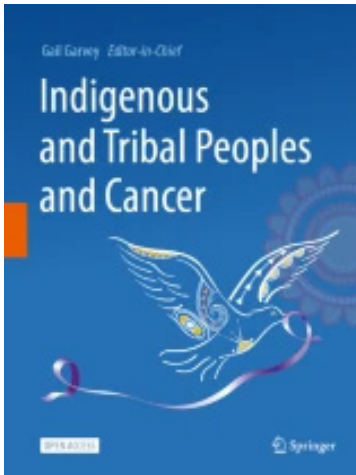
Our Chief Executive and Director Equity and Whānau Centred Care were on the panel of speakers who opened the event. They shared:

- the range of inequities Māori people can face at each stage of the cancer continuum
- what we learned from listening to the experiences of more than 2,500 Māori people with cancer, whānau, and Māori working in cancer care or the wider health and social sectors (refer to Hui insights reports)
- how we are embedding the hui insights and equity in our work, the Cancer Action Plan, and the broader health sector, to help reduce these inequities.



Sasha joined Hei Āhuru Mōwai Māori Cancer Leadership Tumuaki, Chief Executive, Cindy Dargaville to share our organisations experiences in the opportunities and work needed to embed partnership into cancer control in Aotearoa New Zealand.

Two of the agency's Kaikōkiri Kaupapa Mana Taurite (Project Manager Equity) also ran a workshop on how we designed the hui to engage with whānau Māori affected by cancer using a kaupapa Māori approach involving whānau (family), hapū (kinship group) and iwi (larger extended groups or tribe).



International research on indigenous and tribal peoples and cancer

In 2024, the agency was invited to contribute to a book, called *Indigenous and Tribal Peoples and Cancer*. This was the first-time research on Indigenous and Tribal peoples' experiences with cancer and cancer control had been brought together.

We collaborated with Cancer Australia and the Canadian Partnership Against Cancer (CPAC) on a chapter focused on cancer control and care.

The book will be published in October 2024 and we will provide links to it on our website.





Sector performance

Under the Cancer Action Plan, we developed a framework to monitor progress towards the plan's four outcomes and supporting actions. A broad range of indicators were chosen for each Cancer Action Plan outcomes based on relevance and measurability; the accurateness and availability of data; and the impact on inequities. We also considered indicators used in global cancer control plans and whether they could be practically applied to Aotearoa New Zealand's context.

Monitoring will become an annual process enabling us to track progress and activities

across the cancer care system. This will show the effectiveness of the work underway in each area and identify areas for further investigation or action.

Below, we list each of the four outcomes specified in the Cancer Action Plan, followed by one relevant indicator and graphs and commentary presenting data relevant to that indicator. The results of this monitoring are not solely the responsibility of Te Aho o Te Kahu, and the indicators are long term measures, so we expect some will shift slowly.

Outcome 1:

New Zealanders have a system that delivers consistent and modern cancer care

Indicator:

Ethnic distribution of the current cancer workforce and Aotearoa New Zealand's total population for 2023 (based on the 2018)

The health system strives to attract and maintain a workforce that represents the communities it serves. Research shows that ethnically diverse health workforces can help reduce health inequalities in multicultural societies like Aotearoa New Zealand.

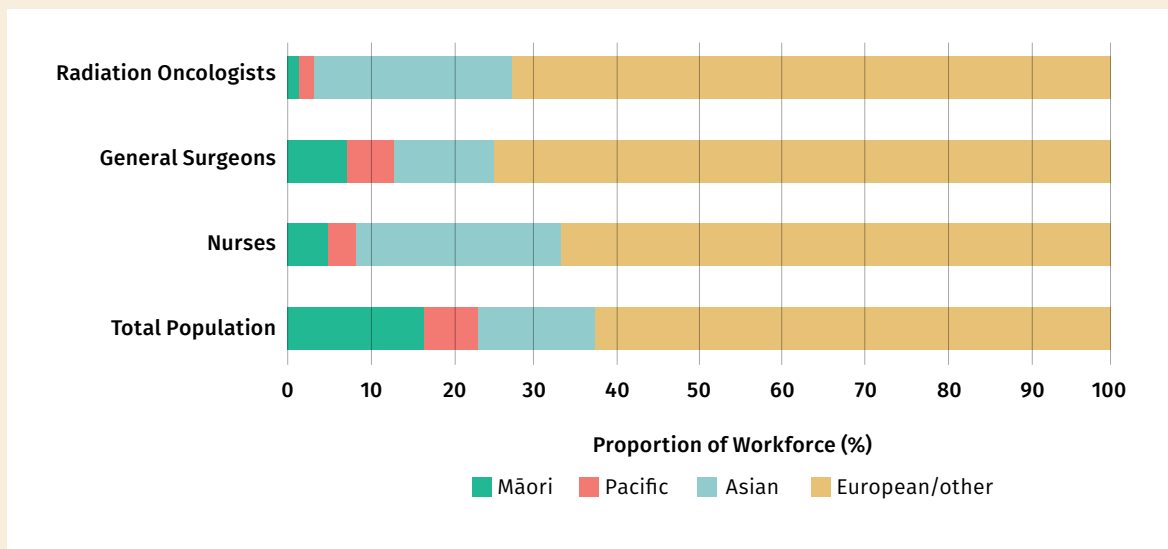


Figure 2: shows the ethnic distribution of radiation oncologists, general surgeons, and nurses in 2023, alongside the ethnic distribution of our country's population.

Outcome 2:

New Zealanders experience equitable cancer outcomes

Indicator:

Routes to diagnosis – Proportion of cancers that were diagnosed in 2022 following an emergency presentation within 14 days before the date of diagnosis.

Early diagnosis improves cancer outcomes by providing care at the earliest possible stage. Ideally the diagnosis would be through a primary or community health care service (such as a General Practitioner or a screening programme) and treatment would be provided by a trusted, culturally responsive secondary health service.

In 2022, Māori (30%) and Pacific peoples (36%) were more likely to be diagnosed with cancer following an emergency presentation, than Asian (26%) and European/Other (22%) for all cancers. This is one example of how the agency's monitoring work highlights inequities in cancer, so we can work with the sector on reducing them.

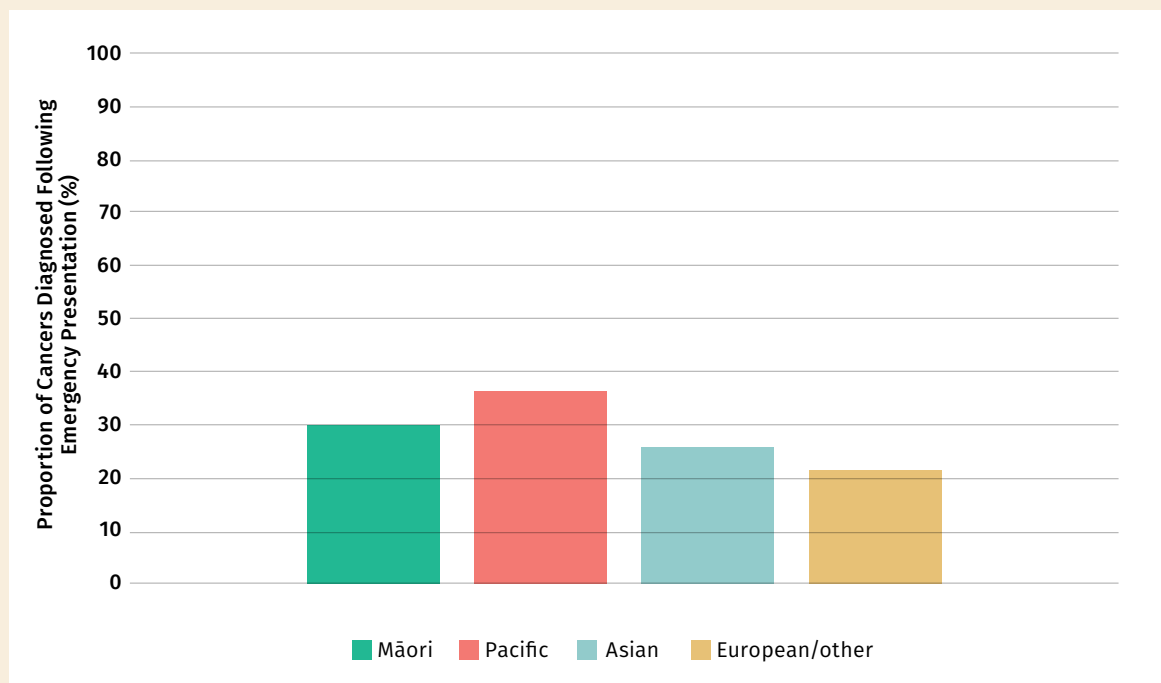


Figure 3: Proportion of cancers diagnosed following emergency presentation by ethnicity, 2023

Outcome 3:

New Zealanders have fewer cancers

Indicator:

Tobacco – Proportion of New Zealanders who were daily smokers

The rate of daily smoking appears to be reducing for most ethnic groups over time.

Pacific peoples saw the biggest reduction from 18.2% in 2021/2022 to 6.4% in 2022/2023.

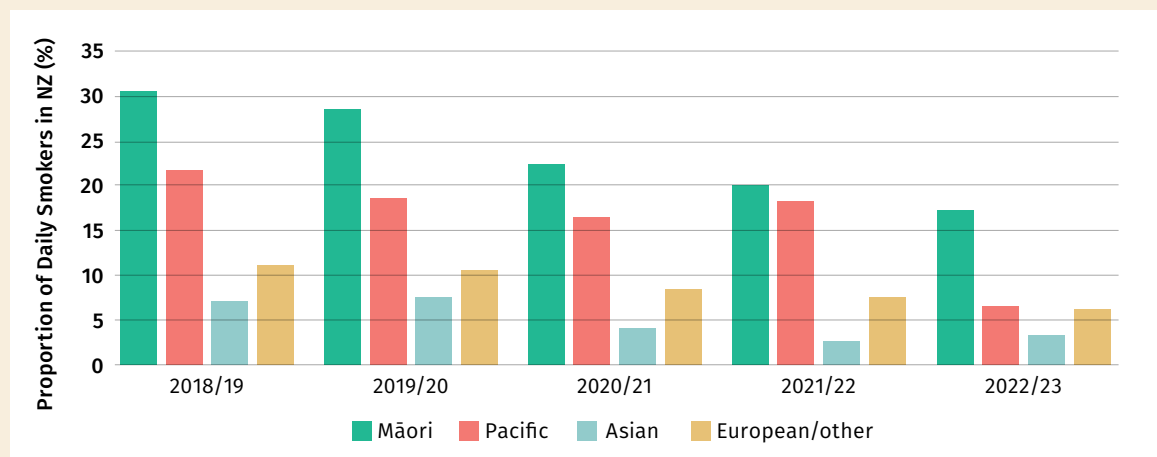


Figure 4: Proportion of daily smokers in New Zealand, by ethnicity, 2018/19–2022/23

Outcome 4:

New Zealanders have better cancer survival, supportive care, and end-of-life care

Indicator:

Surgery – Proportion of New Zealanders with cancer who received surgical treatment in 2022/23

Surgery is one way to increase a person’s survival rate following a cancer diagnosis. The rate of surgical resection for lung and pancreatic cancers was around 5–25% in the 2022/23 year. The rates of lung and pancreatic cancers increased for Māori and Pacific peoples compared with the previous year. Note: this is the latest data available.

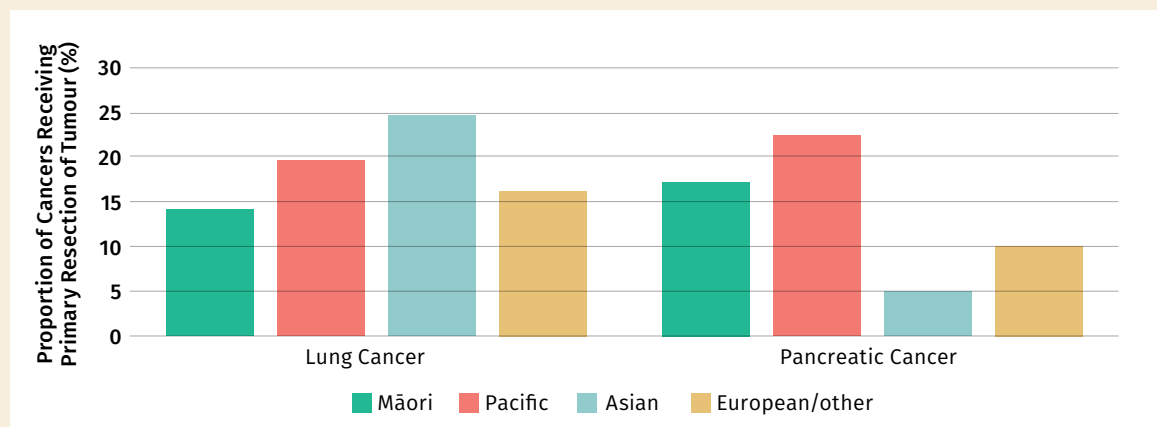


Figure 5: Proportion of New Zealanders who received surgical treatment for lung or pancreatic cancer, by ethnicity, 2022/23



Tō mātou whakahaere

Our performance

Performance measure	2021/22	2022/23	2023/24	Notes
Kaimahi satisfaction	NA	84%	72%	Kōrero Mai survey undertaken in October 2023.
Sick/domestic leave taken	4.7 days	8.2 days	6.7 days	We actively encourage kaimahi take sick leave to support both public health efforts and staff wellbeing.
Kaimahi turnover	13%	16%	21%	Our flat organisational structure can hamper career growth opportunities.
Percentage Māori kaimahi	11%	11%	13%	Focus on recruiting Māori kaimahi and capability development.
Percentage Pacific kaimahi	6%	5%	5%	Focus on recruiting Pacific kaimahi and capability development.
Percentage non-European kaimahi	40%	34%	40%	
Diversity and inclusion				Statements from 2021 Public Service Census. The 2023 Census was deferred to and is proposed to run in March 2025.
I believe my agency supports and actively promotes an inclusive workplace.	93%		80%	Kōrero Mai survey undertaken in October 2023. Average across the public service was 78%.
The people in my workgroup behave in an accepting manner to people from diverse backgrounds / The person I report to creates an inclusive team environment, showing care for success and wellbeing.	91%		83%	Kōrero Mai survey undertaken in October 2023. Average across the public service was 81%.
I feel accepted as a valued member of the team./ I feel welcome and included at the agency.	86%		83%	Kōrero Mai survey undertaken in October 2023. Average across the public service was 79%.
I am satisfied with my work-life balance. / I am able to maintain a balance between my personal and working life.	59%		81%	Kōrero Mai survey undertaken in October 2023. Average across the public service was 52%.

Performance measure	2021/22	2022/23	2023/24	Notes
Te reo Māori				Statements from 2021 public service Census. The 2023 Census was deferred to and is proposed to run in March 2025.
I use at least some te reo Māori words and phrases.	84%	89.7%	89%	Average across the public service was 58%.
I hear leaders regularly using te reo words and phrases.	93%			
Staff are supported to improve our te reo Māori.	84%		83%	Average across the public service was 59%.
How many staff have never studied te reo Māori?	6 people	12 people		This statement is no longer in Te Arawhiti's Māori Crown Capability Framework. We have included the results to the question below in the Whāinga Amorangi kaimahi capability survey – 'Percentage of kaimahi who can pronounce te reo Māori words correctly.'
Māori–Crown relations				From Whāinga Amorangi kaimahi capability survey
I am comfortable supporting tikanga Māori in my agency.	87%	97.9%	97%	
I am encouraged and supported to engage with Māori.	91%		96%	This statement is no longer in Te Arawhiti's Māori Crown Capability Framework. We have included the results to the question below in the Whāinga Amorangi kaimahi capability survey – 'Percentage of kaimahi who believe that Te Aho o Te Kahu engages effectively with Māori'
I feel confident in my ability to identify aspects of my agency's work that may disadvantage Māori.	89%	95%	93%	
I understand how my agency's Te Tiriti responsibilities apply to its work.	89%	89.7%	88%	
Te Aho o Te Kahu enables me to apply Māori–Crown relations skills to my work	49%	34%	84%	This statement is no longer in Te Arawhiti's Māori Crown Capability Framework. We have included the results to the question below in the Whāinga Amorangi kaimahi capability survey - 'Percentage of kaimahi able to describe how Te Tiriti applies to their work.'
Official Information Act (OIA) timeliness	100%	100%	100%	From Ministry of Health data

Building a high performing agency and capabilities

We are focused on attracting and retaining a diverse, capable workforce who is passionate about reducing the impact of cancer on our communities. Our kaimahi bring together a broad range of skills including:

- leadership, critical thinking
- clinical and pharmaceutical experience and expertise
- people and whānau centred care
- Māori and Pacific cultural expertise
- cancer sector knowledge and understanding
- analytics and data insights
- systems thinking, working with complex systems, and behavioural science
- system improvement and innovation
- strong networks and relationships.

These capabilities are strengthened through our effective relationships across the sector, and collaboration on shared work, or areas of mutual interest.

To increase capacity where needed to deliver our reprioritised work programme, or support new areas of work, we support kaimahi in learning, through job-shadowing, courses, or certifications. These include:

- machinery of government expertise, such as responding to OIAs etc.
- te ao Māori, te reo Māori and Te Tiriti o Waitangi
- SNOMED CT certifications
- data visualisation courses
- disability awareness
- unconscious bias e-learning as part of induction process
- health and safety.

Systems and processes

We are continuing to update and introduce new systems and processes, with support from the Ministry of Health.

We are in the final stages of implementing a 'promotion round' for kaimahi. This is a structured assessment and selection process to help both managers and kaimahi understand kaimahi are ready to move ahead in their career pathway.



Photograph: Rama Rahal opening Te Wiki o Te Reo Māori 2023 with kaimahi from the Ministry of Health and Te Aho o Te Kahu

Whāinga Amorangi Māori Crown Relations capabilities

We have been ambitious in adopting all six domains of the individual capability component of the Māori Crown relations capability framework developed by Te Arawhiti – the Office for Māori Crown Relations (Te Arawhiti). This approach aligns to our vision, values, and strategic documents including:

- Pae Tū Hauora Māori Health Strategy⁵
- Whakamaua: Māori Health Action Plan 2020–2025⁶
- Pae Ora (Healthy Futures) Act 2022
- The Cancer Action Plan.

Kaimahi can access the Ministry of Health’s online learning courses on Te Rito, Te Reo and Tikanga, Ngutuawa - Te Tiriti tools to build their cultural capabilities and help our agency meet the expectations of the Public Service Act 2020. They can also attend workshops or training, such as The Wall Walk® and Te Arawhiti Crown engagement with Māori.

It is difficult to separate out the investment to implement our plan for developing cultural capabilities, as we are hosted by the Ministry of Health. Both organisations can leverage off the capability opportunities the Ministry offers, as well as those our agency runs.

The progress kaimahi have made across under the six individual capability six domains of the Māori Crown relations capability framework developed by Te Arawhiti is outlined below.

Te reo Māori

Goal:

Te reo Māori is regularly spoken, understood, and valued in Te Aho o Te Kahu. Our annual Whāinga Amorangi survey found that 49% of kaimahi have experienced a noho marae.

What we achieved in 2023/24

- Percentage of kaimahi who:
 - had a te reo Māori development goals in their Personal Development Plan: **43%**
 - completed a te reo Māori language courses: **89%**
- attended:
 - a noho marae stay in 23/24: **8%**
- Appointed a Pou Herenga role (0.2 FTE) to provide cultural knowledge, advice, and support across the agency
- Established a Chief Advisor Māori role which is being recruited.
- Held learning events during Matariki, Mahuru Māori including a focus during Te Wiki o te reo Māori
- Publications include bilingual forewords and summaries, or are fully translated when they are specific to a Māori audience
- Incorporated bilingual signposting on our website.

5 Minister of Health. 2023. *Pae Tū: Hauora Māori Strategy*. Wellington: Ministry of Health. URL: www.health.govt.nz/system/files/2023-07/hp8748-pae-tu-hauora-maori-strategy.pdf (accessed 9 September 2024).

6 Ministry of Health. 2020. *Whakamaua: Māori Health Action Plan 2020–2025*. Wellington: Ministry of Health. URL: www.health.govt.nz/publications/whakamaua-maori-health-action-plan-2020-2025 (accessed 9 September 2024).

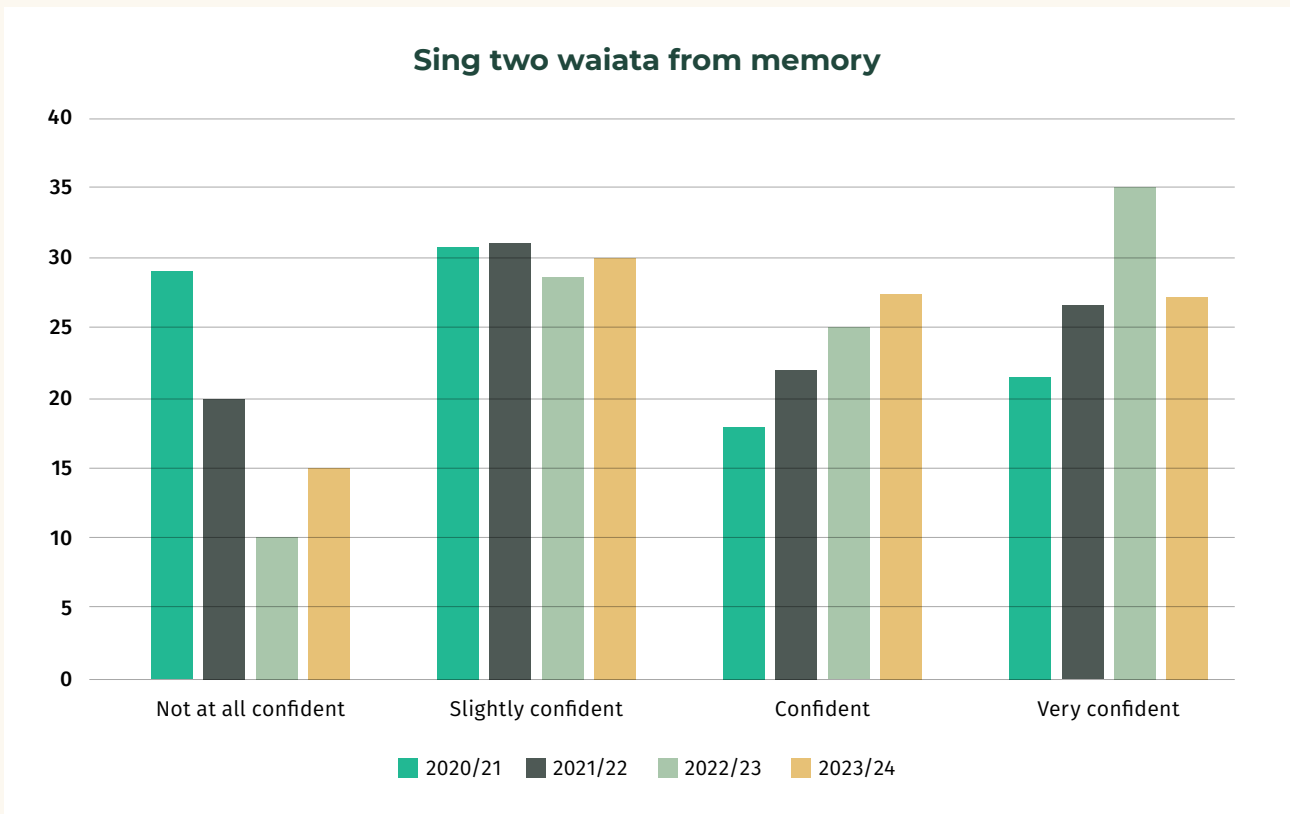


Figure 6: Percentage of kaimahi who can sing at least two agency waiata from memory

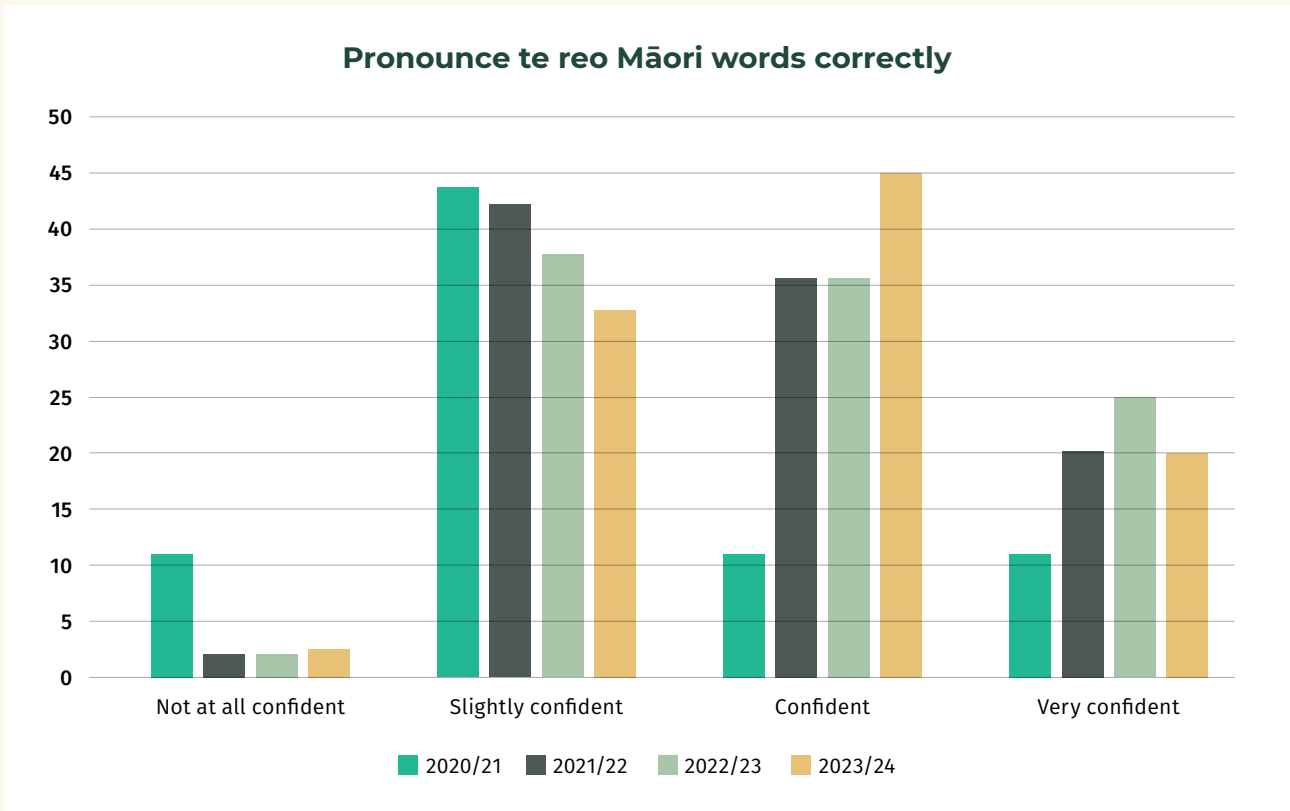


Figure 7: Percentage of kaimahi who can pronounce te reo Māori words correctly

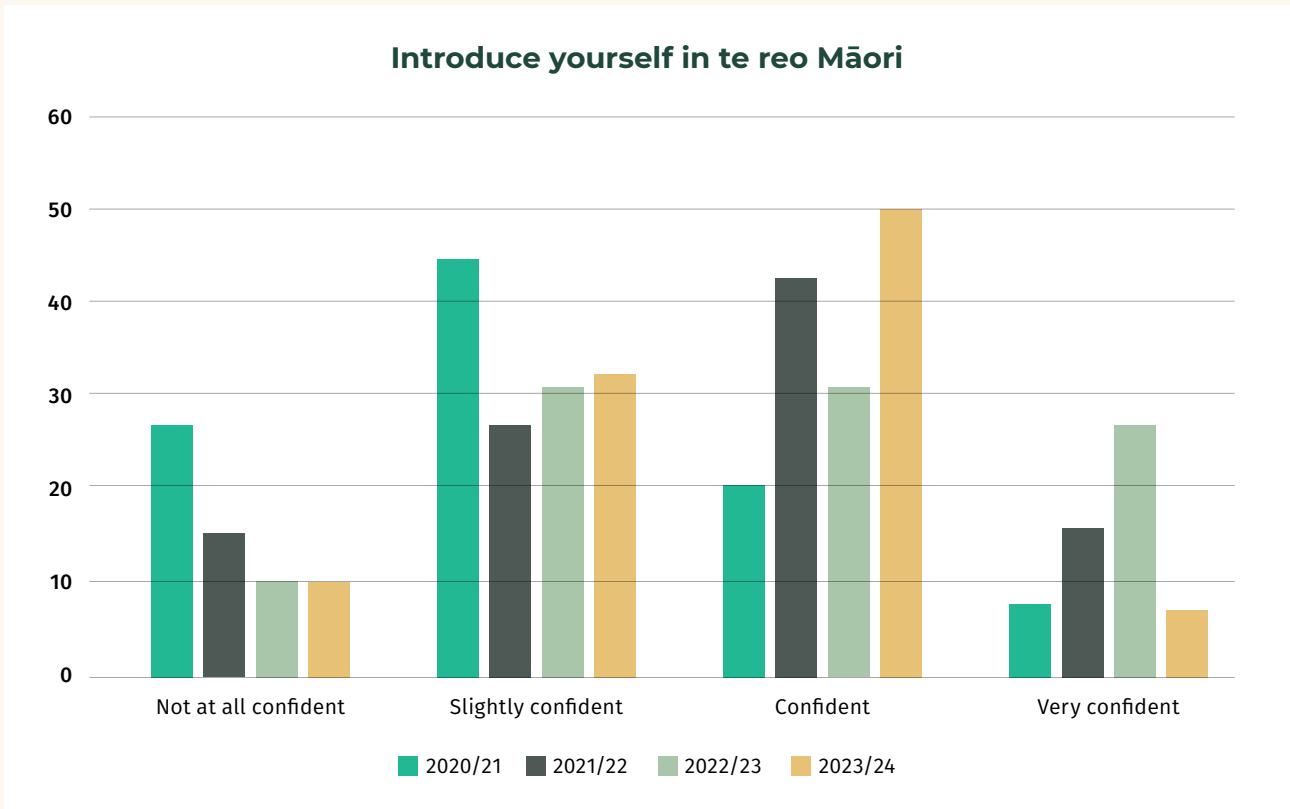


Figure 8: Percentage of kaimahi who feel comfortable introducing themselves in te reo Māori

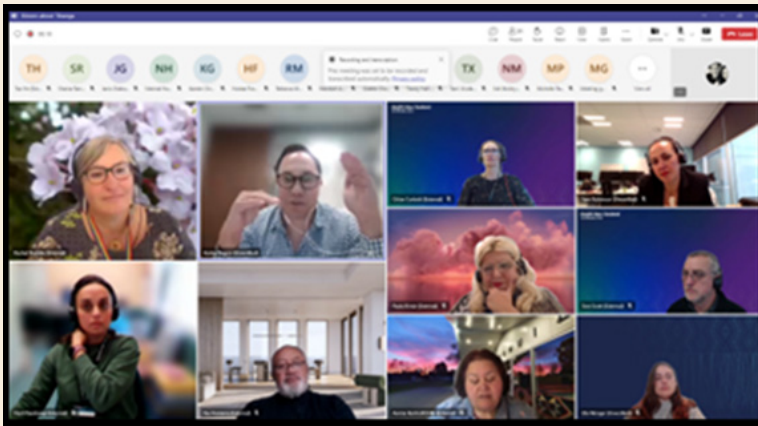
Tikanga / Kawa

Goal:

Te Aho o Te Kahu creates and adopts a culture where tikanga is welcomed and practiced.

What we achieved in 2023/24:

- 88% of kaimahi correctly identified our Pou Herenga, and 75% knew how that role supports our work
- Regular Tikanga Tuesdays sessions were run by our Pou Herenga for the agency and Ministry of Health.



Understanding racial equity and institutional racism

Goal:

Te Aho o Te Kahu identifies and addresses institutional racism

What we achieved in 2023/24:

More kaimahi felt confident / very confident in identifying practices and processes in our work that may inadvertently disadvantage Māori than in the previous year.

Worldview knowledge

Goal:

Te ao Māori informs the development of agency work.

What we achieved in 2023/24:

- More kaimahi felt confident explaining kaupapa Māori concepts compared with previous years.
- Most kaimahi believe understanding te ao Māori is relevant to their own, and the broader agency's work
- Keynote speaker at the World Indigenous Cancer Conference 2024 in Melbourne, Australia.



- We purchased, or were gifted, books to support kaimahi education
- The agency hosted a lunchtime screening of the documentary Whetū Marama during Matariki
- Our Pou Herenga delivered a 3 Kete workshop to develop an agency culture that enhances mana.

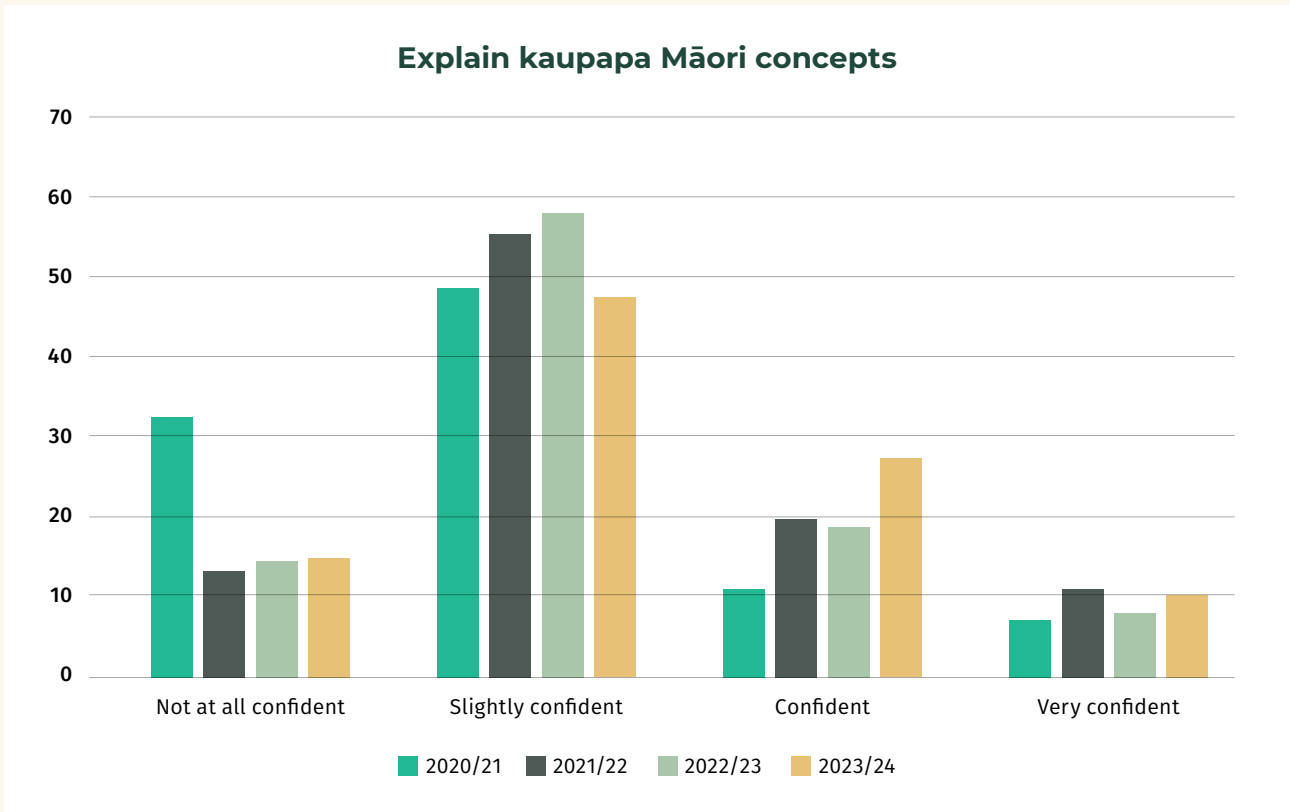


Figure 9: Percentage of kaimahi who can explain kaupapa Māori concepts

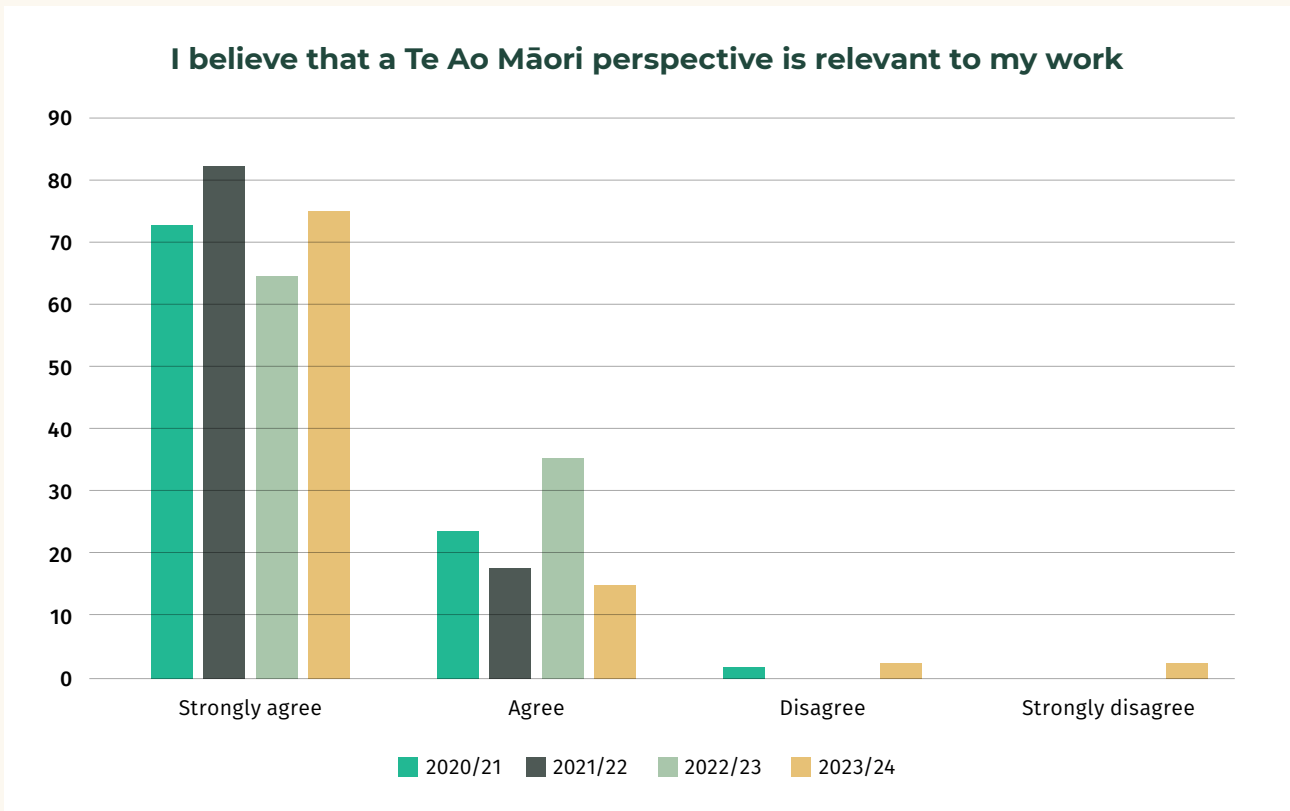


Figure 10: Percentage of kaimahi who believe te ao Māori perspectives are relevant to their work

Engagement with Māori

Goal:

Te Aho o Te Kahu has the knowledge, skills, and processes to engage with Māori. Māori voices are heard, and their feedback influences the direction of our work.

What we achieved in 2023/24:

- Six kaimahi attended the Te Arawhiti Engaging with Māori training
- A kaimahi Māori rōpū was set up which meets monthly
- The disability and cancer project involved tāngata Whaikaha Māori lived experience.

Judging when and how the Crown needs to engage with Māori

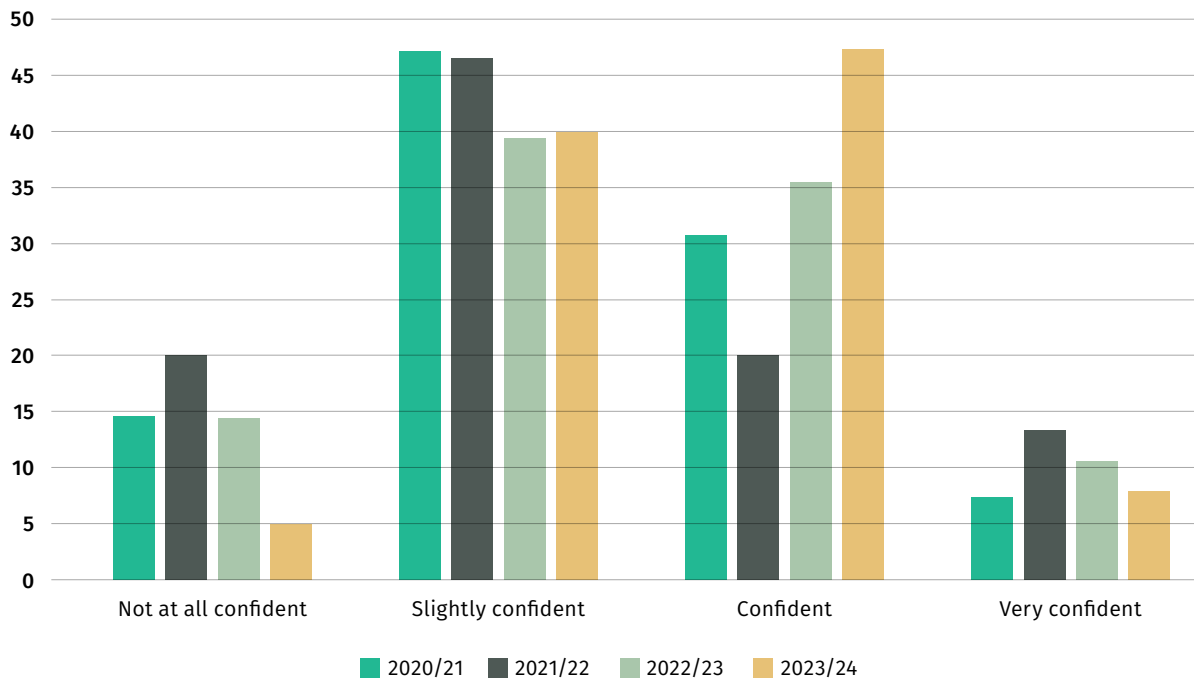


Figure 11: Percentage of kaimahi who feel confident in judging when and how the Crown needs to engage with Māori

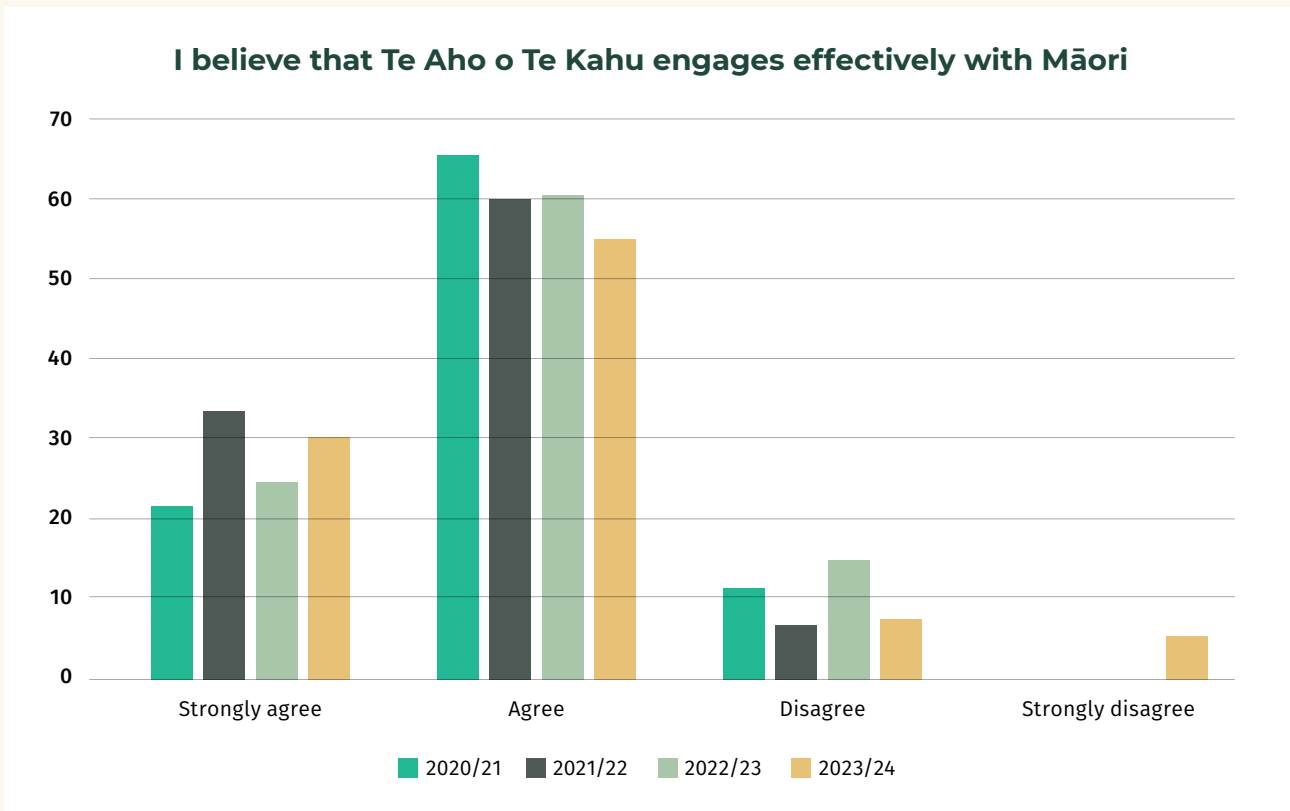


Figure 12: Percentage of kaimahi who believe that Te Aho o Te Kahu engages effectively with Māori

Aoteroa New Zealand history and Te Tiriti o Waitangi / Treaty of Waitangi

Goal:

Te Aho o Te Kahu kaimahi understand differences between Te Tiriti o Waitangi and The Treaty of Waitangi and have space to discuss questions.

What we achieved in 2023/24:

- 14% of kaimahi have a minimum of one goal in their Personal Development Plan
- During Te Wiki o Te Reo Māori, the agency screened the documentary drama 'Te Tiriti o Waitangi – What really happened' for Manatū Hauora and agency kaimahi
- 4 kaimahi attended Wall Walk® on Te Tiriti

Describe the articles and principles of Te Tiriti o Waitangi

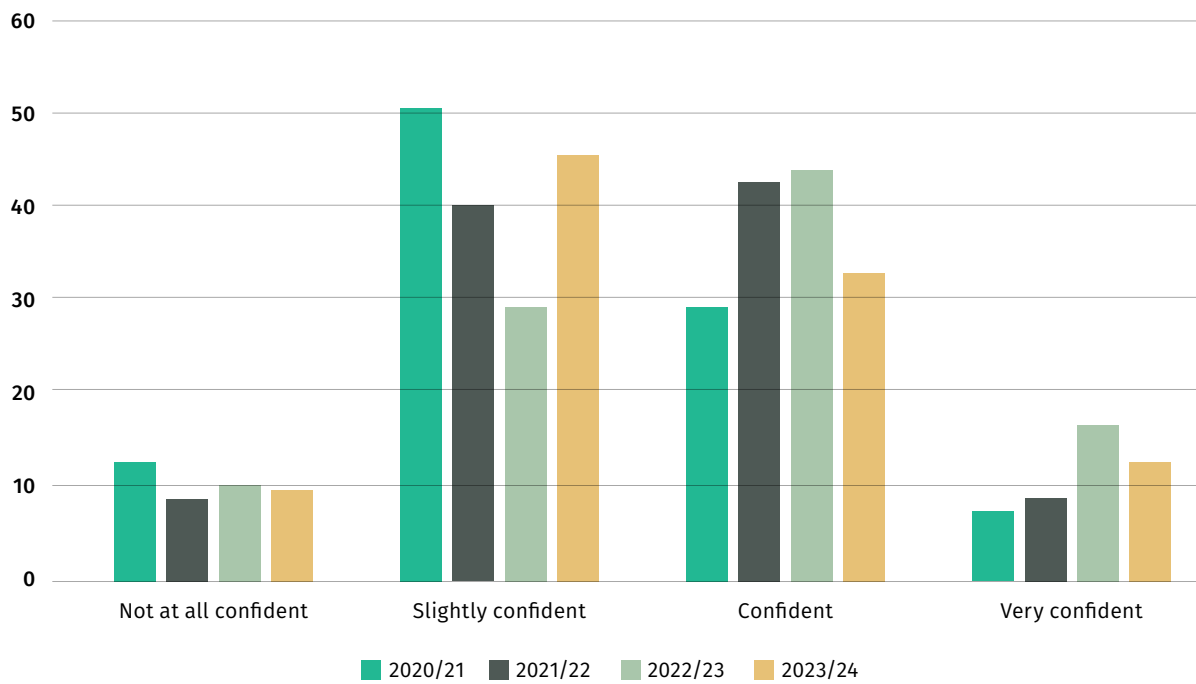


Figure 13: Percentage of kaimahi able to describe the articles and principles of Te Tiriti

Describe how Te Tiriti o Waitangi applies to my work

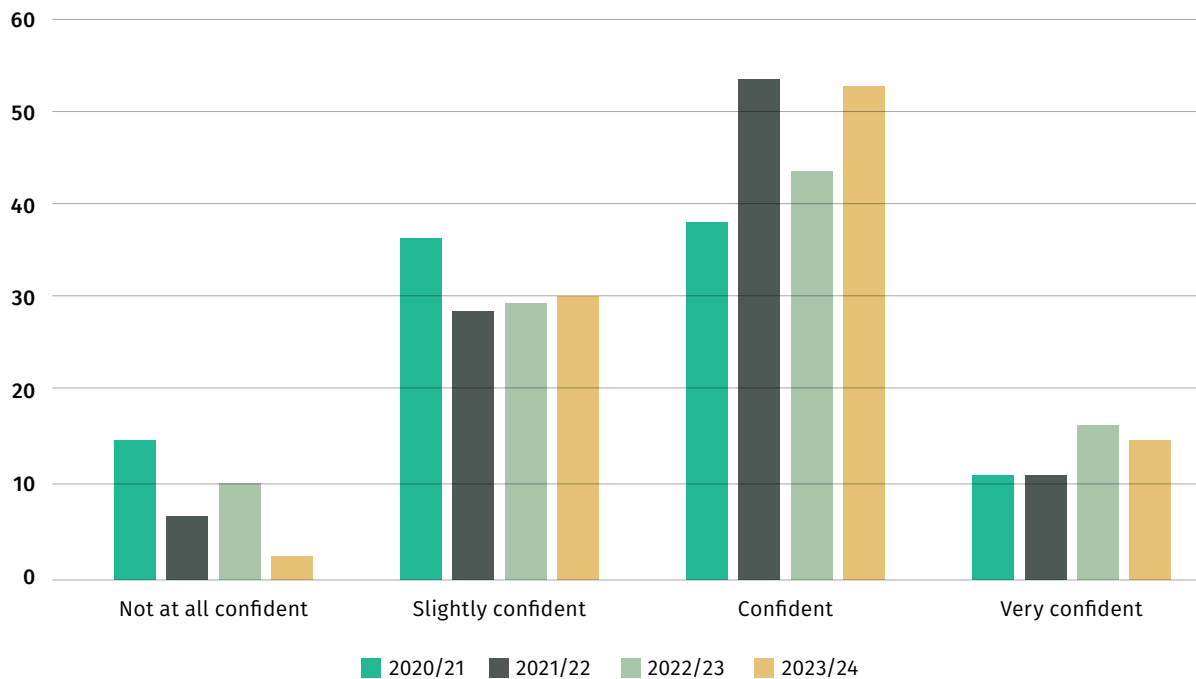


Figure 14: Percentage of kaimahi able to describe how Te Tiriti applies to their work.

E Tipu E Tipu – Māori Language Plan

We identified the following five capability goals in our Māori language plan, E Tipu E Tipu.

- **Status:** Raising the profile and value of the Māori language across the agency.
- **Critical awareness:** Raising awareness of the need to revitalise te reo Māori.
- **Acquisition:** Growing the number of kaimahi learning te reo Māori, through formal or informal learning.
- **Use:** Normalising and increasing kaimahi and stakeholders use of te reo Māori.
- **Corpus:** Increasing the availability and/or development of relevant terms and words to widen language use specific to Te Aho o Te Kahu.

Some examples of these goals being applied across our agency include:

- our induction information describing our ingoa, values and commitment to te ao Māori
- our communication plans detailing appropriate inclusion of te reo Māori
- providing opportunities for kaimahi to learn te reo Māori, te ao Māori or Te Tiriti via courses or free online resources.
- key meetings (for example, kaimahi hui) include karakia and/or waiata
- te reo Māori goals are included in each personal development plans
- encouraging good pronunciation of key reo Māori kupu (words) relating to our work
- bilingual signs, job titles, email greetings and signoffs.



Haepapa Tauākī

Statement of responsibility

I am responsible for the accuracy of any end-of-year performance information prepared by Te Aho o Te Kahu, and for whether that information is included in the annual report.

In my opinion, this annual report fairly reflects the operations, progress, and organisational health and capability of Te Aho o Te Kahu over the year 1 July 2023 to 30 June 2024.

Ngā manaakitanga,

Rami Rahal
Tumu Whakarae, Chief Executive
Te Aho o Te Kahu, Cancer Control Agency
30 September 2024



TE AHO
O TE KAHU
CANCER
CONTROL
AGENCY

