Te Kāwanatanga o Aotearoa
New Zealand Government

MINISTRY OF HEALTH
MANATŪ HAUORA

E.10 AR (2024/25)
B.14 (Health)

Ministry of Health – Manatū Hauora Annual Report

for the year ended 30 June 2025

and Cancer Control Agency – Te Aho o Te Kahu Annual Report 2024/25

and Report by the Minister of Health on Non-departmental Appropriation (Vote Health)

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Presented to the House of Representatives pursuant to sections 44 and 19B of the Public Finance Act 1989

A message from the Director-General of Health

Kia ora koutou

It is my privilege to present the Ministry of Health's Annual Report for the year ended 30 June 2025.

While new to the role of Director-General of Health, I have enormous admiration for the people across the health sector who, day in and day out, are working hard to keep New Zealanders well.

The Ministry plays an important role in ensuring New Zealanders have access to high-quality, timely healthcare. At the heart of the Ministry's work are three core roles: providing trusted advice, ensuring effective regulation and monitoring the performance of the health system. These roles are essential to growing a responsive health system that meets the needs of all New Zealanders.

This year has not been without challenges. New Zealand, like other countries around the world, is feeling the effects of workforce pressures and an ageing population. It is critically important we maximise the Government's investment in health and offer value for money as we continue to work hard to improve access to health services for those in need.

In 2024/25, the Ministry focused on the Government's health priorities as outlined in our strategic intentions. This work has included enhanced monitoring of Health New Zealand – Te Whatu Ora (Health NZ), as well as initiatives through the Primary Care Tactical Action Plan to give New Zealanders better access to primary care. We have also undertaken activities to increase access to medicines.

Within the Ministry, we have built on organisational changes made in 2023/24, and rolled out during 2024/25, to make sure the Ministry is able to operate within budget and deliver on Government priorities going forward. I am continuing to refine the Ministry's organisational structure and operating model to support the provision of our core functional roles of advising, regulating, and monitoring.

I want to thank Ministry staff who have worked hard this year to improve health outcomes for all New Zealanders. Whether this was done by advising the Government, working alongside Health NZ or through our monitoring and regulatory functions, their dedication and commitment are to be commended.

The Ministry is well placed to deliver on the Government's health priorities for the people of New Zealand.

Ngā mihi

Audrey Sonerson
Director-General of Health

He karere nā te Tumu Whakarae Hauora

Kia ora koutou

Nōku anō te hōnore ki te tāpae atu i te Pūrongo ā-Tau a te Manatū Hauora mō ngā mahi tae noa atu ki te 30 o Hune i te tau 2025.

Hāunga anō taku tūranga hou hei Tumu Whakarae Hauora, e tino mīharo ana ahau i ngā whakapaunga kaha a ngā tāngata nō ngā pito katoa o te rāngai hauora, i ia rā, i ia rā, e ora pai tonu ai ngā tāngata o Aotearoa.

He tūranga nui tō te Manatū e whiwhi ai ngā tāngata o Aotearoa ki ngā tautīaki hauora whai kounga i te wā e tika ana. E toru ngā kawenga matua kei te pūtake o ngā mahi a te Manatū Hauora: arā, he kaitāpae pono mātou mō ngā kōrero hauora, he kaihāpai o ngā ture hauora whaihua, he kaiaroturuki hoki mātou o ngā mahi a te pūnaha hauora. Koinei anō ngā pou matua e tū mai ai tētahi pūnaha hauora manaaki e ea ai ngā hiahia o ngā tāngata katoa o Aotearoa.

Ehara i te mea kāore he ākinga i te tau kua pahure. Pērā i ētahi atu o ngā whenua o te ao, kei te rongo a Aotearoa i ngā hua o ngā taumahatanga ki runga i te kāhui kaimahi me te ekenga mai o te kaumātuatanga ki te taupori whānui. He mea nui kia eke ngā hua o ngā haumi a te Kāwanatanga ki te taumata e tika ana, ā, me tino whaihua hoki aua moni i a mātou e kaha tonu ana ki te whakapai ake i te whakawhiwhinga o ngā ratonga hauora ki te hunga e rapu ana i te ora.

I te tau 2024/25, i te aronui te Manatū ki ngā whāinga tōmua ā-hauora a te Kāwanatanga e mau ana ki ō mātou koronga rautaki. Arā, ko te aroturukitanga pai o Te Whatu Ora me ngā kaupapa o te Primary Care Tactical Action Plan kia pai ake te toronga atu o ngā tāngata o Aotearoa ki ngā mahinga hauora matua. Kua whakapiki ake hoki mātou i te āheinga atu ki ngā momo rongoā.

Kei roto tonu i te Manatū, kua whakawhānuihia ngā whakahoutanga o te tau 2023/24, hei whakaū i te tau 2024/25 e pā ana ki te āhua o ngā whakahaere kia tutuki ngā mahi i roto i te herenga pūtea, ā, kia tutuki hoki ngā whāinga tōmua a te Kāwanatanga i te wā e haramai ana. Kei te whakatikatika tonu ahau i te tū o te Manatū me te āhua o ngā whakahaere hei hāpai i ā mātou mahi matua, arā, ko te tāpae kōrero, ko te hāpai i te ture me ngā mahi aroturuki.

He kupu whakamānawa hoki tēnei ki ngā kaimahi a te Manatū i ō rātou whakapaunga kaha ki te whakapiki ake i ngā putanga hauora mā ngā tāngata katoa o Aotearoa. Ahakoa te mahi, arā, he tāpae kōrero ki te Kāwanatanga, he mahi ki te taha o Te Whatu Ora, he whakahaere rānei i ngā mahi arotūruki me te taha ture, e mihi ana ahau i tō rātou manawanui, i tō rātou manawaroa hoki.

Kua rite te Manatū ki te whakatutuki i ngā whāinga tōmua a te Kāwanatanga i te ao hauora mō ngā tāngata katoa o Aotearoa.

Ngā mihi

Audrey Sonerson
Tumu Whakarae Hauora

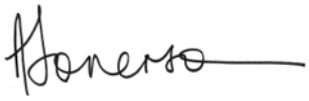
Statement of responsibility

I am responsible, as Director-General of Health and Chief Executive of the Ministry of Health (the 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 2025 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 2026 and its operations for the year ending on that date.



Audrey Sonerson
Director-General of Health
30 September 2025

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Our highlights for 2024/25 – Ngā mahi whakahirahira o te tau 2024/25

This summary highlights key areas of our work from 1 July 2024 to 30 June 2025, supporting the Government's focus on ensuring access to timely, quality healthcare for all New Zealanders.

Who we are and the outcomes we contribute to

The Ministry of Health – Manatū Hauora (the Ministry) is the Government's lead advisor on health. Our core responsibilities are policy, monitoring, and regulation, with a focus on improving health outcomes for all New Zealanders. Our work is covered by either Crown funding or funding from charges and fees.

Implementing the Government's priorities

Alongside the areas outlined in the progress section below, the Ministry supported the Government in implementing its priorities. Government priorities included:

- the focus on putting patients first and ensuring access to timely, quality healthcare for all New Zealanders (as set out in the Government Policy Statement on Health 2024–2027), through policy reforms
- two Government targets – Shorter stays in emergency departments and Shorter wait times for treatment, alongside Health New Zealand – Te Whatu Ora (Health NZ), through our monitoring activities
- implementation of the Government-set health targets (which include the two Government targets, above) and mental health and addiction targets, working closely with Health NZ
- the major Budget 2024 spending decision, COVID-19 and Pandemic Preparedness – Maintaining Essential Health Services and Critical Surveillance Infrastructure
- other significant Budget decisions such as the Crown Response to the Royal Commission of Inquiry into Historical Abuse in State Care and Prescribing Length Increase from 3 months to 12 months.

Progress against our strategic intentions

Here we outline key 2024/25 achievements and deliverables that contribute to our *Strategic Intentions 2024–2028*. Further details can be found in Section 1: Progress on strategic intentions.

Priority 1: Provide system-level leadership

We strengthened system leadership by setting strategic direction, co-ordinating cross-agency efforts, and supporting national health priorities, including in the following areas.

- **New Zealand Health Plan – Te Pae Waenga:** Supported the Minister of Health in his consideration of whether to approve the New Zealand Health Plan, which gives effect to the Government Policy Statement on Health 2024–2027.*
- **Pandemic preparedness:** Updated the New Zealand Pandemic Plan and strengthened cross-agency pandemic preparedness.*
- **Strategic Approach to Immunisation in New Zealand 2025–2030:** Launched a strategic approach to immunisation to increase uptake of vaccinations, directly supporting delivery of the health target that 95% of 24-month-old children will be fully immunised by 2030.*
- **Public Health Surveillance Strategy 2025–2030:** Published a strategy to strengthen and coordinate our public health surveillance system, to ensure New Zealand is well prepared to identify and respond to future health threats.
- **Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28:** Released a revised strategy to prevent and minimise gambling harm, including with funding to reduce harm.
- **Suicide Prevention Action Plan 2025–2029:** Launched a plan comprising 21 health-led and 13 cross-agency actions aimed at preventing suicide.*

Priority 2: Drive system performance

We strengthened our monitoring role across health Crown entities and the wider health system by supporting accountability for performance, including in the following areas.

- **Strategic monitoring model**: Embedded a new monitoring model and new monthly and quarterly reporting products to strengthen system oversight.
- **Supporting Health NZ through changes to governance and accountability**: Refocused our monitoring approach to drive improvements in health service delivery, as outlined in the Health Delivery Plan. This included supporting Health NZ through changes to governance and accountability arrangements, progressing the achievement of the health targets, and engaging Deloitte to undertake an independent review of Health NZ's financial performance in 2023/24.*
- **Health Infrastructure Plan**: Provided advice to Health NZ as it developed the 10-year Health Infrastructure Plan and worked on expectations for implementation.*

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

We delivered high-quality, evidence-informed advice to support Government decisions and long-term system settings, including in the following areas.

- **Policy and legislative advice**: Supported health policy reforms and cross-agency policy initiatives, including the Medicines Amendment Bill, Mental Health Bill, progressing work on the Medical Products Bill, and reviewing health workforce regulation.*
- **New medical school**: Led the programme of work to establish a new graduate-entry medical school at the University of Waikato aimed at addressing future health workforce gaps.*
- **Primary Care Tactical Action Plan**: Worked with Health NZ to advise on a plan to expand digital access, grow the primary care workforce, and improve access to urgent and after-hours care.*
- **Vaping and Smokefree 2025**: Administered new legislation to reduce youth vaping and provided policy advice to advance Smokefree 2025 goals.*
- **Fetal Alcohol Spectrum Disorder Action Plan**: Developed a cross-agency plan to address fetal alcohol spectrum disorder.*
- **Response to the Royal Commission of Inquiry into Abuse in Care**: Contributed to the Government's response to the abuse in care inquiry, including making improvements to the State redress system.*

Priority 4: Future-proof our health system

We advanced initiatives to build a more resilient, sustainable, and innovation-ready health system, including in the following areas.

- **Precision Health programme**: Advanced genomics and artificial intelligence policy to support innovation in diagnosis and care.*
- **Health National Adaptation Plan 2024–2027**: Published New Zealand's first plan to strengthen the health system's resilience to long-term climate change risks.
- **Child and Youth Mental Health Study**: Began work on a national survey to better understand child and youth mental health needs.* The first results are due in 2027.
- **Improving access to evidence, data, and insights:** Published the *Health and Independence Report 2023* and the latest results from the New Zealand Health Survey.

Priority 5: Regulate the health system

We strengthened our regulatory stewardship to ensure public safety and support innovation, including in the following areas.

- **Regulatory Stewardship Strategy**: Launched our first strategy to strengthen regulatory governance and practice across 14 regulatory regimes.
- **Maturity assessments and reviews**: Completed maturity assessments for 14 regulatory regimes and began reviews to identify strengths and gaps.
- **Regulation of health professions**: Progressed work on the regulation of physician associates* and other professions under the Health Practitioners Competence Assurance Act 2003.
- **Medsafe's assessment of New Medicine Applications**: Continued to significantly improve Medsafe's performance in the time taken to make decisions on New Medicine Applications.*

Priority 6: Organisational excellence

We invested in our people, systems, and processes to enhance capability and agility, including in the following areas.

- Strengthened **digital systems, leadership, and business planning** to build a more inclusive, high-performing Ministry.
- Delivered a **new payroll and human resource information system** to improve automation, auditability, and data analytics.
- Continued to build our capability through **online and in-person learning opportunities**, including orientation programmes, te reo Māori courses, disability awareness training, and writing skills development.
- Confirmed and implemented **changes to the Executive Leadership Group** structure following consultation, so that our organisational structure, operating model, and leadership function set us up for success.

* Government or ministerial priorities

Year-end performance information on appropriations

The Ministry has met or exceeded the Budget standard for 33 measures from a total of 41 non-financial performance measures.

People and capability

Overall headcount: 751

FTE 730.93 (as at 30 June 2025)**

12-month rolling average **unplanned turnover rate** 14.1% (compared with 14.6% in 2023/24)

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

Highlights from our financial statements

Summary of comprehensive revenue and expenses for the year ended 30 June 2025 (in thousands of NZD)

	Actual 2025	Budget 2025*	Actual 2024
Revenue	240,102	235,263	283,932
Expenses	230,477	235,263	269,070
Net surplus	9,625	–	**14,862**

The Minister of Finance and the Minister of Health (Joint Ministers) have approved in-principle expense transfers from 2024/25 to 2025/26 of up to $8.171 million of which $8.084 million is expected to be realised. The in-principle expense transfers will be confirmed as part of the 2025 October Baseline Update.

Summary of financial position as at 30 June 2025 (in thousands of NZD)

	Actual 2025	Budget 2025*	Actual 2024
Total assets	49,362	30,966	78,856
Total liabilities	47,847	26,850	75,586
Total equity	1,515	4,116	3,070

Summary of performance against Vote Health for the year ended 30 June 2025 (in thousands of NZD)

	Actual 2025	Budget 2025 (Supplementary Estimates)	Actual 2024
Departmental expenditure	230,477	241,357	269,070
Departmental capital expenditure	248	500	2,082
Non-departmental expenditure	26,081,299	26,533,056	25,914,996
Non-departmental capital expenditure	2,057,043	3,780,298	948,735

* This represents the budget figure provided in the Budget Economic and Fiscal Update (this is how we are required to present it in the Annual Financial Statements).

Section 1: Progress on strategic intentions – Te ahunga whakamua o ngā koronga rautaki

The Ministry of Health – Manatū Hauora (the Ministry) is the lead advisor on health to the Minister of Health and the Government of the day. Our core responsibilities are providing policy advice, monitoring the performance of health entities and the wider health system, and regulating the health sector.

We are committed to improving health outcomes for all New Zealanders by ensuring the health system delivers high-quality services that are timely, accessible, and responsive to the needs of our population. Achieving this requires us to work in partnership across government agencies, iwi, communities, and the broader health sector.

In 2024/25, our focus included supporting Health New Zealand – Te Whatu Ora (Health NZ) through changes to governance and accountability arrangements, progressing policy work to meet ministerial and Government priorities, embedding a system-wide focus on health targets and mental health and addiction targets, and driving progress on these Government-set targets. Internally, we strengthened our own capability and cohesion, including by implementing a new payroll and human resource information system to better support our people and functions.

In January 2025, the Health Assurance Unit (HAU) was established within the Public Service Commission to support the Minister of Health's focus on driving the delivery of the Government's key health priorities. The HAU worked with the Ministry to strengthen accountability and performance across the health sector.

Our medium-term work is guided by our *Strategic Intentions 2024–2028,*[1] which is designed to support the Government's health priorities. Our strategic priorities are:

1. Provide system-level leadership
2. Drive system performance
3. Be the Government's primary advisor on health
4. Future-proof our health system
5. Regulate the health system
6. Organisational excellence.[2]

Together, these priorities support our role in delivering better health outcomes for all New Zealanders.

This year we delivered and achieved the following that contribute towards achieving those strategic intentions.

1 Ministry of Health. 2024. *Strategic Intentions 2024–202*8. Wellington: Ministry of Health. URL: health.govt.nz/publications/strategic-intentions-2024-2028 (accessed 18 July 2025).

2 In our *Strategic Intentions 2024–2028*, Priority 6 is titled 'Transform Ourselves'. This was updated to 'Organisational Excellence' following the completion of the Ministry's transformation programme in 2024, to reflect our ongoing focus on continuous improvement to effectively and efficiently deliver on our functions.

Priority 1: Provide system-level leadership

In 2024/25, the Ministry undertook a range of strategic work that set the direction for parts of the health system and supported the Government Policy Statement on Health 2024–2027 (GPS) and the Government's focus on achieving timely access to quality healthcare. This included updating the New Zealand Pandemic Plan, publishing the *Strategic Approach to Immunisation in New Zealand 2025–2030*, the *Public Health Surveillance Strategy 2025–2030*, the revised *Strategy to Prevent and Minimise Gambling Harm 2025/26–2027/28*, and the *Suicide Prevention Action Plan 2025–2029*, and supporting the approval of the *New Zealand Health Plan – Te Pae Waenga*. Additionally, we progressed work on a refreshed strategic framework aimed at improving Māori health outcomes.

These initiatives reflect our role in providing system-level leadership and our commitment to aligning efforts across the sector to improve health outcomes for all New Zealanders.

New Zealand Health Plan

The *New Zealand Health Plan – Te Pae Waenga* (the Plan) is a three-year plan developed by Health NZ, as required under section 50 of the Pae Ora (Healthy Futures) Act 2022 (Pae Ora Act). The Plan has been published by Health NZ[3] and gives effect to the GPS within the funding allocated for publicly funded health services. It outlines the actions Health NZ will deliver to create a fairer health system and improve outcomes for all New Zealanders, particularly for populations with greater needs. The Plan operates alongside the Health Delivery Plan (discussed under 'Priority 2: Drive system performance').

While the Ministry does not have a statutory role in developing the Plan, we support the Minister of Health in his consideration of whether to approve it. This year, it included working closely with Health NZ to ensure the Plan gives effect to the GPS and providing feedback on deliverability and financial feasibility. The Ministry also supports the Minister of Health in publishing the Plan and monitoring its delivery.

The Pae Ora Act requires the Plan to be audited by the Auditor-General before it is submitted to the Minister of Health for approval. The audit report is included in the published Plan.

Health NZ identified that the Plan reflects its current level of maturity. It is not costed to the level of traceability and integration between the financials, activities, and desired improvements that would be expected of a fully mature New Zealand Health Plan under the Pae Ora Act. The Plan outlines work underway and planned by Health NZ to improve costings going forward.

Pandemic preparedness

The Ministry has advanced its system-level leadership by strengthening New Zealand's pandemic preparedness. In July 2024, the Ministry published the updated New Zealand Pandemic Plan, reflecting early lessons from the COVID-19 response and changes following the 2022 health system reform. This marks a move towards a more cohesive and proactive approach.

We continue to lead a multi-agency work programme to strengthen New Zealand's pandemic preparedness. This includes reviewing the Health Act 1956 and the Epidemic Preparedness Act 2006 to improve legislative readiness, developing a pandemic strategic framework, and assessing the latest International Health Regulations amendments.

3 Health New Zealand. 2025. *New Zealand Health Plan – Te Pae Waenga*. URL: tewhatuora.govt.nz/publications/new-zealand-health-plan-te-pae-waenga (accessed 20 August 2025).

These efforts are informed by domestic and international evidence, including the Royal Commission of Inquiry into COVID-19 Lessons Learned Phase One report.

As part of this, the Ministry continues to work with the Ministry for Primary Industries to prepare for a potential outbreak of highly pathogenic avian influenza (HPAI). Together, these initiatives reflect ongoing progress in building a more resilient and coordinated health system capable of responding to future pandemics.

Strategic Approach to Immunisation in New Zealand

In March 2025, the Ministry published the *Strategic Approach to Immunisation in New Zealand 2025–2030*. This sets a clear direction for improving immunisation coverage and supporting the Government's health target of reaching 95% of children to be fully immunised at 24 months of age by 2030.

The strategic approach identifies five system-wide focus areas: access; trust and confidence; information for action; workforce; and system capability. The Immunisation Oversight Board oversees the strategic approach, bringing together key health agency leaders to provide strategic governance for the immunisation system.

During 2024/25, we strengthened governance and monitoring mechanisms to provide the Board with assurance on system performance and to inform future improvements. Efforts continue towards achieving the health target for childhood immunisation, monitoring Health NZ's delivery of the overall immunisation system, and advising on system improvements, including funding mechanisms and incentives. These actions reflect the Ministry's leadership in aligning sector efforts to improve public health outcomes related to immunisation.

Public Health Surveillance Strategy

In February 2025, the Ministry published the *Public Health Surveillance Strategy 2025–2030,* setting a clear direction for strengthening New Zealand's surveillance system to better detect, understand, and respond to public health threats.

The strategy was a collaboration between the Public Health Agency and the wider Ministry, Health NZ, and the Institute of Environmental Science and Research (ESR, now the Institute of Public Health and Forensic Science Limited). It responds to the direction provided in the GPS to 'strengthen public health surveillance to increase the detection and response to communicable and non-communicable diseases, and to inform on the distribution of wider determinants of health and wellbeing' (objective 3.2).

The strategy outlines an approach to public health surveillance based on ensuring the confidentiality, privacy, and protection of people's personal health data. It identifies four strategic directions: strengthening governance, leadership, and coordination; focusing on the things that matter; responding to emerging challenges and opportunities; and focusing on continuous improvement.

Preventing and minimising gambling harm strategy

After comprehensive review of the *Strategy to Prevent and Minimise Gambling Harm 2022/23–2024/25*, in June 2025 the Ministry published the revised strategy for 2025/26–2027/28.

As part of that work, we led public consultation on the revised strategy, reviewed the problem gambling levy and commissioned 18 research projects under the 2022/23–2024/25 strategy to inform future policies.

The *Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28* aligns with the Government's priorities for mental health and addiction and sets a strengthened direction for reducing gambling harm, particularly among groups

disproportionately affected. It focuses on improving access to gambling harm prevention and early intervention, providing support services for people most at risk, and targeted reduction of gambling harm workforce pressures.

An $81.358 million budget is allocated to address gambling harm over a three-year period. The budget also provides for an impact evaluation to ensure strategies into the future continue to represent best practice and up to date evidence. Planning is underway for this evaluation, which will take place over 2025/26.

An additional monitoring and evaluation mechanism already published is the New Zealand Gambling Survey 2023/24, available via Health NZ's Kupe dashboard. The data in Kupe, alongside the impact evaluation, will inform future versions of the strategy with the aims of reducing gambling harm and improving public health outcomes.

Suicide Prevention Action Plan 2025–2029

The Ministry developed and published the *Suicide Prevention Action Plan 2025–2029*, which sets out a whole-of-government approach to suicide prevention, informed by public consultation, research, and evidence. It includes a set of critical actions, including 21 led by the health sector and 13 cross-agency actions designed to address service gaps and improve access to support. The Minister for Mental Health launched the Action Plan in June 2025.

To develop the Action Plan, we facilitated 20 workshops and received 402 submissions. Implementation will be supported by existing investment and additional funding, overseen by the Suicide Prevention Office within the Ministry. The Action Plan includes clear milestones and lead agency responsibilities and sits alongside broader efforts to improve mental health and addiction services for New Zealanders. These actions reflect sustained progress in strengthening leadership, coordination, and accountability for suicide prevention activities.

Setting the direction for Māori health

The Ministry undertook targeted engagement to refresh the strategic framework for Māori health. Between September and November 2024, we convened four regional wānanga and one online wānanga with the Māori health sector, alongside regional discussions with Iwi Māori Partnership Boards (IMPBs). Over this period, we also engaged with the Hauora Māori Advisory Committee, the Māori Monitoring Group, health entities, and other government agencies.

Feedback from these activities and an online submission process reinforced previous engagement themes, with strong support for local leadership, preventative approaches, and improved access to primary healthcare. There was continued endorsement for the role and resourcing of IMPBs as key partners in achieving pae ora – healthy futures for Māori. These actions reflect important progress in developing a more responsive health system that improves Māori health outcomes.

Priority 2: Drive system performance

The Ministry progressed 'Priority 2 – Drive system performance' by improving how we monitor the health system. Monitoring was aligned with the Minister of Health's priorities and focused on three aspects: Crown entity performance; the health system as a whole; and population health.

A new intensive approach to Health NZ monitoring and enhanced reporting tools improved oversight of the organisation's service delivery, financial performance, and governance. The Ministry tracked progress against Government-set targets for the health system, while supporting Health NZ to address significant service and financial challenges. This included monitoring implementation of the Health Delivery Plan, supporting governance through the Commissioner model, and providing oversight of the Health Infrastructure Plan.

These efforts reflect a shift towards more active and consistent monitoring, strengthening accountability to support a more sustainable health system.

Strategic model for health system monitoring

The Ministry made important progress in strengthening our monitoring approach to support better health outcomes for New Zealanders and improved system performance.

Key areas of progress included: supporting the long-term fiscal sustainability of Health NZ; tracking progress against Government targets, health targets,[4] and mental health and addiction targets;[5] and giving effect to the GPS. We engaged Deloitte to undertake an independent review of Health NZ's financial performance, focusing on the financial year 2023/24. The review aimed to clarify the drivers of Health NZ's worsening financial performance and cash position and identify areas for improvement.[6]

We established a system monitoring function to address complex issues that cut across the whole health system and introduced new quarterly system monitoring reports on system-wide risks and opportunities.

While monitoring capability continues to mature across the Ministry, further work is needed to embed consistent practices to ensure we have a strong understanding of the system performance and progress towards better health outcomes for all New Zealanders.

Supporting Health NZ through changes to governance and accountability

The Ministry supported Health NZ through changes to its governance and delivery of essential services for patients. Clear ministerial priorities were established, and the Ministry redirected its monitoring approach to ensure immediate improvements in service delivery for New Zealanders, as outlined in the Health Delivery Plan.

To support stronger accountability and tighter fiscal control, Health NZ came under the governance of a Commissioner from July 2024, replacing the previous board. In 2025, the Ministry helped with the appointment process for new Health NZ Board members, ensuring the incoming board had the expertise and skills needed to assume accountability for organisational performance and delivery on ministerial priorities.

Throughout the year, we provided regular reports on the implementation of the Health Delivery Plan and advanced our monitoring approach to ensure ministerial priorities were achieved.

4 Ministry of Health. 2025. *Health targets – Ngā ūnga hauora.* URL: health.govt.nz/statistics-research/system-monitoring/health-targets (accessed 19 August 2025).

5 Ministry of Health. 2025. *Mental health and addiction targets*. URL: health.govt.nz/statistics-research/system-monitoring/mental-health-and-addiction-targets (accessed 23 September 2025).

6 Deloitte. 2024. *Health NZ Financial Management Review*. URL: tewhatuora.govt.nz/publications/health-nz-financial-management-review (accessed 20 August 2025)

Supporting health system priorities

The Ministry revised its approach to monitoring Health NZ to respond more actively to current circumstances and emerging risks and to reflect the temporary governance arrangements under the Commissioner. This approach balanced regular tracking of key priorities in the Health Delivery Plan, with more in-depth inquiry where needed.

Health targets, which are set out in the GPS, exemplified this approach, using cycles of data collection, analysis, reporting, and targeted action where necessary. The targets ensure all parts of the health system are aligned and working towards shared goals. In mid-2024, annual milestones for each target were published in the GPS. Health NZ is responsible for achieving these targets, while the Ministry monitors progress and provides advice to ensure the health target programme meets the Minister's expectations.

Oversight of the Health Infrastructure Plan

Throughout 2024/25, the Ministry reviewed investment cases and scope changes related to Health NZ's Health Infrastructure Plan, providing independent advice to the Minister of Health.

We provided advice to Health NZ as it developed the Health Infrastructure Plan, published in April 2025. The plan outlines the indicative pipeline of physical infrastructure investments over the next decade. It responds to the need for significant investment to meet current and future service demands, while reflecting fiscal and market constraints.

The Ministry has worked with The Treasury and Health NZ on expectations for implementation, including milestones and resource requirements. We also provided feedback to improve reporting and risk visibility across the portfolio.

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

We strengthened the Ministry's role as the Government's lead advisor on health system strategy, policy, and performance. We delivered a comprehensive programme of policy, legislative, and regulatory work that supports timely access to quality healthcare and prepares the system for future challenges.

Our advice informed key Government decisions, including Budget 2025 investments, and supported the development and progression of major legislative reforms such as the Mental Health Bill, the Medical Products Bill, and the Medicines Amendment Bill. We led cross-agency initiatives to address long-term workforce needs, improve primary care access, modernise regulatory settings, and respond to complex public health issues such as smoking, vaping, and fetal alcohol spectrum disorder.

These efforts reflect our commitment to evidence-informed policy, strong system stewardship, and delivering on the Government's health priorities.

New medical school

In response to the Government priority of timely access to quality primary care, the Ministry led a programme of work to establish a proposed new graduate-entry medical school at the University of Waikato. This initiative aims to address projected health workforce shortages, particularly in primary care, and better prepare doctors for practice in rural and provincial settings.

In 2024, the Ministry, alongside the University of Waikato, Health NZ, and key government agencies, developed a Programme Business

Case and initial cost–benefit analysis. This work explored options for improving medical education and provided early evidence to support investment in the proposed medical school. Following Cabinet direction, the Ministry completed a Detailed Business Case and a full cost–benefit analysis, which provided more detail on the proposal and its associated costs, including an assessment against alternative options.

The Ministry established and led governance arrangements involving The Treasury, Ministry of Education, Health NZ, and the Tertiary Education Commission, and partnered closely with the University of Waikato. Independent quality assurance was commissioned to ensure the integrity of the process and outputs.

Our work on the proposed new medical school reinforces the Ministry's role as the Government's lead advisor on health. The programme is progressing in stages and will continue to evolve, subject to future Government decisions.

Regulation of the health workforce

The Ministry progressed a review of health workforce regulation. In 2024/25, we led a public consultation seeking views on patient-centred, streamlined, right-sized, and future-proofed regulation. During the consultation, we received over 3,300 submissions through a one-month public engagement platform. We then completed a comprehensive analysis, building on previous engagements with key stakeholders, to inform policy advice for the Minister of Health.

Additionally, we initiated internal improvements in our approach to workforce regulation, including reviews of system intelligence, monitoring, and assurance needs. This work contributes to a broader programme of work aimed at ensuring timely access to quality healthcare for New Zealanders and prepares the health system for future workforce challenges.

Primary Care Tactical Action Plan

The Ministry worked closely with Health NZ to provide advice to the Minister of Health on the development of the Primary Care Tactical Action Plan, which was announced in March 2025. The Tactical Action Plan includes additional funding through Budget 2025 for various initiatives, such as a digital 24/7 service launched in July 2025 to complement in-person care from general practices, measures for primary care workforce retention and growth, and improvements to the consistency of urgent and after-hours care across New Zealand. Health NZ is delivering these initiatives in collaboration with primary care providers.

Another feature of the Primary Care Tactical Action Plan is the significant Budget decision from Budget 2025 regarding the Prescribing Length Increase from 3 Months to 12 Months initiative. For further details, see 'Other significant Budget decisions from Budget 2024 and Budget 2025'.

Medical Products Bill, including improving the regulation of medical devices

The Ministry progressed a Government priority to reform the regulation of medicines and medical devices. In September 2024, Cabinet agreed to introduce a new Medical Products Bill to replace the Medicines Act 1981. The Bill will enable modern, risk-proportionate regulation that better reflects current and emerging health technologies and practices. Cabinet also endorsed high-level principles and policy settings to guide the development of the new regulatory framework.

Following this, we developed further policy advice to support Government decisions on how medicines and medical devices will be regulated under the new system. This work reflects a shift from legislative design to detailed policy development and demonstrates progress toward a more responsive and future-ready regulatory environment. The Ministry will continue to support the Associate Minister of Health to introduce the Bill to Parliament in 2026.

Medicines Amendment Bill

The Ministry advanced a Government priority to improve access to medicines through the Medicines Amendment Bill. The Bill introduces a streamlined verification pathway for approving medicines in New Zealand that have already been approved in trusted overseas jurisdictions. It also updates prescribing settings to enable wider prescribing of unapproved medicines in appropriate circumstances. These changes aim to improve regulatory efficiency, make better use of the health workforce, and enhance patient experience.

We completed a comprehensive policy development process, which included targeted stakeholder engagement, a regulatory impact assessment, and Cabinet papers to support decisions on verification and prescribing pathways. As the Bill progressed through Parliament, the Ministry supported the Health Select Committee with briefings, submission analysis (185 submissions received), and a departmental report. Engagement has also begun on the detail of the verification pathway, which will be set in secondary legislation once the Bill is enacted. This work demonstrates progress toward a more responsive and accessible medicines regulatory system.

Mental Health Bill

The Ministry supported the progression of the Mental Health Bill through the initial Parliamentary stages. The Mental Health Bill will repeal and replace the Mental Health (Compulsory Assessment and Treatment) Act 1992, establishing a modern legislative framework for when the State may intervene in a person's life to provide mental healthcare without consent. The Bill supports a more rights-based and recovery-oriented approach to mental healthcare and forms part of the response to both *He Ara Oranga: Report of the Government Inquiry into Mental Health and Addiction* and the Royal Commission of Inquiry into Historical Abuse in State Care and in Faith-based Institutions.

Following Cabinet approval, the Bill was introduced to Parliament in October 2024, had its first reading, and was referred to the Health Select Committee. We supported the Committee by providing advice in response to 384 submissions. In April 2025, the Committee reported back to Parliament on the Bill with a range of changes to strengthen safeguards. The Ministry continues to support the Minister for Mental Health through the remaining legislative stages, including enactment.

Implementation planning is progressing in parallel with legislative development and is expected to intensify following the Bill's passage.

This work demonstrates our leadership in modernising system settings and providing high-quality, evidence-informed advice to Government.

Smoking and vaping

The Ministry progressed the implementation of policy decisions made in March 2024 to reduce youth vaping. These included:

- increased penalties for sales to minors
- new proximity restrictions requiring specialist vape retailers to be at least 100 metres from early childhood centres
- a ban on the manufacture, sale, supply, and distribution of disposable vapes
- visibility restrictions in retail settings.

To give effect to these changes, we supported the passage of the Smokefree Environments and Regulated Products Amendment Bill (No 2). The Bill was introduced in September 2024, considered by the Health Committee between 12 September and 31 October 2024, and received Royal assent on 17 December 2024.

The new penalties and proximity restrictions came into effect on 18 December 2024, followed by the ban on disposable vapes and visibility restrictions on 17 June 2025. The Ministry supported implementation through communication with the sector, training Smokefree enforcement officers, and preparing for a targeted approach to compliance.

In December 2024, we provided the Associate Minister of Health with advice on a further tranche of policy changes to address youth vaping and support progress towards achieving and maintaining the Smokefree 2025 goal of fewer than 5% of all New Zealanders to be daily smokers by the end of 2025, across all population groups.

The Associate Minister of Health requested engagement with the sector on further actions, and a health sector advisory group was established in April 2025 to provide independent advice.

In addition, the Ministry continued to monitor the illicit tobacco trade and expanded this work to include illicit vaping products.

We also commissioned independent research from the University of Auckland to assess the scale and nature of illicit trade in tobacco and vaping in New Zealand. The research informs our policy, regulation, and enforcement activities.

Fetal alcohol spectrum disorder

Fetal alcohol spectrum disorder (FASD) is a neurodevelopmental condition caused by prenatal alcohol exposure. With the right support and environments, FASD is preventable and its impacts can be mitigated. An estimated 1,800 to 3,000 children are born with FASD each year in New Zealand.

The Ministry has led the development of a revitalised FASD Action Plan to guide a phased and coordinated cross-agency response. This work reflects our commitment to evidence-informed policy and system leadership. Key activities have included:

- engaging extensively with the FASD community to gather lived experience insights, captured in a community insights report, to inform priority actions and outcomes
- collaborating with government agencies to identify and align actions for delivery over the next three years
- developing priority health actions, including policy and funding proposals, to support the Ministry and Health NZ in implementing the plan
- undertaking targeted consultation with stakeholders to ensure the plan reflects community aspirations, clinical best practice, and both local and international evidence.

The FASD Action Plan is scheduled for launch later in 2025. This work demonstrates the Ministry's leadership in strategy and policy development, and our role in coordinating system-wide responses to complex health challenges.

Government's response to the Royal Commission of Inquiry into Abuse in Care

The Ministry contributed to a cross-agency response to the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions. Through its final report, *Whanaketia – Through pain and trauma, from darkness to light,* released in June 2024, alongside the 2021 interim report, *He Purapura Ora, He Māra Tipu,* the Commission presented 207 recommendations to the Crown. The Ministry worked with Oranga Tamariki, the Ministry of Social Development, and the Ministry of Education to support the Crown Response Office, which led and coordinated the Government's formal response, released in June 2025.

Among the Ministry's key actions was a public apology from the Director-General of Health to survivors of abuse in care. In addition, we supported end-of-life care and funeral costs for terminally ill survivors of the Lake Alice Psychiatric Hospital Child and Adolescent Unit and administered legal fee reimbursements for 95 Lake Alice survivors involved in early settlements.

Through Budget 2025, the Minister of Health secured funding for two health-specific initiatives to improve safety, privacy, and dignity in mental health inpatient units and to strengthen safeguards and oversight for compulsory care. The Ministry also contributed to developing cross-agency initiatives focused on preventing entry into care and supporting a safe, capable workforce.

We supported improvements to the state redress system, including by establishing a torture redress scheme for survivors of torture at the Lake Alice Child and Adolescent Unit and administering top-up payments for previously settled claims. This work reflects a shift from policy development to implementation and demonstrates the Ministry's leadership in improving the quality and safety of care across the health system.

Priority 4: Future-proof our health system

The Ministry made progress toward its strategic intention to future-proof the health system. We focused on strengthening the system's ability to anticipate and respond to long-term challenges such as demographic change, climate impacts, and emerging technologies. This included building a shared understanding of future pressures and identifying opportunities to improve resilience, sustainability, and needs-based service delivery.

Through horizon scanning, strategic foresight, and targeted investment in research and innovation, we made progress on key initiatives such as the cross-sector Precision Health programme and the Health National Adaptation Plan. We also strengthened our evidence base through the Research and Evaluation Fund and began work on a national survey on child and youth mental health and addiction. We published both the latest results from the New Zealand Health Survey and the *Health and Independence Report 2023*, increasing access to and use of high-quality evidence, data, insights and trends. Together, these efforts support a more prevention-focused, responsive, and innovation-ready health system that is better equipped to deliver long-term value for all New Zealanders.

Precision health

The Ministry progressed a cross-sector Precision Health work programme to support the safe adoption of genomics and artificial intelligence (AI). These technologies have the potential to assist with clinical decision-making, provide rapid and high-quality diagnosis of cancer and rare disorders, and enhance workforce productivity. This work contributes to key Government health targets, including faster cancer care and a more innovation-ready health system.

The Ministry is addressing key policy issues such as genetic discrimination and data governance, access and security. We strengthened international connections by joining the Global Alliance for Genomic Healthcare (GA4GH) and HealthAI, positioning New Zealand as a fast follower of countries with established national precision health programmes.

We also explored opportunities for public–private partnerships to improve access to new diagnostic technologies for patients with cancer and rare disorders, and initiated a genomics maturity assessment. A fit-for-purpose model for HealthAI is in development, covering governance, risk-proportionate regulation, and nationally consistent access to tools and solutions.

In 2024/25, the Ministry agreed cross-agency aims, principles, and roles to guide the safe adoption of precision health technologies. In addition, we supported the inclusion of a regulation-making power in the Contracts of Insurance Bill to address genetic discrimination by health and life insurers. Strategic partnerships were strengthened through our collaboration with the Ministry of Business, Innovation and Employment and the Department of Internal Affairs on AI policy in healthcare. We also supported the establishment of a health technology evaluation pathway with Health NZ and Pharmac, and aligned with Health NZ on the development of a National Genomics Roadmap. Engagement with industry focused on partnership opportunities, while with researchers we focused on trust and social licence for implementing AI in the health system.

These efforts reflect a shift towards a health system that is better equipped to integrate emerging technologies and deliver long-term value for patients and providers.

Health National Adaptation Plan

In October 2024, the Ministry, in collaboration with Health NZ, published New Zealand's first Health National Adaptation Plan (HNAP), a major milestone in preparing the health system for long-term climate-related risks and challenges. The HNAP sets out a strategic framework to build system resilience across five key areas: leadership and governance; social and environmental determinants of health; knowledge and risk assessment; health service resilience and adaptation; and community and whānau leadership.

The HNAP aligns with the GPS and the Pae Ora (Healthy Futures) Act 2022, reinforcing the health system's role in addressing the wider determinants of health. Since its release, we have actively engaged with the health sector to support its implementation and promote cross-sector collaboration. A six-monthly monitoring report and implementation plan are in development, reflecting our commitment to tracking progress and strengthening the system's capacity to manage climate risks through sustained collaboration.

Research and Evaluation Fund

The Ministry continued to strengthen its evidence base through the Research and Evaluation Fund, supporting our intention to future-proof the health system. Established in 2023/24, the Fund enables strategic investment in research aligned with Ministry priorities to inform policy, strategy, and decision-making.

Two funding rounds were completed. Together, eight of eleven submissions were approved, which brought the total number of supported projects to 17 since the Fund was established. The eight approved submissions include the development of a health of disabled people outcomes framework, analysis of cancer cases attributable to modifiable exposures, and data storage and protection solutions with the Āti Awa Toa Hauora Partnership Board. Other projects explore innovative methodologies such as capture–recapture for estimating gout prevalence, and the use of explainable AI to identify diabetes risk factors. Research also focuses on enabling evidence-informed policy on harm from suboptimal medicines use, identifying effective primary and community healthcare for tāngata whaikaha Māori, and mapping lived experience of New Zealand's mental wellbeing system.

An independent assurance review by PwC confirmed that robust processes have been established for the allocation of research and evaluation funding within the Ministry. The review also highlighted the need for outcome measures to assess the long-term impact. As multi-year projects near completion, we will focus on assessing how funded research is influencing decisions and improving health outcomes.

Several projects are due for completion by the end of 2025/26. These will provide insights into climate-related health risk, vaping among Pacific youth, drug and substance checking legislation, and the Care Capacity Demand Management staffing methodology for allied health, among other priority areas.

Child and Youth Mental Health Study

In 2024, the Government announced funding for a national survey to better understand the prevalence of mental health and substance use conditions among children and young people in New Zealand. The survey will collect data on the proportion and distribution of these conditions, the services and supports being accessed, and the broader factors influencing mental health.

The survey results will be critical to inform decision-making, strategies and policies relating to child and youth mental health. They will help to allocate resources across the country based on need, as well as advancing targeted prevention, treatment, and care options.

In 2024/25, we established advisory and governance functions, tested potential survey tools for the New Zealand context, and issued a request for proposals to identify a provider to design and implement the survey. The project remains on track, with fieldwork expected in 2026 and results to be published in 2027.

Improving access to evidence, data and insights

We continue to enhance the accessibility, creation and use of high-quality evidence, data, and insights to inform health policy and practice. In addition to the above, in 2024 we published the latest results of the New Zealand Health Survey[7] (November) and the *Health and Independence Report 2023*[8] (August). These publications provide timely, trusted information on population health and system performance. They support decision-making across the health sector and contribute to a deeper understanding of emerging trends, equity challenges, and opportunities for improvement.

The Ministry also develops evidence briefs through the Office of the Chief Science Advisor, which synthesise research to inform policy and strategic decisions. Between July 2024 and June 2025, topics for completed briefs included nurse-led primary care, digital solutions in primary health care, and models of medical education. Additional briefs were on the health system response to extreme weather events, models of care for long COVID, and increasing the duration of medical prescriptions.

Strengthening investment decision-making and funding efficiency

We have strengthened our approach to how health funding is used and investment decisions are made. Work across investment and budget functions has focused on embedding evidence-informed processes into funding frameworks and budget cycles. This includes work to update how we calculate costs so they better reflect our population and how people use services. These efforts support more strategic resource allocation and ensure that funding decisions are aligned with long-term system performance goals.

In parallel, the Ministry has progressed a programme of work on system-level productivity and costing. This initiative has highlighted the role of infrastructure, equipment, and technology in driving productivity growth, alongside workforce composition and investment to reduce duplication and improve patient flow. Key milestones included consultation with clinical leaders, development of updated productivity narratives, and ongoing improvements to cost-weights for cross-government use. The Ministry is also improving New Zealand's return to the Organisation for Economic Co-operation and Development (OECD) System of Health Accounts, with an initial focus on estimating privately financed medicine expenditure. These contributions are helping to future-proof the health system by ensuring that investment decisions are grounded in robust, up-to-date evidence.

7 Ministry of Health. 2024. *Annual Update of Key Results 2023/24: New Zealand Health Survey.* URL: health.govt.nz/publications/annual-update-of-key-results-202324-new-zealand-health-survey (accessed 4 September 2025).

8 Ministry of Health. 2024. *Health and Independence Report 2023.* URL: health.govt.nz/publications/health-and-independence-report-2023 (accessed 20 August 2025).

Priority 5: Regulate the health system

As the health system regulator, the Ministry oversees 14 regulatory regimes that vary in scope, from approving medicines and certifying health services to regulating the health workforce and licensing vape retailers. This function is critical to ensuring public safety and quality across the health system. The work in 2024/25 marks a shift towards a more integrated and future-focused approach to regulation, aimed at improving governance, risk management, and regulatory practice.

Regulatory Stewardship Strategy

In September 2024, the Ministry established a new regulatory stewardship function to enhance our role as the regulator of the health system. This initiative reflects a strategic shift towards a more integrated, proactive, and future-focused regulatory approach that safeguards public health while enabling innovation.

A key milestone was developing and gaining approval for our first Regulatory Stewardship Strategy. It sets out five priority areas for improvement over a two-year period. These areas are enhancing regulatory governance, strengthening risk management, improving regulatory practices, developing a health system-wide regulatory plan, and supporting the safe uptake of emerging technologies such as AI and genomics. The short duration of the strategy was aligned with the conclusion of the GPS, enabling the Ministry to remain responsive to system-wide shifts.

To inform this work, all 14 regulatory regimes undertook initial maturity assessments. These identified regime-specific strengths and gaps, providing a baseline for targeted improvements. A programme of comprehensive regime reviews was also initiated, with the first completed in 2024/25 and the second underway for delivery in 2025/26. These reviews enable the Ministry to assess the fitness of our current frameworks and identify opportunities to improve our delivery of regulatory services.

We have developed a delivery plan to operationalise the strategy, and will monitor progress across all five priority areas. This work marks a transition from fragmented regulatory delivery to a more integrated and adaptive stewardship model, positioning the Ministry to respond effectively to emerging health system needs.

Regulatory governance and risk management

In 2024/25, the Ministry initiated a programme to improve regulatory governance and risk management across the regulatory regimes. This work recognises that effective stewardship requires visibility across the full regulatory cycle, from research and design through to delivery and evaluation. It also requires each regime to understand its strengths and weaknesses, and its role within the broader health regulatory system.

The maturity assessments for the 14 regulatory regimes informed this work. These revealed variability in governance and risk management practices, highlighting the need for more consistent standards and clearer lines of accountability.

In response, we developed specific guidance for regulatory governance and risk management, drawing on regulatory best-practice. This guidance has already been applied in the first regime review and will support ongoing assessments across all regulatory regimes.

These efforts are helping regimes better understand their roles within the broader health system, identify opportunities for improvement, and align their practices with system-wide goals.

Regulation of health professionals

The Ministry continued to administer the Health Practitioners Competence Assurance Act 2003 (HPCA Act), including progressing applications for the regulation of new health professions in accordance with its statutory responsibilities. This work ensures that regulation is proportionate to risk, safeguards the public, and enables innovation in health service delivery.

In 2024/25, the physician associate profession was formally regulated under the HPCA Act, with the Medical Council of New Zealand designated as its responsible authority. We also progressed an application to regulate the cardiovascular perfusionist profession.

Other applications were assessed during the year. The application for the regulation of the Western medical herbalist profession was placed on hold to allow the applicants to develop it further. An application from the New Zealand Board of Professional Skin Therapies was declined, as it did not meet the requirements for regulation under the HPCA Act. No additional applications beyond those mentioned are currently under consideration.

Medsafe's assessment of New Medicine Applications

The New Zealand Medicines and Medical Devices Safety Authority (Medsafe), the Ministry's medicines regulator, plays a critical role in ensuring the safety, quality, and efficacy of medicines before they are approved for use in New Zealand. Medsafe evaluates New Medicine Applications (NMAs) and Changed Medicine Notifications (CMNs) submitted by pharmaceutical companies. The evaluation process consists of an initial evaluation, additional evaluation of further data requested, quality assurance, and a benefit–risk decision covering the quality, efficacy, and safety of the medicine. Applications are categorised by risk level, based on what the medicine contains.[9]

In 2024/25, Medsafe continued to significantly improve its 'evaluation time', which is the time it takes to make decisions on NMAs. This progress builds on the substantial reductions achieved in 2023/24. For the highest-risk medicines, Medsafe reduced its evaluation time by 59 working days, which followed a reduction of 55 working days in 2023/24. For intermediate-risk medicines, it reduced the time by 64 working days, further reducing the time from 45 working days in 2023/24. Medsafe also halved the time it took to make decisions using its abbreviated (reliance) pathway and all applications met the target timeframes for over-the-counter medicines. Companies have told us that having this certainty is important and helps improve the number of medicines coming into New Zealand.

These improvements reflect the work of Medsafe's pre-market team, supported by well-trained assessors and streamlined processes. Medsafe continues to identify ways to streamline its process. For example, it builds existing and new reliance pathways (using the assessments and decisions of trusted regulators) to improve access to medicines for New Zealanders.

9 Medsafe. 2023. *Guideline on the Regulation of Therapeutic Products in New Zealand: New Medicine Applications*. URL: medsafe.govt.nz/regulatory/Guideline/GRTPNZ/new-medicine-applications.pdf (accessed 30 July 2025).

Priority 6: Organisational excellence

Priority 6 is about us continuing to make shifts in the way we work to deliver on our five strategic priorities (discussed above) and on our core functions: being an excellent advisor to the Government, and an excellent regulator and an excellent monitor of the health system. These functions are essential to delivering on the priorities of both the Government and the Ministry. Together, our actions aim to build a future-focused, resilient, and responsive Ministry through organisational excellence.

Strengthening our internal capability

The Ministry made meaningful progress towards becoming a more connected, confident, and capable organisation. We strengthened our internal capability to deliver on our stewardship role and strategic priorities by investing in people, systems, and processes.

Key developments included implementing a modern payroll and human resource information system platform and undertaking targeted work to improve organisational performance, including leadership development. We remain committed to being a good employer, with continued emphasis on staff wellbeing and diversity and inclusion under our diversity, equity and inclusion strategy, *Whiria te Tangata.*

For further information on our organisational structure, the Ministry as a good employer, our implementation of the new payroll and human resource information system, and IT infrastructure, see Section 3.

Implementing 90-day, priority-led business planning

From 1 July 2024, we adopted a 90-day, priority-led planning cycle to better align our activities with the Ministry's six strategic priorities and improve the timeliness of performance reporting. The intention behind the shorter cycles was to provide clearer milestones and more immediate insights into progress.

The approach increased awareness of the Ministry's strategic priorities and made us more agile in responding to a dynamic operating environment. However, planning by function rather than directorate made accountability more complex and limited visibility across the full work programme.

While the model did not deliver all the intended gains, it offered valuable lessons. We will refine internal processes to simplify them and provide a more complete view of organisational activity. Looking ahead, we will return to a more orthodox planning cycle, focused on our three core functions: advice, regulation, and monitoring.

Changes to the Executive Leadership Group

On 5 June 2025, the Director-General of Health began a formal consultation on a proposed reconfiguration of the Ministry executive leadership and directorate functions. The proposed changes aimed to streamline governance, improve delivery, and better reflect conventions of public sector organisational structures.

The changes in structure were designed to ensure the Ministry is well placed to meet Government expectations, with an organisational structure, operating model, and leadership function that set us up for success. The changes were confirmed on 26 June 2025.

Treaty of Waitangi commitments

As the lead advisor of New Zealand's health system, the Ministry supports the Crown in meeting its obligations under The Treaty of Waitangi – Te Tiriti o Waitangi (Te Tiriti), as outlined in section 14 of the Public Service Act 2020. To give effect to the principles of Te Tiriti, the Ministry is guided by the Pae Ora (Healthy Futures) Act 2022, which sets out health sector principles aimed at improving the system for Māori and achieving equitable hauora Māori outcomes (section 6).

In our role, we lead the negotiation and implementation of Māori–Crown relationship agreements within the health sector. The agreements are developed in partnership with iwi and Māori groups, either as part of the Treaty settlement process or independently, to reflect shared aspirations and commitments. These Treaty relationship instruments set out how the Ministry and iwi work together to improve Māori health outcomes.

Through our policy and strategy functions, we provide system-level leadership for Māori health. This includes:

- engaging with Māori to set strategic direction
- developing and reviewing Māori health legislation and policy
- monitoring how the system is performing for Māori
- generating insights through research, evaluation, and data analysis.

Our monitoring role enables us to identify areas of progress in the health system's performance and highlight where further improvements are needed.

Reporting on Treaty settlement commitments

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

In 2024/25, we used Te Haeata, the Settlement Portal to record the status of each commitment as complete, on track, yet to be triggered, or experiencing delivery issues. As at 30 June 2025, the Ministry is responsible for 20 Tiriti settlement commitments. These relate to relationship redress, bespoke arrangements, and participation arrangements over natural resources.

Most commitments are either on track (55%) or yet to be triggered (30%), while 15% are complete. For many of the continuing commitments, the Crown does not have a fixed timeframe for delivery. Progress often depends on ongoing negotiations and the fulfilment of specific legal and procedural requirements.

The progress reflects our determination to fulfil commitments, foster trust, and build positive relationships with our Tiriti partners.

Māori–Crown relations

The Ministry supports enduring partnerships with iwi and Māori to improve hauora Māori, in line with our obligations under Te Tiriti and broader public service goals. This includes two primary functions: engaging to uphold commitments in post-settlement and other partnership arrangements; and leading the Crown's response to Waitangi Tribunal Kaupapa inquiries, including the Health Services and Outcomes Inquiry (Wai 2575).

Māori–Crown engagement

The Ministry plays a part in several Iwi–Crown Accords, which are cross-sector agreements between the Crown and iwi. Iwi–Crown Accords have now been replaced by a new type of agreement. While signed Iwi–Crown Accords remain in place, any new agreements are called Māori–Crown Relationship Agreements.

These Relationship Agreements allow iwi to be more involved in tailoring relationships to suit local decision-making with a focus on solutions and services. The Ministry leads the development of these Relationship Agreements, working with Health NZ, while Te Tari Whakatau – Office of Treaty Settlements and Takutai Moana facilitates the negotiations of these with iwi. In 2024/25, the Ministry supported six Iwi–Crown Accords and agreed text on four Relationship Agreements with iwi who are at their final stages of settling their historical Treaty claims.

We have been collaborating with the National Iwi Chairs Forum – Pou Tangata (Hauora Iwi Leaders Group) workstream to support its objectives.

The Ministry has worked alongside Health NZ to support two emerging IMPBs to complete their formal recognition. We have also worked with Health NZ to ensure IMPBs deliver on their legislative functions and are integrated into Health NZ's business planning.

Leading the Crown's response to Waitangi Tribunal Kaupapa inquiries

The Ministry 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 New Zealand in similar ways.

This year, we supported the closing week of the submission hearing, which marked the end of stage two, phase one (known as the disability phase). The Ministry also supported the priority hearing into the disestablishment of the Māori Health Authority. Early planning is underway in preparation for stage two, phase two of Wai 2575 (known as 'Mental health addiction, suicide and smokefree legislation'). The Tribunal has yet to confirm dates for this inquiry.

We also contribute to the advancement of other Kaupapa inquiries led by partner agencies, including those focused on mana wāhine, education, military veterans, housing, and justice. In addition, the Ministry provides support for, or leads where appropriate, legal proceedings – including the High Court action concerning the disestablishment of the Māori Health Authority.

Results of outcome measures and system measures

In this section, we report on selected outcome measures and indicators relevant to the Ministry's stewardship role. These measures reflect our core responsibilities for the health system, which are policy, monitoring, and regulation, and our focus on understanding health trends and long-term outcomes for the population of New Zealand.

While Health NZ is responsible for the delivery of health services and will report on health targets and mental health and addiction targets in its own annual report, we contribute to these through our core functions. Results for the health target, 'Improved immunisation for children – 95% of children to be fully immunised at 24 months of age', are set out below under 'System measures'. For the results for all other health targets and mental health and addiction targets, please refer to the Health NZ website.[10,11]

In the Ministry's Annual Report for the year ended 30 June 2024, we reported on an interim set of system performance measures.[12] This was due to the disestablishment of the Health System Indicators (HSI) framework in 2023/24, which the Ministry previously reported against, and the new suite of targets coming into effect from 1 July 2024. While readers are referred to the Health NZ website (above) for results relating to health targets and mental health and addiction targets, the following interim measures are not reported in this annual report:

- shorter stays in emergency departments
- under 25-year-olds able to access specialist mental health services within three weeks of referral
- funding received by kaupapa Māori health service providers.

Where data for the year ended 30 June 2025 is not yet available, we have used the most recent validated data, typically for the 12 months to March 2025, to ensure accuracy and consistency across the time series.

10 Health New Zealand. 2025. *Health targets performance.* URL: tewhatuora.govt.nz/corporate-information/planning-and-performance/health-targets/health-targets/performance (accessed 30 July 2025).

11 Health New Zealand. 2025. *Mental health and addiction targets performance.* URL: tewhatuora.govt.nz/corporate-information/planning-and-performance/health-targets/mental-health-and-addiction-targets/performance (accessed 30 July 2025).

12 Ministry of Health. 2024. *Ministry of Health Annual Report for the year ended 30 June 2024*. URL: https://www.health.govt.nz/publications/ministry-of-health-annual-report-for-the-year-ended-30-june-2024 (accessed 10 September 2025).

Outcome measures

Health-adjusted life expectancy over time

Table 1: Health-adjusted life expectancy improves over time

Measure	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.
Result	People in New Zealand live longer in good health but spend a higher proportion of their lives with disability.

Health-adjusted life expectancy (years)[13, 14]

	1990	2000	2010	2015	2016	2017	2018	2019	2020	2021[15]
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

Source: Global Health Data Exchange (GHDx) for Global Burden of Disease Results

13 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/.

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

15 These are the latest results available and are the same as reported in the Ministry's 2023/24 Annual Report. The release date for the next data update has not been announced (as at 20 August 2025). Once released, results will be available on the Institute for Health Metrics and Evaluation website: healthdata.org/research-analysis/gbd-data.

Life expectancy increases over time

Table 2: Life expectancy increases over time

Measure	Life expectancy at birth is 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 or period.
Target	Improved results for male and female and for Māori and 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 2012–14 and for men since 2017–19. 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)						
	1995–97	**2000–02**	**2005–07**	**2012–14**	**2017–19**	**2022–24**
Female	79.7	81.1	82.2	83.2	83.5	83.5
Male	74.4	76.3	78.0	79.5	80.0	80.1
Ethnicity and sex						
	1995–97	**2000–02**	**2005–07**	**2012–14**	**2017–19**	**2022–24**
Māori female	71.3	73.2	75.1	77.1	77.1	78.0
Māori male	66.6	69.0	70.4	73.0	73.4	73.7
Non-Māori female	80.6	81.9	83.0	83.9	84.4	84.3
Non-Māori male	75.4	77.2	79.0	80.3	80.9	81.1

Source: National and subnational period life tables: 2022–2024, Stats NZ

Minor changes in the reporting of life expectancy between annual reports may occur as data from the latest national and subnational period life tables supersedes data from abridged life tables.

Please take care when making comparisons with 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.

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

Table 3: 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 people[16]

	1990	2000	2010	2015	2016	2017	2018	2019	2020	2021[17]
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

Source: Global Health Data Exchange (GHDx) for Global Burden of Disease Results

16 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: vizhub.healthdata.org/gbd-results/.

17 These are the latest results available and are the same as reported in the Ministry's 2023/24 Annual Report. The release date for the next data update has not been announced (as at 20 August 2025). Once released, results will be available on the Institute for Health Metrics and Evaluation website: healthdata.org/research-analysis/gbd-data.

Life expectancy and health spending per capita

Table 4: Life expectancy by health spending per capita compares well within the Organisation for Economic Co-operation and Development (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 2022, New Zealand ranked 14th out of the 36 OECD countries that reported on life expectancy at birth. For this indicator, New Zealand continues to maintain a relatively high life expectancy among 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 2023, New Zealand ranked 17th out of 37 OECD countries for health expenditure. Health expenditure is measured per capita in terms of constant prices and 2020 purchasing power parities.[18]

OECD life expectancy and health expenditure – position among OECD countries[19]

	2002	2010	2015	2017	2018	2019	2020	2021	2022	2023
Life expectancy at birth	12th of 38	13th equal of 38	16th equal of 38	16th equal of 38	19th equal of 38	16th equal of 38	11th equal of 38	14th of 38	14th of 36	No data[20]
Health expenditure	21st of 38	19th of 38	19th of 38	19th of 38	19th of 38	19th of 38	19th of 38	19th of 38	15th of 38	17th of 37

Source: OECD Data Explorer

The Ministry notes several limitations in the results of this measure.

- International comparisons of health spending are inexact due to cross-country differences in how spending is measured.
- The relationship between health spending and outcomes is inexact because it is mediated by the effectiveness of the spending, and many of the determinants of health fall outside the health sector.
- Life expectancy is only a partial measure of outcomes because health systems also affect quality of life and level of independence. Moreover, an aggregate measure of life expectancy does not take into account its distribution.

We are working on improving the information about health expenditure published by the OECD, which is the usual source for international comparisons.

18 Health expenditure as reported here covers expenditure on health by both government and households. Downloaded from OECD Data Explorer, data-explorer.oecd.org, 7 July 2025.

19 This data was obtained from the OECD Data Explorer, data-explorer.oecd.org, 7 July 2025. When countries are tied in their ranking, 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.

20 Life expectancy at birth for New Zealand in 2023 is not available from the OECD as of 7 July 2025.

Independent life expectancy

We have not reported the outcome measure 'independent life expectancy' because updated results are not yet available. The most recent results are from 2013.

The Ministry and Stats NZ jointly produce 'independent life expectancy' following the 10-yearly Household Disability Survey. Results from the Household Disability Survey 2023 were released in February 2025 and work is underway to assess the data for updating this population health measure.

Other outcome measures

Data on health trends and long-term outcomes is available through the New Zealand Health Survey,[21] the Health and Independence Report,[22] and the Health Status Report.[23] These resources are published by the Ministry of Health and Health NZ.

System measures

Health target – Improved immunisation for children – 95% of children to be fully immunised at 24 months of age

Table 5: Immunisation rates for children at 24 months of age

Indicator description	Percentage of children who have had all their age-appropriate scheduled vaccination by the time they are 24 months (two years) old.
Baseline data	14,146 two-year-old children fully immunised (91.9% of children at 24 months of age).

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	12 months to June 2025
All ethnicities	91.9%	91.3%	83.3%	83.7%	82.4%	77.3%	78.1%
Māori	87.5%	87.1%	79.3%	69.5%	68.2%	64.9%	64.6%
Pacific peoples	93.8%	93.5%	88.1%	82.2%	80.6%	73.3%	73.6%
Asian	–	–	–	–	93.0%	83.7%	87.2%
Non-Māori non-Pacific non-Asian	–	–	–	–	86.0%	82.4%	83.2%

Source: Aotearoa Immunisation Register

21 Ministry of Health. *New Zealand Health Survey*. URL: health.govt.nz/statistics-research/surveys/new-zealand-health-survey (accessed 18 July 2025).

22 Ministry of Health. 2024. *Health and Independence reports*. URL: health.govt.nz/about-us/corporate-publications/health-and-independence-reports (accessed 18 July 2025).

23 Health New Zealand. 2024. *Health Status Report*. URL: tewhatuora.govt.nz/publications/health-status-report (accessed 18 July 2025).

Table 6: Immunisation rates for children at 24 months of age – by quarter

Indicator description	Percentage of children who have had all their age-appropriate scheduled vaccination by the time they are 24 months (two years) old.
Baseline data	11,591 two-year-old children fully immunised (76.5% of children at 24 months of age).

Results (Percentage of children fully immunised at age 24 months by quarter)

	Q4 2023/24 (Baseline)	Q1 2024/25	Q2 2024/25	Q3 2024/25	Q4 2024/25
All ethnicities	76.5%	74.9%	77.0%	79.3%	82.0%
Māori	63.3%	60.6%	63.5%	63.9%	68.4%
Pacific peoples	71.2%	68.0%	68.8%	73.5%	81.3%
Asian	84.1%	83.2%	86.2%	90.7%	94.5%
Non-Māori non-Pacific non-Asian	81.7%	81.3%	82.3%	84.6%	85.0%

Source: Aotearoa Immunisation Register

Comment: This year is the first time we have included Government health targets in the Ministry's Annual Report. The health target focusing on improved immunisation for children is one of the Government's health targets. It is included in the GPS with annual performance milestones set across three years. Milestones are agreed with the Minister and are based on the latest quarterly results.

To ensure consistency with public reporting by Health NZ, we present both:

- the annual result for the 12 months to 30 June 2025, with the time series providing a longer-term view on immunisation coverage trends (Table 5)
- the quarterly results for 2024/25, with quarter 4 serving as the formal result for 2024/25 (Table 6).

The quarter 4 result from 2023/24 is used as the baseline for the target. Presenting both the quarterly results and annual data provides valuable context for understanding seasonal patterns, regional variation, and the impact of targeted interventions. Timely immunisation protects children from harmful and avoidable diseases. High levels of immunisation coverage reduce the size and impact of outbreaks of vaccine-preventable diseases, as well as providing individual protection when children are most vulnerable. Population immunity of 95% is needed to prevent measles outbreaks. This is a key focus of the Ministry's *Strategic Approach to Immunisation in New Zealand 2025–2030*.

The National Immunisation Schedule includes a series of free vaccines available for all children in New Zealand, beginning from six weeks of age. This indicator counts all children enrolled on the Aotearoa Immunisation Register (AIR) who turn 24 months of age during the reporting period (1 July 2024 – 30 June 2025) and have completed all scheduled vaccines by that age (except rotavirus, meningococcal, and varicella).

During 2024/25, immunisation rates began to increase after a period of decline that had been mainly due to the COVID-19 pandemic. Measurement over the past two years has been complicated by improvements in data collection methods, following the replacement of the old National Immunisation Register by the AIR. Early signs of improvement in immunisation rates since December 2024 are not yet reflected in annual data, which captures all children who turned 24 months of age during the financial year. However, the interim target of 84% for children turning 24 months of age in the final quarter ending 30 June 2025 has not yet been met.

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

Table 7: 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).

Results (ASH rate per 100,000 children aged 0 to 4 years 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	12 months to March 2025*
All ethnicities	7,066	6,575	4,533	5,893	7,665	7,356	7,456
Māori	8,494	7,966	5,267	6,748	8,155	8,046	8,473
Pacific peoples	12,698	12,024	7,397	10,604	14,312	14,151	14,924
Asian	6,048	5,601	4,018	4,999	6,902	6,755	6,.498
Non-Māori non-Pacific non-Asian	5,378	4,970	3,680	4,723	6,219	5,656	5,537

Source: National Minimum Dataset and Stats NZ Population

* At the time of publication, the most up-to-date data available is for the 12 months to March 2025. We have used 12 months of data to take account of seasonal fluctuations in the rate.

Comment: See below for commentary on ASH results for both children aged 0–4 years and adults aged 45–64 years.

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

Table 8: 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 aged 45–64 years 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	12 months to March 2025*
All ethnicities	3,892	3,816	3,496	3,594	3,693	3,849	3,795
Māori	7,465	7,498	6,677	6,792	6,976	7,265	7,155
Pacific peoples	8,644	8,347	7,151	7,063	7,510	8,188	7,928
Asian	2,405	2,261	2,056	2,200	2,156	2,449	2,096
Non-Māori non-Pacific non-Asian	3,173	3,095	2,893	2,971	3,028	3,063	3,135

Source: National Minimum Dataset and Stats NZ Population

* At the time of publication, the most up-to-date data available is for the 12 months to March 2025. We have used 12 months of data to take account of seasonal fluctuations.

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.

Rate of child ASH admissions: As a likely consequence of COVID-19, the rate of child ASH admissions was relatively low for the years ending March 2021 and March 2022. The rate increased between March 2022 and March 2023, and is now higher than the rate in March 2019, before the COVID-19 pandemic.

Rate of adult ASH admissions: As a likely consequence of COVID-19, the rate of adult ASH admissions decreased for the years ending March 2021 and March 2022. The rate increased between March 2022 and March 2023 and is now close to the rate in March 2019, before the COVID-19 pandemic.

For both child ASH admissions and adult ASH admissions, the rates have remained reasonably stagnant since this increase in the years to March 2025. The higher rates for Māori and Pacific peoples remain concerning and are a key focus for improvement.

The ASH rates reported are sourced from a live dataset, the National Minimum Dataset. Districts can retrospectively update records in the system. This includes adding, amending, or removing records in earlier years. As a result, the rates presented here may differ from rates presented in other reports, including past annual reports.

Patients could get primary care when wanted

Table 9: Patients were able to get healthcare from a general practitioner or nurse every time they wanted to

Indicator description	The percentage of patients who were able to get healthcare from a general practitioner (GP) or nurse every time they wanted to in the last 12 months.
Baseline data (Q4 2021)	81.8% of people reported No (most positive response) to the question, 'In the last 12 months, was there ever a time when you wanted health care from a GP or nurse, but you could not get it?'
Result	The percentage of patients who were able to get healthcare from a general practitioner (GP) or nurse every time they wanted to in the last 12 months.

	Q4 2021 (Baseline)	Q4 2022	Q4 2023	Q4 2024	Q4 2025
All ethnicities	81.8%	78.4%	77.3%	78.4%	79.5%
Māori	74.9%	72.9%	72.4%	73.6%	73.8%
Pacific peoples	77.6%	75.2%	73.8%	78.1%	77.1%
Non-Māori non-Pacific	82.9%	79.4%	78.2%	79.2%	80.6%
Asian	81.4%	78.2%	76.1%	80.8%	81.7%
European/Other	83.1%	79.5%	78.5%	79.0%	80.5%

Source: Adult primary care patient experience survey

Notes: The results are weighted.

The survey uses a prioritised classification of ethnicity. This means that people who report identification with more than one ethnic group are counted only in one of those groups, in the prioritised order of Māori, Pacific peoples, Asian, and European/Other.

The 2023/24 results reported here differ from those published in the Ministry's Annual Report for the year ended 30 June 2024 as a result of technical and reporting errors. The differences are not considered significant.

Comment: The percentage of people who can get primary healthcare when they wanted it has seen little change year-on-year, and levels remain lower than at the baseline period of Q4 2021. Māori are statistically more likely to report that they were not able to get primary care when they wanted to, when compared to European/Other for each quarter.

The Adult primary care patient experience survey, on which these results are based, runs every quarter in August, November, February and May of each financial year.

Results can be found on the Health Quality & Safety Commission website.[24] The dashboard for the Adult primary care patient experience survey can also be found at this website.[25]

24 Health Quality & Safety Commission – Te Tāhū Hauora. Survey results. URL: hqsc.govt.nz/our-data/patient-reported-measures/patient-experience/survey-results (accessed 28 August 2025).

25 Health Quality & Safety Commission – Te Tāhū Hauora. Aotearoa New Zealand patient experience survey. URL: reports.hqsc.govt.nz/APC-explorer/ (accessed 28 August 2025).

Detailed results by quarter

The table below shows results for the response No (most positive response) to the question, 'In the last 12 months, was there ever a time when you wanted health care from a GP or nurse, but you could not get it?'

Results (The percentage of patients who were able to get healthcare from a general practitioner (GP) or nurse every time they wanted to in the last 12 months).

2020/21	Q1	Q2	Q3	Q4 baseline
All ethnicities	82.4%	80.7%	80.7%	81.8%
Māori	76.9%	74.3%	74.4%	74.9%
Pacific peoples	79.6%	74.7%	79.5%	77.6%
Non-Māori non-Pacific	83.4%	82.0%	81.7%	82.9%
Asian	85.5%	81.2%	81.9%	81.4%
European/Other	83.1%	82.1%	81.7%	83.1%
2021/22	**Q1**	**Q2**	**Q3**	**Q4**
All ethnicities	80.0%	80.0%	78.7%	78.4%
Māori	73.9%	75.5%	72.9%	72.9%
Pacific peoples	77.6%	78.9%	77.1%	75.2%
Non-Māori non-Pacific	81.1%	80.8%	79.6%	79.4%
Asian	78.5%	80.0%	80.6%	78.2%
European/Other	81.4%	80.9%	79.5%	79.5%
2022/23	**Q1**	**Q2**	**Q3**	**Q4**
All ethnicities	77.2%	75.6%	75.5%	77.3%
Māori	72.6%	70.4%	68.8%	72.4%
Pacific peoples	73.5%	71.4%	73.8%	73.8%
Non-Māori non-Pacific	78.1%	76.7%	76.6%	78.2%
Asian	76.7%	75.8%	78.5%	76.1%
European/Other	78.3%	76.8%	76.3%	78.5%

2023/24	Q1	Q2	Q3	Q4
All ethnicities	74.9%	75.6%	77.2%	78.4%
Māori	69.7%	70.7%	72.8%	73.6%
Pacific peoples	70.4%	73.6%	76.3%	78.1%
Non-Māori non-Pacific	76.1%	76.5%	78.0%	79.2%
Asian	77.1%	78.6%	78.5%	80.8%
European/Other	75.9%	76.2%	78.0%	79.0%
2024/25	**Q1**	**Q2**	**Q3**	**Q4**
All ethnicities	76.3%	76.9%	77.9%	79.5%
Māori	72.1%	72.0%	73.5%	73.8%
Pacific peoples	74.9%	74.5%	77.4%	77.1%
Non-Māori non-Pacific	77.1%	77.8%	78.7%	80.6%
Asian	79.1%	79.4%	79.9%	81.7%
European/Other	76.8%	77.6%	78.5%	80.5%

Patients are involved in decisions about treatment and care

Table 10: Patients were involved as much as they wanted to be in making decisions about their treatment and care

Indicator description	The percentage of patients who reported being involved in decisions about treatment and care during their most recent appointment about their own health.
Baseline data (Q4 2021)	87.6% of patients reported Yes, definitely (most positive response) to the question, 'Did the healthcare professional involve you as much as you wanted to be in making decisions about your treatment and care?'
Result	The percentage of patients who reported being involved in decisions about treatment and care during their most recent appointment about their own health.

	Q4 2021 (Baseline)	Q4 2022	Q4 2023	Q4 2024	Q4 2025
All ethnicities	87.6%	87.0%	86.7%	90.3%	90.1%
Māori	85.2%	85.1%	85.8%	88.9%	88.9%
Pacific peoples	87.1%	86.6%	85.2%	89.2%	90.2%
Non-Māori non-Pacific	88.0%	87.3%	86.9%	90.6%	90.4%
Asian	85.6%	85.9%	84.4%	90.5%	90.3%
European/Other	88.3%	87.5%	87.2%	90.6%	90.4%

Source: Adult primary care patient experience survey

Detailed results by quarter

The table below shows results for the response 'Yes, definitely' (most positive response) to the question, 'Did the healthcare professional involve you as much as you wanted to be in making decisions about your treatment and care?'

Results (The percentage of patients who reported being involved in decisions about treatment and care during their most recent appointment about their own health).

2020/21	Q1	Q2	Q3	Q4 (baseline)
All ethnicities	86.2%	85.6%	86.5%	87.6%
Māori	83.8%	83.9%	84.5%	85.2%
Pacific peoples	85.5%	83.2%	84.3%	87.1%
Non-Māori non-Pacific	86.6%	86.0%	86.9%	88.0%
Asian	85.9%	84.6%	84.9%	85.6%
European/Other	86.7%	86.2%	87.2%	88.3%

2021/22	Q1	Q2	Q3	Q4
All ethnicities	87.1%	86.0%	85.9%	87.0%
Māori	85.7%	84.7%	84.2%	85.1%
Pacific peoples	86.4%	87.6%	84.0%	86.6%
Non-Māori non-Pacific	87.3%	86.2%	86.2%	87.3%
Asian	84.1%	83.9%	84.0%	85.9%
European/Other	87.7%	86.4%	86.5%	87.5%
2022/23	**Q1**	**Q2**	**Q3**	**Q4**
All ethnicities	85.8%	86.1%	85.9%	86.7%
Māori	85.2%	84.4%	85.8%	85.8%
Pacific peoples	84.3%	84.9%	86.0%	85.2%
Non-Māori non-Pacific	86.1%	86.4%	85.9%	86.9%
Asian	83.6%	84.4%	85.2%	84.4%
European/Other	86.4%	86.7%	86.0%	87.2%
2023/24	**Q1**	**Q2**	**Q3**	**Q4**
All ethnicities	89.3%	89.4%	90.0%	90.3%
Māori	86.3%	88.5%	88.9%	88.9%
Pacific peoples	86.2%	89.8%	88.9%	89.2%
Non-Māori non-Pacific	90.0%	89.5%	90.3%	90.6%
Asian	88.6%	88.2%	90.2%	90.5%
European/Other	90.2%	89.7%	90.3%	90.6%
2024/25	**Q1**	**Q2**	**Q3**	**Q4**
All ethnicities	89.6%	89.6%	89.9%	90.1%
Māori	87.1%	88.7%	88.8%	88.9%
Pacific peoples	89.8%	89.8%	89.7%	90.2%
Non-Māori non-Pacific	90.0%	89.8%	90.2%	90.4%
Asian	90.3%	88.4%	89.0%	90.3%
European/Other	90.0%	90.0%	90.4%	90.4%

Survey size and response rate

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

	Response count	Response rate
Q1 2024/25 August 2024	31,931	14.6%
Q2 2024/25 November 2024	32,277	14.4%
Q3 2024/25 February 2025	32,441	14.8%
Q4 2024/25 May 2025	35,030	14.9%

The 'Response included' column shows the total number of respondents to the survey. The results are weighted. Weighting adjusts for under- or over-representation in responses by age, gender, Health NZ district, and ethnic group and means the results account for differences in responses within a local population.

Section 2: Assessment of operations – Te aromatawai o ngā whakahaere

This section provides an overview of the Ministry's operations for the year ended 30 June 2025. It covers:

1. the Ministry's implementation of the Government priorities, including:
    - Government targets for health
    - other Government and ministerial priorities
    - major spending decision from Budget 2024: COVID-19 and Pandemic Preparedness – Maintaining Essential Health Services and Critical Surveillance Infrastructure
    - other significant Budget decisions from Budget 2024 and Budget 2025
    - baseline savings in 2024/25
2. a summary of the Ministry's key activities, services, and key work programmes delivered during the year and what they achieved
3. year-end performance reporting on appropriations.

Implementing the Government's priorities

Government targets for health

Cabinet has approved nine Government targets, which focus the public sector on achieving improved results in health, education, law and order, work, housing and the environment.

The Ministry plays a central role in supporting the Government's focus on delivering timely, quality healthcare for all New Zealanders. In 2024/25, we worked closely with Health NZ to establish and implement the health target programme, which includes two of the nine Government targets that focus the public sector on achieving improved results in health:[26]

- shorter stays in emergency departments: 95% of patients to be admitted, discharged, or transferred from an emergency department within six hours
- shorter wait times for treatment: 95% of people wait less than four months for elective treatment.

Delivery of these targets is the responsibility of the Minister of Health, the Ministry, and Health NZ. We contribute data and narrative reporting to the Government target programme, including supplementary analysis and advice on lead, lag, and

26 Department of the Prime Minister and Cabinet. 2025. *Government Targets.* URL: dpmc.govt.nz/our-programmes/government-targets (accessed 18 July 2025).

balancing measures. In addition, we work with other agencies, such as Te Puni Kōkiri, to support their contributions to the targets.

For the latest quarterly updates on all Government targets, including those led by other agencies, please refer to the Department of the Prime Minister and Cabinet's (DPMC's) Government Targets webpage.[27]

Health targets and mental health and addiction targets

The two Government targets (discussed above) are part of a broader suite of five health targets published in the GPS, aimed at improving access, equity, and outcomes across the health system. The Ministry led work on target definitions, balancing measures, clinical risk management, and reporting expectations. We provided weekly advice to the Minister of Health during the target programme's establishment and have continued to do so following implementation.

We also report on delivery progress and achievability through monthly and quarterly performance reporting. Our monitoring includes assessments to identify risks such as gaming or unintended consequences, and we independently verify Health NZ's public reporting to ensure accuracy.

In July 2024, the Minister for Mental Health announced five mental health and addiction targets to improve outcomes for people with mental health and addiction needs and support people to stay well. These targets focus on faster access to primary and specialist services, shorter stays in emergency departments, workforce growth, and a stronger focus on prevention and early intervention. The Ministry contributed to the development and implementation of these targets through policy advice, monitoring frameworks, and coordination with Health NZ. We also supported improvements in data collection, quality, and completeness, recognising that some measures are new, and monitoring will become more robust over time.

Monitoring of both the health targets and mental health and addiction targets sits within the Ministry's broader suite of health system performance monitoring. In 2024/25, we strengthened our monitoring function as outlined in Section 1.

Health NZ publishes results for both sets of targets every quarter. To view the results, please visit its website.[28,29]

Other Government and ministerial priorities

In 2024/25, a key Government priority was putting patients first and ensuring access to timely, quality healthcare for all New Zealanders. The funding in Vote Health delivers on this focus, ensuring faster treatment, shorter wait times, and a health system that puts patients first. Alongside work on the Government's five health targets and five mental health and addiction targets (above), many of our activities contributed to this Government priority, as well as to the broader delivery of other Government and ministerial priorities.

The following are some of the key initiatives we progressed during the year.

- **Rollout of cancer and non-cancer medicines**: We worked closely with Pharmac, Health NZ, and the Cancer Control Agency – Te Aho o Te Kahu to support the implementation of the Government's new medicines programme. This included an additional $604 million in funding to Pharmac for about 26 cancer medicines (either as new medicines or to widen access) and about 28 other medicines over the next four years. For more information on this initiative, see Health NZ's 2024/25 Annual Report.

27 Department of the Prime Minister and Cabinet. 2025. *Government Targets.* URL: dpmc.govt.nz/our-programmes/government-targets (accessed 18 July 2025).

28 Health New Zealand. *Health targets performance.* URL: tewhatuora.govt.nz/corporate-information/planning-and-performance/health-targets/health-targets/performance (accessed 30 July 2025).

29 Health New Zealand. *Mental health and addiction targets performance.* URL: tewhatuora.govt.nz/corporate-information/planning-and-performance/health-targets/mental-health-and-addiction-targets/performance (accessed 30 July 2025).

- **Review of the End of Life Choice Act 2019**: The Ministry completed the first review of the End of Life Choice Act 2019 as required under this legislation. This two-part review included an assessment of the operation of the Act and an online public engagement process to gather views on potential changes. The final report identified areas where the Act is working well and recommended changes to improve the operation and effectiveness of the Act in achieving its purpose. Government parties agreed that any proposed changes to the Act will be progressed through members' bills. For final reports, please visit the Ministry's website.[30]
- **Rural Health Roadshow**: The Ministry and Health NZ supported the Associate Minister of Health with responsibility for Rural Health during the Rural Health Roadshow. This provided an opportunity for communities and rural health professionals to share their experiences and insights on accessing healthcare in their area. It built on the Rural Health Strategy, published by the Ministry in 2023, which sets the direction for improving health outcomes for people living in rural communities.

We report on progress on other Government or ministerial priorities in Section 1. For example, we supported Health NZ through changes to governance and accountability that allowed it to focus on delivering the basics (under 'Priority 2: Drive system performance'), provided oversight of the Health Infrastructure Investment Plan (under 'Priority 2: Drive system performance'), and worked to reduce smoking rates and harm from smoking (under 'Priority 3: Be the Government's primary advisor on health').

Major spending decision from Budget 2024: COVID-19 and pandemic preparedness

Cabinet has established an enduring system for monitoring and reporting on major operating spending decisions of government. Across the public service, 11 major spending decisions are subject to additional reporting requirements.

In Budget 2024, we received $232.152 million over four years to support COVID-19 and pandemic preparedness activities. In December 2024, the Ministry published its reporting intentions for this major spending decision, COVID-19 and Pandemic Preparedness – Maintaining Essential Health Services and Critical Surveillance Infrastructure. The initiative aims to:

- deliver COVID-19 vaccines, including support for polymerase chain reaction (PCR) testing and processing services
- maintain critical surveillance infrastructure to support pandemic preparedness for future outbreaks.

The total funding allocation consists of:

- $193.912 million over four years to support the operational delivery of COVID-19 vaccines, including contributions for PCR testing and processing services, which are the responsibility of Health NZ
- $38.240 million over four years to maintain critical surveillance infrastructure, such as wastewater testing and whole genome sequencing, delivered by the Institute for Public Health and Forensic Science Limited (PHF Science), formerly known as the Institute of Environmental Science and Research (ESR).

Progress reporting includes data on the number of COVID-19 vaccines administered within specified periods, the volume of PCR tests conducted and processed by Health NZ laboratories, and performance across five surveillance services funded through PHF Science.

Further details and the latest results are available on the Ministry's website.[31]

30 Ministry of Health. 2024. *Review of the End of Life Choice Act.* URL: health.govt.nz/regulation-legislation/assisted-dying/review-of-the-end-of-life-choice-act (accessed 26 August 2025).

31 Ministry of Health. 2025. *Budget 2024 decisions*. URL: health.govt.nz/about-us/new-zealands-health-system/vote-health/budget-2024/budget-2024-covid-19-and-pandemic-preparedness (accessed 11 September 2025).

Other significant Budget decisions from Budget 2024 and Budget 2025

This section outlines progress against Budget decisions that we consider 'significant' because they are important to the delivery of the Government's priorities, important to Parliament and the public, or are material decisions for the Ministry.

Crown response to the Royal Commission of Inquiry into Historical Abuse in State Care (Budget 2025)

Cabinet approved Budget initiatives associated with the Crown Response to the Royal Commission of Inquiry into Historical Abuse in State Care package across various Votes for inclusion in the 2025 Budget package.

As part of this package, the Addressing the Wrongs of the Past – Redress for Abuse in Care initiative provides funding to the Ministry to enable the Government's response to the Royal Commission of Inquiry's recommendations for redress. Funding allows for an uplift in processing capacity and will provide support services and other redress improvements.

We report on this work in Section 1 under 'Priority 3: Be the Government's primary advisor on health', as well as in this section under 'Year-end performance information on appropriations'.

Our Historic Abuse Resolution Service administers claims relating to allegations of abuse in state-run psychiatric facilities before 1993. For further information, please refer to the Ministry's website.[32]

Delivering Quality and Timely Primary Care – Next Steps and Implementation (Budget 2025)

In March 2025, Cabinet agreed to a package of primary care initiatives over a 10-year period. This includes increasing and retaining doctors in primary care, increasing and bonding nurses in primary care, 24/7 digital access to primary care, and improving access to urgent and after-hours care.

The Primary Care Tactical Action Plan is the first step toward delivering quality and timely primary care. It starts with changes to grow and retain the primary care workforce and to improve access and choice for all by providing digital 24/7 care and consistent urgent care.

We outline the Ministry's work on the Primary Care Tactical Action Plan in Section 1 under 'Priority 3: Be the Government's primary advisor on health'. For information on the primary care announcements, please refer to the Ministry's website.[33]

Prescribing Length Increase from 3 Months to 12 Months (Budget 2025)

This initiative provides funding to increase the maximum prescription length in the Medicines Regulations 1984 from 3 months to 12 months. It allows patients to continue accessing their medicines without needing to interact as frequently with their prescriber.

We are working on amendments to the Medicines Regulations 1984 to implement Cabinet's decisions, made in May 2025, to increase the maximum prescription length. The Ministry is also working closely with Pharmac and Health NZ on the operational changes required to implement this policy, including changes to the Pharmaceutical Schedule and updates to prescribing and dispensing software. For more information, please refer to the Ministry's website.[34]

32 Ministry of Health. 2025. *Historic abuse claims.* URL: health.govt.nz/about-us/contact-us/historic-abuse-claims (accessed 18 July 2025).

33 Ministry of Health. 2025. *Delivering quality and timely primary health care for New Zealanders.* URL: health.govt.nz/strategies-initiatives/programmes-and-initiatives/primary-and-community-health-care/delivering-quality-and-timely-care (accessed 18 July 2025).

34 Ministry of Health. 2025. *Increasing prescribing lengths.* URL: health.govt.nz/strategies-initiatives/programmes-and-initiatives/primary-and-community-health-care/increasing-prescribing-lengths (accessed 18 July 2025).

Transition to a Multi-Agency Response to 111 Mental Distress Calls (Budget 2025)

This initiative provides funding to support the beginning of a five-year transition from a Police-led to a multi-agency response for people calling 111 in mental distress. It includes funding to boost mental health and addiction telehealth capacity and expand co-response teams. The initiative will help ensure more people with mental health concerns and those in distress due to a broad range of social issues who are presenting via 111 receive the support they need.[35]

Budget 2025 funding enables the implementation of 10 new co-response teams over the next four years, expanded availability of the Earlier Mental Health Response telehealth line, and increased capacity across mental health and addiction telehealth services by up to 20,000 contacts each year. Additional funding supported security staffing in smaller emergency departments and a growth in the number of psychology internships and psychiatry registrar positions.

Achieving the Budget funding required a joined-up approach with Police, including the analysis of over 300 calls to 111 to understand caller needs. Health NZ is now leading an implementation plan.

Baseline savings in 2024/25

All departments are required to set out the amount saved in their Budget 2024 Initial Baseline Exercise (IBE) and how they achieved these savings, including contractor and consultant savings.

Our baseline was reduced by $12.6 million in 2024/25 because of the Budget 2024 IBE. In 2024, we assessed the Ministry's priorities, resources, and structures to identify opportunities to achieve these savings, as well as to confirm areas where changes were necessary to enable us to deliver on our new role in the health system. This resulted in an organisational restructure, which better aligned the Ministry to deliver Government priorities. Savings were also found by reducing office space and scrutinising expenditure categories.

For non-departmental expenditure, no baseline savings were applied to Vote Health appropriations.

Reduction in expenditure on contractors and consultants

The Ministry's contractor and consultant expenditure in 2024/25 was $13.711 million, which represents 11% of total department workforce expenditure in 2024/25. This compares with expenditure of $46.945 million and $18.536 million for 2022/23 and 2023/24 respectively, which represents 34% and 14% of total departmental workforce expenditure in these years.

35 Ministry of Health. *Budget 2025.* URL: health.govt.nz/about-us/new-zealands-health-system/vote-health/budget-2025 (accessed 18 July 2025).

Assessment of operations

To meet the requirements of section 45(2) of the Public Finance Act 1989, the following assessment of operations outlines the Ministry's deliverables and achievements during 2024/25. It complements the multi-year overview provided in Section 1.

In 2024/25, we delivered a programme of work that aligned with our core responsibilities of policy, monitoring, and regulation, as well as supporting the Government's priorities and our *Strategic Intentions 2024–2028.* These activities laid the foundation for a more resilient, responsive, and future-focused health system.

As the Government's lead advisor on health, we focused on the Government priority of putting patients first and enabling timely access to quality healthcare. Our work covered strategic leadership, system oversight and regulatory stewardship, in collaboration with Health NZ, other agencies, iwi, and communities.

We aligned our work with the GPS, which outlines the Government's expectations and priorities, including setting five health targets and five mental health and addiction targets. The GPS guided our ministerial advice, priority setting, and performance reporting. We supported the Minister of Health in his consideration of whether to approve the *New Zealand Health Plan – Te Pae Waenga*, the three-year plan for Health NZ that gives effect to the GPS.

Key achievements on strategies and legislative reforms included:

- the updated *New Zealand Pandemic Plan*
- *Strategic Approach to Immunisation in New Zealand 2025–2030*
- *Public Health Surveillance Strategy 2025–2030*
- the revised *Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28*
- *Suicide Prevention Action Plan 2025–2029.*

We led targeted engagement to refresh the strategic framework to improve Māori health outcomes, supported the Crown in meeting its obligations under Te Tiriti o Waitangi, and led Māori–Crown relations across the health sector. This included progressing four Māori–Crown Relationship Agreements and supporting six Iwi–Crown Accords and two emerging IMPBs to complete their formal recognition. We continued to lead the Crown's response to the Waitangi Tribunal's Health Services and Outcomes Inquiry (Wai 2575), and reported on 20 Treaty settlement commitments via Te Haeata, with most either on track (55%) or complete (15%) as at 30 June 2025.

We matured our monitoring approach throughout 2024/25. This included refocusing our monitoring approach for Health NZ to drive improvements in health service delivery, as outlined in the Health Delivery Plan. Key areas of work included monitoring progress against the health targets and mental health and addiction targets, supporting the process to reinstate the Health NZ Board, and developing better reporting tools and a new monitoring plan for Health NZ.

We strengthened our focus on financial monitoring to support the long-term fiscal sustainability of Health NZ. This included new monthly performance reporting and engaging Deloitte to undertake an independent review of Health NZ's 2023/24 financial performance. We also provided independent advice on investment proposals and supported the plan for the implementation of the Health Infrastructure Plan.

We advanced key policy initiatives, including by:

- supporting the development of the Primary Care Tactical Action Plan
- leading work on the proposed new medical school at the University of Waikato
- progressing a review of health workforce regulation and public consultation
- developing policy for the Medical Products Bill, the Medicines Amendment Bill, and the Mental Health Bill
- supporting the passage of the Smokefree Environments and Regulated Products Amendment Bill (No 2)
- leading the development of a revitalised Fetal Alcohol Spectrum Disorder Action Plan.

We contributed to the Government's response to the Royal Commission of Inquiry into Abuse in Care, including the establishment of a new multi-category appropriation in Budget 2025.

Future-focused initiatives that we progressed included:

- publishing New Zealand's first Health National Adaptation Plan
- launching a cross-sector Precision Health work programme
- initiating the Child and Youth Mental Health Study
- funding eight new research projects through the Research and Evaluation Fund
- publishing the latest results of the New Zealand Health Survey and most recent Health and Independence Report.

We established a dedicated Regulatory Stewardship function and developed the Ministry's first two-year Regulatory Stewardship Strategy. Key deliverables included the completion of maturity assessments across all 14 regulatory regimes, the launch of a programme of regime reviews, and the development of new guidance to improve regulatory governance and risk management. We also progressed applications for the regulation of new health professions under the HPCA Act and significantly improved Medsafe's medicine evaluation timeframes.

Internally, we strengthened our capability to deliver on Government priorities and our own strategic priorities by investing in people, systems, and processes. This included implementing a modern payroll and human resource information system platform and introducing a 90-day priority-led business planning cycle. Structural changes to the Executive Leadership Group were designed to ensure an organisational structure, operating model, and leadership function that set the Ministry up for success.

Together, the activities in 2024/25 demonstrate the Ministry's operations funded through appropriations. We give further details on the activities and their associated funding in the next section on year-end performance information on the Ministry's appropriations.

Year-end performance information on appropriations

Our statement of service performance policies and significant judgements

This statement outlines the policies and key judgements the Ministry used to prepare and select service performance information for Vote Health.

For information on the Ministry as the reporting entity, see note 1 to the financial statements on page 78.

The Ministry is the chief steward of New Zealand's health system and the Government's main advisor on health policy, strategic direction, regulation, and system monitoring. 'Section 1: Progress on strategic intentions' (pages 6 to 37), explains our role and purpose, and presents our performance story on key strategic priorities.

The 'Results of outcome measures and system measures' section (pages 23 to 37) and this section (pages 45 to 58) contain the Ministry's service performance information. It includes performance measures and results for each appropriation that the Ministry is accountable for and that is funded under Vote Health.

Additional disclosures

Reporting service performance information

The Ministry prepares its Statement of Service Performance in line with the Public Finance Act 1989 and the PBE FRS 48 standard for public benefit entities. Under this standard, the Ministry must disclose key judgements that significantly influence how service performance information is selected, measured, aggregated and presented.

Selection of measures

In 2024/25, performance measures within the Stewardship of the New Zealand health system multi-category appropriation (MCA) were updated to enhance clarity, relevance, and alignment with the Ministry's stewardship role. These changes were made to ensure continued coverage of key areas of work.

Key updates were as follows:

- **Overarching Stewardship of the New Zealand health system MCA**: Measures were replaced to better reflect the Ministry's organisational priorities.
- **Equity, Evidence and Outcomes**: Six measures were replaced with more informative indicators that better reflect the Ministry's stewardship responsibilities and provide balanced coverage across this category.
- **Policy Advice and Related Services**: Wording of measures related to the Minister for Mental Health was aligned with that of measures for the Minister of Health, and grammatical corrections were made to improve clarity.
- **Public Health and Population Health Leadership**: Performance measures were refined to better capture departmental activities. Measures that expired (by 30 June 2025) were replaced to maintain timely reporting on key areas.
- **Regulatory and Enforcement Services**: Discontinued measures were replaced with more informative ones that ensure balanced coverage and reinforce the Ministry's stewardship role.

Measures were also created as part of two newly established appropriations in Vote Health 2024/25:

- **Strengthening Pacific Health Systems**: The Ministry partners with the Ministry of Foreign Affairs and Trade to deliver the Polynesian Health Corridors programme. The measure reflects the Ministry's role in the delivery of a five-year programme focused on supporting the development of public health systems in the Pacific.

- **Redress for Abuse in Care MCA**: This MCA was established following the Government's decision to respond to the Royal Commission of Inquiry into Abuse in Care's recommendations for redress. The Ministry has aligned the performance information with that of other agencies receiving funding for Redress for Abuse in Care, such as the Ministry of Education, Ministry of Social Development, and Oranga Tamariki.

For full information on the 2024/25 performance measures, and any adjustments to them, see the Vote Health Estimates of Appropriations 2024/25[36] and Supplementary Estimates of Appropriations 2024/25.[37]

Judgements on measures

For the 2024/25 reporting period, revised reporting requirements specify that the measurement bases or evaluation methods used for assessing performance are to be made available to annual report users.[38] To align with the updated guidance, we provided additional information for selected performance measures where we considered there was room for confusion or misinterpretation. We focused on measures with complex methodologies or those that readers may not readily understand.

To ensure transparency, we applied a targeted approach by embedding clarifying commentary directly within the notes that accompany each relevant measure result. This allowed us to provide context where needed without overloading the report.

Some explanations applied to multiple measures:

- **Ministerial satisfaction surveys**: All ministerial satisfaction surveys are measured using survey guidelines from the DPMC.[39]
- **Quality of policy advice**: To assess the quality of policy papers and the relevant research and evidence used to inform them, we commission the New Zealand Institute of Economic Research to assess the quality of papers using the DPMC's Policy Quality Framework.[40]

Aggregation of service performance information

The level of aggregation used by the Ministry is as follows:

- Reporting against the Strategic Intentions (grouping activities under 'Progress on strategic intentions' within each strategic priority listed)
    a. Reporting on non-financial performance measures
        i. Vote Health Estimates of Appropriation 2024/25 and Supplementary Estimates of Appropriation 2024/25
    b. Departmental agency reporting
        i. The Cancer Control Agency – Te Aho o Te Kahu annual report is attached and audited alongside the Ministry of Health annual report.

36 The Treasury. 2024. *Vote Health – The Estimates of Appropriations 2024/25 – Health Sector B.5 Vol 5.* URL: treasury.govt.nz/publications/estimates/vote-health-health-sector-estimates-appropriations-2024-25 (accessed 22 July 2025).

37 The Treasury. 2025. *Vote Health – The Supplementary Estimates of Appropriations 2024/25 B.7.* URL: treasury.govt.nz/publications/supplementary-estimates/vote-health-supplementary-estimates-appropriations-2024-25 (accessed 22 July 2025).

38 New Zealand Government External Reporting Board. 2023. *New Zealand Auditing Standard 1 (Revised): The Audit of Service Performance Information.* URL: xrb.govt.nz/dmsdocument/4962/ (accessed 20 August 2025).

39 Department of the Prime Minister and Cabinet. 2022. *Guide to the Ministerial Policy Satisfaction Survey.* URL: dpmc.govt.nz/sites/default/files/2022-07/guide-ministerial-policy-satisfaction-survey.pdf (accessed 18 July 2025).

40 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/policy-quality-framework-guide-panels-and-processes-assessing-policy-advice-papers (accessed 18 July 2025).

Performance of the Ministry of Health

This section details the performance of the Ministry against our output measures and targets specified in Vote Health – Estimates of Appropriations 2024/25 and (where updated) in Vote Health – Supplementary Estimates of Appropriation 2024/25.

This section focuses on our performance, measured by four output classes and the subcategories that come under them, that 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
- Ministry of Health – Capital Expenditure Permanent Legislative Authority
- Strengthening Pacific Health Systems
- Redress for Abuse in Care MCA.

The 2024/25 actual results are reported against each measure's budget standard (target) for 2024/25 as a measure for the actual performance. Where applicable, we compare our actual performance this year against the output measures and results from last year (2023/24).

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

Met or exceeded the target	✓
Did not meet the target	✗
Not available | Not assessed	NA

Forty-one non-financial performance measures

Results for 2024/25 show that of the Ministry's 41 non-financial performance measures, 33 have met or exceeded the budget standard.

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 2023/24	Budget standard 2024/25	Actual 2024/25	At a glance
Ministerial satisfaction with the quality of system performance advice (Note 1)	New measure	Equal to or greater than 4 out of 5	4	✓
Ministerial satisfaction with how the Ministry of Health supports them to set and maintain strategic direction for the health system (Note 1)	New measure	Equal to or greater than 4 out of 5	3	✗

Note 1: The survey was completed by Hon Simeon Brown, who was appointed Minister of Health in January 2025.

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 2023/24**	**Budget standard 2024/25**	**Actual 2024/25**	**At a glance**
The New Zealand Health Survey, which is used in the Ministry's monitoring function, and supports the development of health policy and strategy, and design of health services is published no later than 1 December, free from significant error (Note 1)	New measure	Achieved	Achieved	✓
Health and Independence Report is published annually by December (Note 2)	Achieved	Achieved	Achieved	✓
Average score on the extent to which policy advice is informed by relevant research and evidence, attained from a sample of the Ministry's written policy advice as assessed using the agreed DPMC Framework (Note 3)	New measure	Greater than 3.2 out of 5	3.56	✓
Child and Youth Mental Health and Addiction Prevalence Survey project meets project milestones, including setting up governance and advisory arrangements and commencing the tender process by June 2025 (Note 4)	New measure	Achieved	Achieved	✓

Note 1: A significant error is one that changes the meaning of a public statistic. These errors must be communicated to users as soon as they are identified due to their importance. Minor inaccuracies, routine updates, or revisions made to reflect more complete data are not considered significant. Significant errors found within the financial year materially affect the result of this measure. Each year, any significant errors are reported in the New Zealand Health Survey Methodology report. The latest results of the New Zealand Health Survey were published on 19 November 2024.[41]

Note 2: The Health and Independence Report was published on 28 August 2024.[42]

Note 3: A total of 50 papers were independently assessed. Of these, 34 were identified as papers that require data and evidence, and were assessed on this basis using the agreed DPMC Framework.

Note 4: The Child and Youth Mental Health and Addiction Prevalence Survey has been renamed the Child and Youth Mental Health Study.

41 Ministry of Health. 2024. *Annual Update of Key Results 2023/24: New Zealand Health Survey.* URL: health.govt.nz/publications/annual-update-of-key-results-202324-new-zealand-health-survey (accessed 20 August 2025).

42 Ministry of Health. 2024. *Health and Independence Report 2023.* URL: health.govt.nz/publications/health-and-independence-report-2023 (accessed 20 August 2025).

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 2023/24	Budget standard 2024/25	Actual 2024/25	At a glance
Percentage of Ministerial letter response provided to the Minister within agreed timeframes (Note 1)	99.5%	95%	98.3%	✓
Percentage of Written Parliamentary Question responses provided to the Minister within agreed timeframes (Note 2)	99.7%	95%	99.8%	✓
Percentage of Ministerial Official Information Act request responses provided to the Minister within agreed timeframes (Note 3)	99.4%	95%	98.8%	✓
Percentage of Ministerial Letter responses provided to the Minister that required no substantive amendments (Note 4)	100%	95%	100%	✓
Percentage of Written Parliamentary Question responses provided to the Minister that required no substantive amendments (Note 4)	100%	95%	100%	✓
Percentage of Ministerial Official Information Act request responses provided to the Minister that required no substantive amendments (Note 4)	100%	95%	100%	✓
Average score attained from a sample of the Ministry's written policy advice as assessed using the agreed DPMC Framework	3.55	Greater than 3.2 out of 5	3.53	✓
Ministerial satisfaction with the policy advice service (Note 5)	4.27	Equal to or greater than 4 out of 5	4	✓
Minister for Mental Health: Ministerial satisfaction with the policy advice service	New measure	Equal to or greater than 4 out of 5	4	✓
Quality of policy advice papers - 85% score 3 or higher and 25% score 4 or higher (Note 6)	Achieved	Achieved	96% scored 3 or higher 32% scored 4 or higher	✓

Note 1: The agreed timeline for Ministerial letters depends on the Minister and level of priority. It is generally between 5 and 20 working days.

Note 2: The agreed timeline for Written Parliamentary Questions is six working days from receipt to lodging.

Note 3: The agreed timeline for Official Information Act responses to the Minister is no later than 20 working days. An alternative timeframe may be agreed on an ad hoc basis, in which case this is recorded.

Note 4: Substantive amendments are changes required by the Minister (not private secretaries or ministerial advisors). Substantive errors are considered as follows: addressed to wrong Minister; full redraft/ major wording changes; incorrect content or advice; does not answer question/request.

Note 5: The survey was completed by Hon Simeon Brown, who was appointed Minister of Health in January 2025.

Note 6: A total of 50 papers were independently assessed.

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 2023/24**	**Budget standard 2024/25**	**Actual 2024/25**	**At a glance**
Ministerial satisfaction with how the Ministry provided leadership on policy, strategy, the strengthening of regulatory practice, surveillance and monitoring of public and population health (Note 1)	4	Equal to or greater than 4 out of 5	4	✓
Annual work programme is developed and agreed with the public health advisory committee chair, Public Health Agency in the Ministry of Health – Manatū Hauora and the Minister. All reports are delivered on time	New measure	Achieved	Achieved	✓
Delivery of a report that provides a range of options on how to optimally implement and arrange existing laboratory capabilities and capacities of the functions needed to deliver a lead public health laboratory service by 30 June 2025 (Note 2)	New measure	Achieved	Not achieved	✗
Complete an investigation and report on the value of establishing and maintaining a directory of surveillance activities and information repositories within New Zealand including where this is best located by 30 June 2025	New measure	Achieved	Achieved	✓
Obtain full legislative compliance to the Civil Defence and Emergency Management Plan Order (2015) for the Ministry of Health by 30 June 2025 (Note 3)	New measure	Achieved	Not achieved	✗
Develop a Public Health Monitoring and Assurance Framework for Crown Entities and public health programmes by September 2024	New measure	Achieved	Achieved	✓

Note 1: The survey was completed by Hon Simeon Brown, who was appointed Minister of Health in January 2025.

Note 2: This was partially achieved. Progressing this work was delayed due to other competing priorities. However, significant progress has been made on the Strengthening Laboratories for Public Health work programme, including identifying priority actions.

Note 3: As a result of reduced capacity due to internal resignations and the impacts of changes in the wider All-of-Government Emergency Management system reform, this measure did not meet the budget standard. This measure is assessed based on findings against Core Standards and criteria for evaluation as described in the Emergency Management Assurance Framework.

Regulatory and Enforcement Services

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

Performance assessment				
Performance measure	**Actual 2023/24**	**Budget standard 2024/25**	**Actual 2024/25**	**At a glance**
Developing a monitoring and reporting framework for the Vaping Regulatory Authority (VRA) by 30 June 2025	New measure	Achieved	Achieved	✓
The percentage of high priority incident notifications relating to medicines and medical devices that undergo an initial evaluation within 5 working days (Note 1)	100%	90%	92.3%	✓
The percentage of all certificates issued to providers under the Health and Disability Services (Safety) Act 2001 within target timeframes	91%	90%	97%	✓
Percentage of licences and authorities issued under the Medicines Act 1981 and Misuse of Drugs Act 1975 within target timeframes (Note 2)	79%	90%	82%	✗
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 (Note 3)	86%	90%	87.4%	✗
The percentage of all New Medicines Applications (for ministerial consent to market) that receive an initial assessment within 200 days	88%	80%	93.3%	✓
Mean rating for statutory committee satisfaction with the secretariat services provided by the Ministry (Note 4)	4.36	4 out of 5 or greater	4.04	✓
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 (Note 5)	95.6%	90%	92.8%	✓
The start of the Mental Health Tribunal reviews are held within 28 days of receipt of the applications	98.9%	80%	100%	✓
Annual Ministry of Health Regulatory Maturity Assessment reflects improved maturity (Note 6)	New measure	Baseline score 96	96	✓

Note 1: The result is calculated by dividing the number of high priority incidents receiving an initial evaluation within five working days of receipt against the total number of high priority incidents received in the year to date.

Note 2: Changes to pharmacy licensing rules, following a court decision, have slowed down performance. Since October 2024, we have been using a new ownership test that has lengthened the time taken to process and assess applications. The result is calculated by dividing the number of licences and authorities issued within the agreed timeframe in a particular quarter by the total number of licences and authorities issued in that quarter.

Note 3: The result is calculated by dividing the number of authorisations issued on time by the total number of accepted applications. Authorisations are source licences, use licences, and consents issued by the Director for Radiation Safety under the Radiation Safety Act 2016.

Note 4: Satisfaction is measured by surveying ethics committee board members who receive services from the Ministry. The survey was open to all board members from 20 June 2025 to 25 July 2025. The final result is the average of all responses (ie, 28 responses) received.

Note 5: While compiling this year's results, we noticed a calculation error resulting in undercounting by a few percentage points that affects previous years' results. The differences are not meaningful in terms of performance information.

Note 6: Using the Ministry of Business, Innovation and Employment's Regulatory Stewardship Maturity Assessment model, we assess this measure annually for each regulatory regime in the Ministry. Methodology for calculating outcome assesses 13 regimes against 4 good regulatory practice criteria, assigning a maturity level from 1 to 4. The sum of all regimes is captured for this measure. The target is for the aggregate maturity across all Ministry regimes to improve from one year to the next.[43]

43 Ministry of Business, Innovation and Employment. 2019. *Regulatory stewardship*. URL: mbie.govt.nz/cross-government-functions/regulatory-stewardship (accessed 18 July 2025).

Sector Performance and Monitoring

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

Performance assessment				
Performance measure	**Actual 2023/24**	**Budget standard 2024/25**	**Actual 2024/25**	**At a glance**
The percentage of appointments to health Crown entity boards where advice is presented to the Minister at least one month prior to the current appointee's term expiring	100%	95%	100%	✓
The percentage of quarterly monitoring reports about Crown entities provided to the Minister within agreed timeframes (Note 1)	100%	100%	75%	✗
The percentage of quarterly monitoring reports about mental health and addiction provided to the Minister for Mental Health within agreed timeframes	New measure	100%	100%	✓
Develop a monitoring plan for Health New Zealand by 30 June 2025 that assures progress against the Health Delivery Plan and other key Ministerial priorities and keep this updated over time (Note 2)	New measure	Achieved	Not achieved	✗
Ministerial satisfaction with the advice provided on governance matters for Crown entities (Note 3)	New measure	Equal to or greater than 4 out of 5	3	✗

Note 1: Three reports were provided later than the target date.

Note 2: A detailed monitoring plan for Health NZ has been developed. It is focused on driving implementation of new ministerial priorities and builds on the monitoring plan used in 2024/25. We have also strengthened our focus on financial monitoring and developed new templated monthly performance reporting across financial, non-financial (targets and health services), and capital (infrastructure) performance. These monthly performance reporting templates have been developed by the Ministry and the Health Assurance Unit, and ensure monitoring oversight of progress against the Health Delivery Plan and other key ministerial priorities. They have been socialised with Health NZ, and new financial reporting began in July 2025, with non-financial reporting to follow.

We have recorded a 'not achieved' result for this measure as we have deferred socialisation of the monitoring plan, and ministerial approval, to prioritise the establishment of consistent templated monthly performance reporting.

Note 3: The survey was completed by Minister Brown who became Minister of Health in January 2025.

Financial performance				
Stewardship of the New Zealand health system	**Actual 2023/24 $000**	**Main estimates 2024/25 $000**	**Voted appropriation 2024/25 $000**	**Actual 2024/25 $000**
Departmental output expense				
Revenue				
Crown revenue	254,065	206,261	209,897	209,897
Other revenue	29,857	22,302	25,927	27,464
Total revenue	**283,922**	**228,563**	**235,824**	**237,361**
Expenses by output category				
Equity, evidence and outcomes	23,432	16,620	40,302	36,594
Policy advice and related services	43,456	39,791	38,609	36,489
Public health and population health leadership	125,443	103,743	87,515	88,610
Regulatory and enforcement services	61,814	53,274	46,786	45,866
Sector performance and monitoring	14,925	15,135	22,612	20,624
Total expense	**269,070**	**228,563**	**235,824**	**228,183**
Net surplus/(deficit)	**14,852**	**-**	**-**	**9,178**

The variance of the actual spend against the Stewardship of the New Zealand health system appropriation reflects underspends across all but one category of the MCA. The underspend represents delays in recruitment following the organisations restructure in September 2025.

In-principle expense transfer totalling $7.637 million has been approved to be carried over into the 2025/26 financial year.

Strengthening Pacific Health Systems

This appropriation is limited to supporting the development of public health systems in the Pacific. This appropriation is intended to support the development of public health systems in the Pacific.

Performance assessment				
Performance measure	**Actual 2023/24**	**Budget standard 2024/25**	**Actual 2024/25**	**At a glance**
Annual costed workplan activities for the Polynesian Health Corridors Programme are delivered to an acceptable standard as agreed by the New Zealand Ministry of Foreign Affairs and Trade and Public Health Agency Programme Delivery Steering Committee (Note 1)	New measure	Achieved	Achieved	✓

Note 1: The Programme Delivery Steering Committee has seven members. Decisions, including the approval of costed workplans, are made by consensus. In instances where consensus cannot be reached, the Chair may elect to achieve a decision through majority vote, hold matters over until the next meeting or convene an out-of-session meeting to allow members to consider additional information relevant to the decision.

Financial performance				
Strengthening Pacific Health Systems appropriation	**Actual 2023/24 $000**	**Main estimates 2024/25 $000**	**Voted appropriation 2024/25 $000**	**Actual 2024/25 $000**
Departmental output expense				
Revenue				
Crown revenue	–	–	–	–
Other revenue	–	–	5,036	2,244
Total revenue	**–**	**–**	**5,036**	**2,244**
Total expenses	**–**	**–**	**5,036**	**2,244**
Net surplus/(deficit)	**–**	**–**	**–**	**–**

The Strengthening Pacific Health Systems appropriation is a multi-year appropriation (MYA).

The variance of the actual spend against the Strengthening Pacific Health Systems final budget is due to delays in establishing the core team for the non-communicable disease programme. The team was only formed in the latter half of the financial year, which impacted the timing and delivery of planned activities. This largely affects the cancer control activity, which is anticipated to increase in the 2025/26 financial year.

As this is an MYA, any underspends are carried over into the 2025/26 financial year.

Redress for Abuse in Care MCA

The single overarching purpose of this appropriation is to enable the Government's response to redress recommendations made by the Royal Commission of Inquiry into Abuse in Care. This category is limited to responding to, designing, implementing and delivering redress for abuse in care.

Performance assessment				
Performance measure	Actual 2023/24	Budget standard 2024/25	Actual 2024/25	At a glance
Institute an updated redress process by June 2026 for people who report harm while in care	New measure	Achieved	Achieved	✓

Departmental output expenses

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

Performance assessment				
Performance measure	Actual 2023/24	Budget standard 2024/25	Actual 2024/25	At a glance
The percentage of claimants who receive a settlement offer to 30 June 2025 following submission of a claim for a decision (Note 1)	New measure	80%	82.6%	✓

Note 1: The submission of a claim for a decision is the point at which the Ministry receives the relevant records from either Health NZ or the claimant themselves.

Non-Departmental Other Expenses

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

An exemption from end-of-year performance information requirements was granted as the Redress Payments category within the MCA is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under section 15D(2)(b)(ii) of the Public Finance Act 1989. This is because end-of-year performance information for the category is not likely to provide insight into the nature of the transaction giving rise to the expenses.

Financial performance				
	Actual	Main estimates	Voted appropriation	Actual
	2023/24	2024/25	2024/25	2024/25
Redress for Abuse in Care	**$000**	**$000**	**$000**	**$000**
Departmental output expense				
Delivering Redress for Abuse in Care				
Revenue				
Crown revenue	–	–	497	497
Other revenue	–	–	–	–
Total revenue	**–**	**–**	**497**	**497**
Total expense	**–**	**–**	**497**	**50**
Net surplus/(deficit)	**–**	**–**	**–**	**447**
Non-departmental output expense				
Redress Payments				
Total expenses	–	–	12,573	2,627
Total MCA expenses	–	–	**13,070**	**2,677**

The actual spend is lower than the amount budgeted for, mainly because the budget was based on the full estimated cost, to ensure funding was available for settlements. Some top-up claims were not submitted by 30 June 2025.

An in-principle expense transfer has been approved to carry over the underspends into the 2025/26 financial year.

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				
	Actual	Budget standard	Actual	At a glance
Performance measure	**2023/24**	**2024/25**	**2024/25**	
Expenditure is in accordance with the Ministry of Health's Annual Capital Plan (Note 1)	Achieved	Achieved	Achieved	✓

Note 1: This measure evaluates how effectively the Ministry manages its capital spending by comparing actual expenditure against the planned budget outlined in the Annual Capital Plan. A project is considered successfully delivered when it is completed, and its costs are on or under budget. Some projects have been deferred, resulting in a budgeted underspend. These deferred projects have been carried forward and are due to be completed in the following financial year.

Financial performance				
Ministry of Health — Capital Expenditure Permanent Legislative Authority	**Actual 2023/24 $000**	**Main estimates 2024/25 $000**	**Voted appropriation 2024/25 $000**	**Actual 2024/25 $000**
Total appropriation	2,082	1,600	500	248

The capital expenditure permanent legislative authority actuals for 2024/25 were underspent because capital projects were deferred or came in under the estimated cost.

Reconciliation of total appropriations to actual expenses

Reconciliation between total appropriations for departmental expenses and the departmental statement of comprehensive revenue and expense for the year ended 30 June 2025		
Actual 2024 $000		**Actual 2025 $000**
269,070	Total expenses in departmental statement of comprehensive revenue and expense	230,477
–	Expense incurred for appropriation administered by entities other than the Ministry	–
269,070	**Total appropriation for departmental expenses**	**230,477**

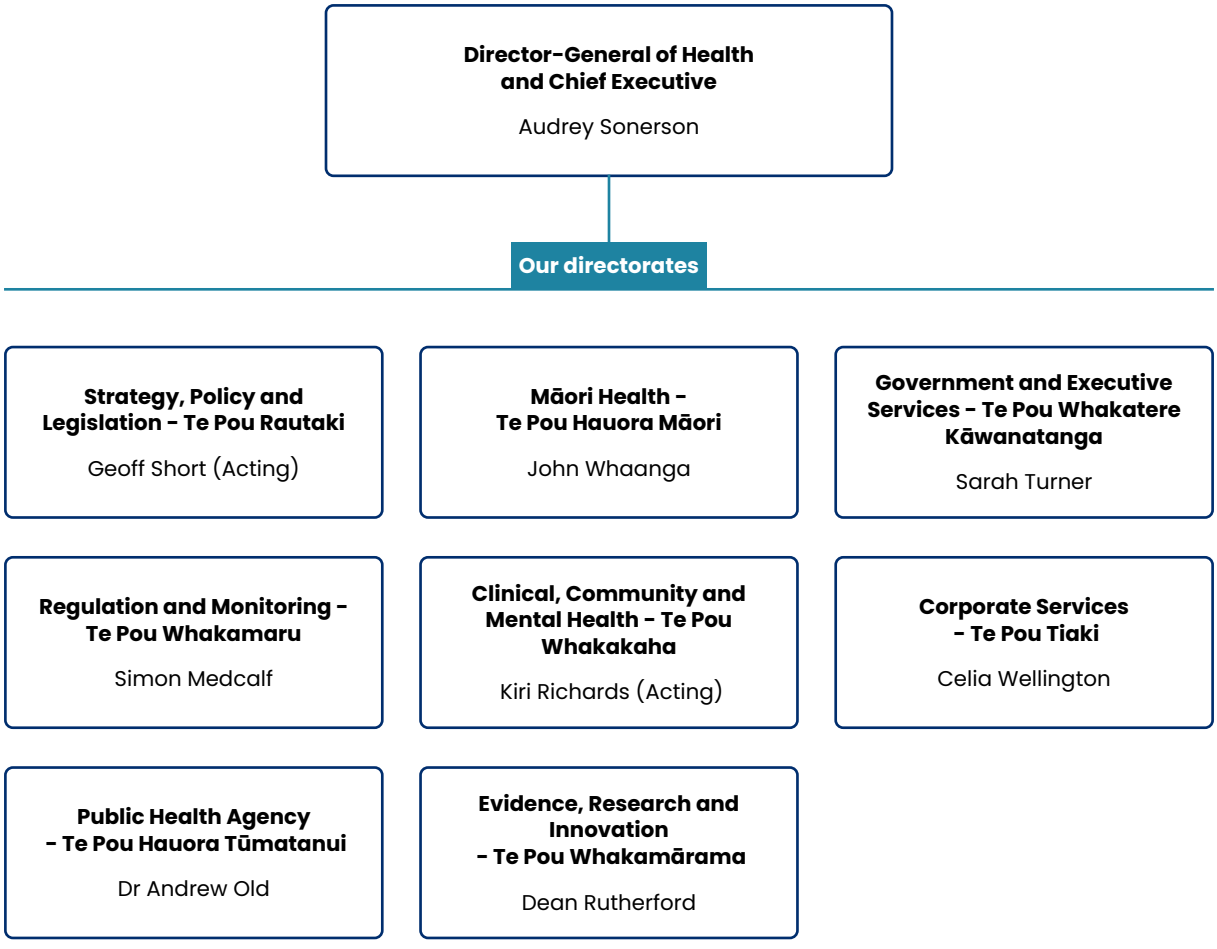
Reconciliation between total appropriations for non-departmental expenses and the schedule of non-departmental expenditure for the year ended 30 June 2024		
Actual 2024 $000		**Actual 2025 $000**
29,801,933	Total expenses in schedule of non-departmental expenditure	29,992,340
(3,886,937)	GST input expense	(3,911,041)
25,914,996	**Total appropriation for non-departmental expenses**	**26,081,299**

Section 3: Organisational health and capability – Te hauora me te raukaha o ngā whakahaere

Our organisational structure

In 2024/25, our organisational structure included the Director-General of Health and Chief Executive, and eight directorates with four layers of management in most areas. Professional leads provided clinical or technical advice to Ministers, the Ministry, and the wider health sector.

Figure 1: Our structure as at 30 June 2025



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

Strategy, Policy and Legislation – Te Pou Rautaki

This directorate leads the Ministry's role as the Government's primary advisor on health priority setting, strategy and policy. It sets the long-term direction for the health system, and translates strategy into the tools, rules, and requirements needed to achieve it. Its work ensures the Ministry's advice is future-focused, evidence-based, and aligned with system priorities.

Regulation and Monitoring – Te Pou Whakamaru

This directorate brings together two core Ministry functions. First, it ensures public safety and quality by approving, certifying, and licensing responsible authorities, services, products, and providers, and by monitoring compliance. Second, it monitors the performance of the health system and its individual entities, providing insights and advice to Ministers on performance, risks, and opportunities to support accountability and continuous improvement. This directorate includes the New Zealand Medicines and Medical Devices Safety Authority (Medsafe) to regulate therapeutic products.

Public Health Agency – Te Pou Hauora Tūmatanui

The Public Health Agency is a distinct business unit within the Ministry. It is the Government's lead advisor on preventing disease, promoting health, and protecting New Zealanders from threats to their health. The agency uses the best available knowledge and expertise to improve health and save lives. It focuses on public health initiatives that deliver the biggest benefits for populations with the greatest health needs.

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. This role provides assurance that the health system is meeting its obligations under Te Tiriti o Waitangi, addressing Māori health aspirations, and achieving equity for Māori.

Clinical, Community and Mental Health – Te Pou Whakakaha

This directorate provides specialist expertise in clinical leadership, mental health, addiction, and suicide prevention. It informs policy and service design through research, insights, and sector networks, with a strong focus on equity and quality. As the Minister for Mental Health's chief advisor, it leads a whole-of-government approach to mental wellbeing, administers relevant legislation, and provides clinical advice across health portfolios. It also brings a clinical quality and safety lens to performance monitoring of the health system and health entities.

Evidence, Research and Innovation – Te Pou Whakamārama

This directorate provides high-quality analytics, research, science, health economics, and other evidence to support evidence-informed decisions, strategies, and policies. It works across the Ministry to deliver timely, fit-for-purpose evidence and leads the conversation, driving sector-wide programmes and generating evidence aligned with health system priorities and innovation.

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

This directorate provides expertise and support to the Ministry and Ministers to ensure we operate as a trusted public service agency, upholding the conventions and norms of government. It helps our leaders and people tell the Ministry's strategic story, protect our reputation and brand, maintain accountability, and champion integrity.

Corporate Services – Te Pou Tiaki

This directorate underpins the Ministry's ability to operate effectively and deliver on its strategic priorities. It brings together core functions including people and capability, finance and performance, risk and resilience, and digital and information services. It also ensures the Ministry remains aligned with the direction set by the Public Service Commission and central government.

There were two time-limited offices in the Ministry.

The System Reform Assurance Office, which was established in 2023, provided independent assurance of health system reform for the Director-General of Health, with a focus on system governance, planning and risk management. The office concluded on 30 June 2025.

Established in 2023, the Transformation Management Office was the vehicle through which we designed and delivered a longer-term programme of work to grow our capability and develop and embed improved ways of working. In 2024, the Transformation Management Office's key priority shifted to support the Ministry's organisational change process. Its work concluded on 30 September 2024.

New Executive Leadership Group structure

In mid-July 2025, the Director-General of Health stood up a new Executive Leadership Group structure, moving the organisational structure from eight directorates to six Ministry groups.

For information about the Ministry groups, Executive Leadership Team, clinical experts, and statutory roles, please refer to the Ministry's website.[44]

44 Ministry of Health. *Organisation and leadership.* URL: health.govt.nz/about-us/organisation-and-leadership (accessed 22 July 2025).

Governance structure

Governance enables the Ministry to operate effectively and achieve its core purpose through a framework of leadership, assurance, and decision-making. In 2024/25, our main governance forum was the Executive Governance Team. The Risk and Assurance Committee is an external committee that provided independent advice and assurance to the Director-General of Health.

Work is underway to simplify our governance structures with the aim of reducing confusion, removing barriers, and speeding up workflow.

Risk and Assurance Committee and risk management

Monitoring risk is an important aspect of how we operate. We are committed to embedding best practice to help us better account for risk in organisational decision-making, preparedness, and resilience. Effective risk management is integrated into our culture, governance arrangements, business planning, and decision-making processes.

While managing risk is the responsibility of everyone at the Ministry, our risk and assurance specialists support staff in identifying and managing strategic and operational risks. They also report to the Ministry's governance groups.

Our approach is guided by the Ministry's organisational risk management policy and framework. This outlines our processes and aligns with the International Organization for Standardization ISO 31000:2018 Risk management – Principles and Guidelines.

The Ministry's Risk and Assurance team delivers a planned programme of work through the Internal Assurance Plan. This programme is reviewed quarterly to ensure it addresses significant activities and risks. Reviews are reprioritised as needed to reflect current and emerging strategic and operational risks, helping to maintain the confidence of the Ministry's governance groups that our assurance work remains relevant and fit for purpose.

In addition, the Risk and Assurance Committee provides independent, trusted advice and support to the Director-General of Health on strategic and operational risks and issues across the Ministry.

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

Note: This summary reports data as at 30 June 2025. It excludes data from the Cancer Control Agency – Te Aho o Te Kahu.

Staff numbers

Measured by both headcount and full-time equivalent (FTE) staff, the size of our workforce has decreased by 6.1% since 2024. We had 751 staff, down from 800 the previous year.

Overall headcount and FTEs by year
Data as at 30 June each year

Year	Headcount	FTE
2020	1,224	1,186.85
2021	1,680	1,631.46
2022	885	862.82
2023	754	729.57
2024	800	777.57
2025	751	730.93*

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

Workforce profile

As at 30 June 2025, 22.5% of the Ministry's workforce had been employed for less than one year, up from 21.3% in 2024.

Length of service

Length of service	Percentage
Under 1 year	22.5%
1–5 years	47.9%
5–10 years	14.2%
10–20 years	9.7%
Over 20 years	5.6%
Total	**100.0%**

The average base salary has increased from $136,152 to $138,232, reflecting a rise in overall pay. The proportion of staff earning over $100,000 has grown: 75.1% of staff earned $100,000 or more, up from 72.6% in 2024.

Average salary

$138,232

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

Year	Percentage
2020	45.4%
2021	48.5%
2022	53.1%
2023	67.2%
2024	72.6%
2025	75.1%

Gender and ethnicity data, including pay gap

The proportion of staff by gender has remained relatively stable; 68.3% of our people identified as female, compared with 69.6% in 2024.

Gender distribution across roles remains consistent. For senior managers, 55.3% were female in 2025, compared with 58.9% in 2024. For all other staff, 68.9% were female in 2025, down from 70.4% in 2024.

Senior management and staff by gender

	Female	Male	Other
Senior managers	26	21	0
All other staff	485	216	3

The following tables provide a profile of the Ministry's workforce in terms of gender, age, salary, and ethnicity as at 30 June 2025. These include an analysis of gender and ethnicity pay gaps.

The gender split has remained consistent over recent years. Three staff as at 30 June 2025 have reported their gender as 'other'. These staff have been excluded from the gender tables below for privacy reasons.

The gender pay gap decreased to 13.3% from 14.1% in 2024. Most staff are in the $120,001+ salary band, though females remain overrepresented in lower salary bands.

The workforce is well distributed across age groups, with the largest groups being 30–39 years and 40–49 years. Staff under 30 years make up 14.3% of the workforce, with females comprising over 81% of this group.

European staff remain the largest ethnic group among both senior managers and other staff. The ethnic pay gap has reduced significantly for both Māori and Pacific peoples in 2025, while the pay gap for Asian staff increased to 17.6%.

Gender: year-on-year comparison

Data as at 30 June each year

Year	Number		
	Females	Males	Total
2020	832	392	1,224
2021	1,126	554	1,680
2022	600	285	885
2023	523	231	754
2024	557	243	800
2025	511	237	748

Gender: year-on-year comparison

Data as at 30 June each year

Year	Percentage	
	Females	Males
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%
2025	68.3%	31.7%

Gender and remuneration

	Female	Male	Total
$60,001–$80,000	60	19	79
$80,001–$100,000	85	25	110
$100,001–$120,000	111	39	150
$120,001+	255	154	409

Age group (years) by gender*			
	Female	Male	Total
<30	87	20	107
30–39	123	63	186
40–49	126	59	185
50–59	106	59	165
60+	63	36	99
Unknown	6	–	6

* This excludes staff who reported their gender as 'other' for privacy reasons.

Gender pay gap Data as at 30 June each year	
Year	Gender pay gap
2020	14.0%
2021	11.4%
2022	10.7%
2023	12.6%
2024	14.1%
2025	13.3%

Ethnicity breakdown for senior managers and other staff		
Ethnicity	Percentage of total senior managers	Percentage of total other staff
European	72.3%	73.3%
Māori	14.9%	10.8%
Pacific peoples	6.4%	5.8%
Asian	4.3%	15.5%
Middle Eastern, Latin American, African	–	1.7%
Other	4.3%	1.8%

Ethnicity pay gap					
Ethnicity	2021	2022	2023	2024	2025
European	–13.8%	–8.4%	–9.5%	–8.7%	-10.7%
Māori	1.2%	2.5%	3.0%	1.6%	0.9%
Pacific peoples	17.7%	12.3%	5.0%	3.9%	-0.1%
Middle Eastern, Latin American, African	NA	NA	NA	NA	NA
Asian	14.2%	10.0%	13.6%	17.0%	17.6%
Other	NA	NA	NA	NA	NA

Locations

Our workforce continues to be primarily based in Wellington; 720 staff are in roles located there, representing 95.9% of the total workforce. However, this is a decrease from 758 staff in Wellington in 2024.

Auckland remains the location with the second largest workforce, with 27 staff, unchanged from the previous year. Christchurch had a reduction in staff, from 10 in 2024 to 4 in 2025. Dunedin no longer has staff based there.

Staff by location	
Location	Headcount
Auckland	27
Christchurch	4
Wellington	720
Total	**751**

The Ministry as a good employer

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. Our engagement includes the Ministry's Kōrero Mai Employee Experience Survey, and onboarding and exit surveys. Table 11 sets out the key results from these surveys.

Table 11: Key results of the Ministry's staff surveys

Survey	Main findings
Kōrero Mai Employee Experience (last conducted October 2024)	77% of staff responded (down by 2% from 2023). 88% of respondents agreed (somewhat agreed, agreed, or strongly agreed) that the Ministry is a great place to work (compared with 93% in 2023 and 88% in 2022). The overall score remained stable and positive at 71% (compared with 74% in 2023).
Ministry's 90-day onboarding survey	50% of new staff completed the survey. 90% agreed that overall, they had a good experience at the Ministry.
Ministry's exit survey	81% of respondents who were leaving the Ministry agreed they would recommend the Ministry as a place to work. 81% would consider rejoining the Ministry if an opportunity arose.

Equal employment opportunities

The Ministry is committed to being a good employer and upholding the principles of equal employment opportunities (EEO) in all aspects of our practices. Our employment policy and EEO programme are embedded within both our People Retention Strategy and our Diversity and Inclusion Strategy. These aim to foster a workplace that is inclusive and, accessible, and reflects the communities we serve. We promote flexible working arrangements, support the use of te reo Māori and uphold our obligations under Te Tiriti o Waitangi.

Our Individual and Collective Employment Agreements reinforce these commitments by ensuring fair and equitable treatment for all employees. Employment decisions, including hiring, promotion, and remuneration are based on merit, qualifications, and performance. We review remuneration offers in line with the Public Service Commission's Kia Toipoto – Public Service Pay Gaps Action Plan 2021–24 to support our commitment to closing pay gaps.

Our diversity and inclusion strategy

The Ministry is committed to employment practices that promote diversity, equity and inclusion. These practices help build organisational capability and improve performance as we work towards pae ora – healthy futures for all New Zealanders.

Our diversity, equity and inclusion strategy, *Whiria te Tangata,* focuses on key public service initiatives, including Kia Toipoto – Public Service Pay Gaps Action Plan 2021–2024, and Papa Pounamu, the diversity, equity and inclusion work programme for the public service.

In 2024/25, we progressed the following towards our strategy.

- **Inclusive leadership**: 93% of respondents to our 2024 Kōrero Mai Employee Experience survey agreed that the person they reported to creates an inclusive team environment and shows care for their success and wellbeing.
- **Employee-led networks:** We continued to support eight networks: the Rainbow Network; Asian Network; Women's Network; Parents Network; Pacific Forum; Young Public Servants Network; Te Whakaruruhau (Māori Network); and the Disability Network.
- **Celebrating diversity:** We supported events promoting diversity and inclusion such as Pink Shirt Day, Matariki, Lunar New Year, and Pacific Language Week.
- **Bias awareness:** Unconscious bias e-learning remains mandatory for all new staff.
- **Workforce insights:** We actively monitored our workforce demographics to better understand representation across our people and leadership.

Accessibility and flexible working

The Ministry is dedicated to fostering a workplace that enables staff to balance work responsibilities with personal commitments. Our Flexible Working Policy treats all roles as flexible by default, unless there is a genuine business reason to do otherwise. Flexible working arrangements include varied hours, days worked, career opportunities, and work locations. This policy has been drafted in line with the Public Service Commission's 2024 Government Workforce Policy Statement and is currently under review.

We are also committed to providing accessible and inclusive services, support, and advice to all staff, regardless of disability, ethnicity, faith, sexual orientation, gender, or location.

Building our capability

We are committed to lifting the capability of our people through targeted development initiatives that support both individual growth and organisational performance. Our approach combines online and in-person learning opportunities, such as orientation programmes, te reo Māori courses, disability awareness training, and writing skills development.

We continue to embed the refreshed Policy Skills Framework through a dedicated Policy Hub. We also support professional development through study assistance along with performance and development plans aligned with individual and team goals.

In 2024/25, the Ministry:

- supported 12 staff through our study assistance programme
- delivered the Emerging Leaders and New People Leaders programmes to 34 staff
- continued to support kaimahi Māori through the Leadership Development Centre's Te Arai ki Matangireia programme
- launched a 12-month mentoring programme
- held four Organisational Excellence wānanga
- facilitated sessions on Team Management Profile and team culture development across directorates.

Māori–Crown relations capability

The Ministry is committed to ensuring staff have access to opportunities that build their capability to engage meaningfully with Māori. Our Whāinga Amorangi Action Plan sets out clear actions to provide all staff with access to timely and effective development opportunities.

Table 12 outlines the key initiatives we delivered under Whāinga Amorangi in 2024/25.

Table 12: Key initiatives implemented under Whāinga Amorangi in 2024/25

Whāinga Amorangi objective: Understanding racial equity and institutional racism
Ao Mai te Rā: the Anti-racism Kaupapa. Provides tools and resources to help the health system understand and address systemic racism, enabling institutional change through models, benchmarking tools, shared definitions, and multimedia resources. Number participating: 80 staff (11%) in 2024/25.
Tū Tira – Equity, Te Tiriti & Anti-Racism Community of Practice. Ministry-led community of practice to build capability in equity, Te Tiriti, and anti-racism through leadership, measurable action, and strengthened internal networks. Number participating: 120 staff (16%) since the initiative was established.
Equity and Te Tiriti Subcommittee. Monthly internal group of Tier 2–4 leaders providing oversight on Te Tiriti obligations and equity advancement. Number participating: N/A.
Organisational Excellence Wānanga. Strengthened equity capability through practical workshops, needs-based analysis, business partnering, and re-engagement with ngā uaratanga (the Ministry's values), enhancing understanding of Te Tiriti, equity, and needs-based service design. Number participating: 113 staff (14%).
Te Ohu Matakoki. Staff-led group fostering leadership in Te Tiriti and equity, supporting the Matariki Ora Action Plan 2021–2025 by building capability and embedding mātauranga Māori into policy, strategy, and legislation. Number participating: 23 active staff members, supported by three group managers.
Whāinga Amorangi objective: Māori engagement
Engaging with an Unsettled Sector webinar. Targeted webinar for Tier 4+ leaders to build confidence and capability in engaging with Māori in unsettled or high-stakes contexts, grounded in tikanga and mana-enhancing practices. Number participating: Exact number of staff unknown.
Tātai. Co-designed online platform for sharing iwi affiliation data with the health sector, supporting Māori autonomy, iwi-led planning and service delivery, and improved data for policy and investment decisions. Number participating: N/A.
Whāinga Amorangi objective: Tikanga and kawa
Te Wiki o Te Reo Māori. Continued support for staff to grow te reo Māori capability through waiata, kai and kēmu, lunchtime rumaki reo, te reo Māori Levels 1 and 2 courses, and links to external learning. Number participating: All staff invited.
Matariki events. Celebration of Matariki exposed staff to mātauranga Māori and wellbeing concepts through activities designed to deepen staff understanding of Māori and its relevance to health and wellbeing. Number participating: All staff invited.
Toro Mai – online modules. Online modules developed by Massey University supported staff to deepen understanding of Māori knowledge, including te reo Māori and tikanga Māori. Number participating: 140 staff (18%).
Whāinga Amorangi objective: New Zealand history and Te Tiriti o Waitangi
Wall Walk. Interactive workshop exploring key events in New Zealand's bicultural history, enhancing staff understanding of the impacts of government policy on Māori and the Māori–Crown relationship. Number participating: 34 staff (4%).
Te Rito – online modules. Modules supported staff to deepen their understanding of te ao Māori, explore historical context, and gain insights into the concept of 'walking in two worlds'. Number participating: 194 staff (25%).
Ngutuawa – Te Tiriti tools and training. Supported staff to build te ao Māori understanding and embed Te Tiriti analysis across policy work, strengthening the application of Te Tiriti considerations in practice. Number participating: Tools and training available to all staff.
Whāinga Amorangi objective: Worldviews and knowledge systems
Te Ao Māori – online modules. Modules built staff knowledge of te ao Māori, the Māori world, including on Te Tiriti o Waitangi, *Whakamaua: Māori Health Action Plan 2020–2025*, Ao Mai te Rā: the Anti-Racism Kaupapa. Number participating: Exact number of staff unknown.

Māori language planning – te reo Māori revitalisation

The Ministry continues to support staff in developing their te reo Māori and tikanga Māori. Our Māhere Reo Māori (Māori Language Action Plan) is a key part of our Whāinga Amorangi Action Plan to build confidence and capability in te reo and tikanga Māori, and to strengthen engagement with Māori.

We offer Level 1 and Level 2 te reo Māori programmes. In 2024/25, 55 staff completed Level 1 and 34 staff completed Level 2.

Our Māhere Reo Māori also outlines a number of initiatives we have implemented, including:

- a bilingual signage project
- support for waiata tautoko whānau
- participation in Te Kōnohete, the public service Kapa Haka event
- development of a Te Reo Māori Translation Services Policy
- resources to support pronunciation in Ministry karakia and waiata, and to promote Ngā Uaratanga (Our Values)
- mihi and pepeha resources for staff
- progression of a reo Māori corpus for the Ministry
- development of online learning modules.

Health, safety and wellbeing

Our vision is for a workplace where people are protected from harm and feel empowered to contribute to better health, safety and wellbeing outcomes for themselves and others.

To achieve this vision, we are committed to maintaining health, safety and wellbeing processes that are accessible, easy to use, and proportionate to the level of risk associated with our work. Reporting to the Executive Governance Team (EGT) was streamlined to ensure timely and relevant information was available for oversight. This enabled the EGT to meet its governance responsibilities, focus on key priorities, and dedicate attention to critical risks, including psychosocial risks.

In 2024/25, ergonomic pain and discomfort represented the largest category of incident reports received. These cases were managed through an early pain and discomfort programme, which offers workstation assessments and other rehabilitation options, such as physiotherapy. Early intervention supports faster recovery, helps staff return to work sooner, and reduces the risk of prolonged and costly recoveries.

The Ministry is a member of the Accident Compensation Corporation (ACC) Accredited Employer Programme (AEP), which provides access to consistent and dedicated injury management. In July 2024, we achieved tertiary status in our ACC AEP audit, demonstrating our commitment to continuous improvement in our health and safety system. During 2024/25, we undertook an internal assurance review to assess our readiness to meet updated ACC AEP requirements. This led to improved staff representation and enhanced approaches to assessing critical risks.

Our people remain actively engaged in health, safety and wellbeing initiatives through two dedicated committees and a Wellbeing Rōpū. Staff representatives play a key role in reviewing the Ministry's health and safety management system, assessing critical risks, and updating educational resources to make them accessible, relevant, and responsive to staff needs.

All staff are equipped to perform their roles safely and effectively. Every worker completes an online induction that covers essential health, safety and wellbeing information, including site-specific details. Staff involved in higher-risk activities receive training and support tailored to their work.

In October 2024, the Ministry strengthened its emergency response capability by participating in the national ShakeOut exercise.

New payroll and human resource information system

In July 2024, the Ministry entered into a contract with Workday and Datapay to replace our payroll and human resource information system (HRIS), which will no longer be supported after December 2025. This transition supports our transformation by enabling the shifts needed in how we work.

The all-in-one payroll and HRIS replacement system, 'Taku Mahi', went live on 9 July 2025. The new system introduces greater automation, reduces manual tasks and interventions, makes it easier to audit business processes, enables online approvals, and enhances data analytics and insights.

IT infrastructure

In 2024/25, we completed a digital operating model for the Ministry's regulatory services, providing an end-to-end model for the processes that underpin the services. We progressed delivery of a replacement platform to support the Assisted Dying Service regulatory function. The Smokefree Environment and Regulated Products project was initiated in May 2025 to develop a replacement product to deliver this regulatory service.

In line with the release of Government guidance for the safe use of Artificial Intelligence (AI) in the public sector, we have been exploring opportunities for efficiencies through several AI proofs of concept (PoC) and pilots. A completed PoC on a Microsoft Copilot for staff productivity has advanced to a cross-organisational pilot. Another set of AI PoCs is underway, with the aim of creating efficiencies, including to support:

- ethics committees
- responses for human resources managers and staff
- day-to-day administrative tasks for some teams.

A PoC is also underway to explore opportunities for integrating AI to safely and securely analyse health data used in performance reporting and monitoring, in line with relevant public service AI frameworks.

Service critical assets

The Government's Cabinet Office Circular CO(23)9 of September 2023 outlines the requirements for government departments to include relevant asset performance indicators for service critical assets in their annual reports.

As part of the 2022 health system reform, the Ministry transferred its operational and service management technology functions to Health NZ. This transfer included most Data and Digital staff, budgets, and system assets. Health NZ then provided these services to the Ministry under a Shared Services Agreement.

Throughout 2024/25, we undertook a comprehensive assessment of the quality and performance of these critical services and assets, along with an options analysis to determine a preferred future state.

The Ministry is now transitioning IT services back under its direct control. Once this transition is complete, we will establish and monitor service and asset performance to ensure these functions are accountable and align with organisational needs. Through this process over 2025/26, baselines for IT assets will be established and reporting formalised.

For reporting on performance on service critical physical assets, see Annex 5.

Section 4: Annual financial statements – Ngā tauāki pūtea o te tau

Statement of comprehensive revenue and expense for the year ended 30 June 2025

Actual 2024 $000		Note	Actual 2025 $000	Unaudited budget 2025 $000	Unaudited forecast 2026 $000
	Revenue				
254,075	Revenue Crown	2	210,394	212,961	207,614
29,857	Other revenue	2	29,708	22,302	33,111
283,932	**Total revenue**		**240,102**	**235,263**	**240,725**
	Expenses				
127,033	Personnel costs	3	119,768	119,182	118,686
1,041	Depreciation and amortisation expense	7, 8	706	740	681
634	Capital charge	4	593	621	621
140,362	Other expenses	5	109,410	114,720	120,737
269,070	**Total expenses**		**230,477**	**235,263**	**240,725**
14,862	**Net surplus/(deficit)**		**9,625**	**–**	**–**
	Other comprehensive revenue and expense				
	Item that will not be reclassified to net surplus/(deficit)				
(565)	Loss on property revaluation		–	–	–
14,297	**Total comprehensive revenue and expenses**		**9,625**	**–**	**–**

The accompanying notes form part of these financial statements.

Statement of financial position as at 30 June 2025

Actual 2024 $000		Note	Actual 2025 $000	Unaudited budget 2025 $000	Unaudited forecast 2026 $000
	Equity				
8,874	Taxpayers' funds		8,874	9,360	10,428
2,990	Property revaluation reserve		2,990	3,555	2,990
(8,794)	Memorandum accounts	14	(10,349)	(8,799)	(10,349)
3,070	**Total equity**	**13**	**1,515**	**4,116**	**3,069**
	Assets				
	Current assets				
7,746	Cash and cash equivalents	16	2,903	7,000	9,000
5,247	Receivables	6, 16	2,231	2,774	2,600
52,987	Debtor Crown	16	32,431	12,201	21,096
1,901	Prepayments		1,282	500	500
67,881	**Total current assets**		**38,847**	**22,475**	**33,196**
	Non-current assets				
10,556	Property, plant and equipment	7	10,272	8,146	10,414
419	Intangible assets	8	243	345	137
10,975	**Total non-current assets**		**10,515**	**8,491**	**10,551**
78,856	**Total assets**		**49,362**	**30,966**	**43,747**
	Liabilities				
	Current liabilities				
39,766	Payables	9	21,116	17,000	29,500
15,343	Return of operating surplus	10	11,180	–	–
8,796	Provisions	11	3,905	–	3,308
11,100	Employee entitlements	12	10,875	8,550	7,200
75,005	**Total current liabilities**		**47,076**	**25,550**	**40,008**
	Non-current liabilities				
781	Employee entitlements	12	771	1,300	670
781	**Total non-current liabilities**		**771**	**1,300**	**670**
75,786	**Total liabilities**		**47,847**	**26,850**	**40,678**
3,070	**Net assets**		**1,515**	**4,116**	**3,069**

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2025

Actual 2024 $000		Note	Actual 2025 $000	Unaudited budget 2025 $000	Unaudited forecast 2026 $000
4,632	Balance as at 1 July		3,070	4,116	3,069
14,862	Net surplus/(deficit)		9,625	–	–
(565)	Property revaluation		–	–	–
	Owner transactions				
(15,343)	Return of operating surplus to the Crown	10	(11,180)	–	–
(400)	Capital withdrawal – cash		–	–	–
(116)	Capital withdrawal – non-cash		–	–	–
3,070	**Balance as at 30 June**		**1,515**	**4,116**	**3,069**

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2025

Actual 2024 $000		Actual 2025 $000	Unaudited budget 2025 $000	Unaudited forecast 2026 $000
	Cash flows from operating activities			
255,529	Receipts from revenue Crown	230,950	216,209	212,030
32,560	Receipts from other revenue	33,728	22,302	33,111
(136,521)	Payments to suppliers	(123,017)	(116,540)	(122,583)
(117,839)	Payments to employees	(124,894)	(117,050)	(116,437)
(634)	Payments for capital charge	(593)	(621)	(621)
5,575	Goods and services tax (net)	(5,456)	–	–
38,670	**Net cash flow from operating activities**	**10,718**	**4,300**	**5,500**
	Cash flows from investing activities			
–	Receipts from sale of property, plant and equipment	–	4,000	–
(2,259)	Purchase of property, plant and equipment	(218)	(1,500)	(500)
–	Purchase of intangible assets	–	(100)	–
(2,259)	**Net cash flow from investing activities**	**(218)**	**2,400**	**(500)**
	Cash flows from financing activities			
(400)	Capital withdrawal	–	–	–
(34,129)	Return of operating surplus	(15,343)	(6,700)	(5,000)
(34,529)	**Net cash flow from financing activities**	**(15,343)**	**(6,700)**	**(5,000)**
1,882	**Net increase in cash held**	**(4,843)**	**–**	**–**
5,864	Cash at the beginning of the year	7,746	7,000	9,000
7,746	**Cash at the end of the year**	**2,903**	**7,000**	**9,000**

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2025 (continued)

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

Actual 2024 $000		Actual 2025 $000
14,862	**Net surplus/(deficit)**	**9,625**
	Add/(less) non-cash items	
(116)	Crown entities transfer	–
1,041	Depreciation and amortisation expense	706
925	**Total non-cash items**	**706**
	Add/(less) items classified as investing or financing activities	
–	(Gains)/losses on disposal of intangibles	3
–	**Total items classified as investing or financing activities**	**3**
	Add/(less) movements in working capital items	
3,660	(Increase)/decrease in receivables	3,016
1,454	(Increase)/decrease in debtor Crown	20,556
(1,394)	(Increase)/decrease in prepayments	619
9,969	Increase/(decrease) in payables*	(18,681)
8,796	Increase/(decrease) in provisions	(4,891)
398	Increase/(decrease) in employee entitlements	(235)
22,883	**Total movements in working capital items**	**384**
38,670	**Net cash flow from operating activities**	**10,718**

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

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2025 (continued)

Reconciliation of net cash flow from financing activities:

Actual 2024 $000		Actual 2025 $000
	Movement in liability arising from financing activities	
(18,786)	Increase/(decrease) in return of operating surplus liability	(4,163)
(18,786)	**Total movement in liability arising from financing activities**	**(4,163)**
	Non-cash item	
(15,343)	Operating surplus to be paid to the Crown in 2024/25	(11,180)
(15,343)	**Total non-cash item**	**(11,180)**
	Add/(less) owner's contribution and withdrawal	
(400)	Capital withdrawal	–
(400)	**Net owner's contribution and withdrawal**	**–**
(34,529)	**Net cash flow from financing activities**	**(15,343)**

The accompanying notes form part of these financial statements.

Statement of commitments as at 30 June 2025

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 2024 $000		Actual 2025 $000
	Operating leases as lessee	
	Future aggregate lease payments to be paid under non-cancellable operating leases are as follows	
9,882	Not later than one year	9,583
33,858	Later than one year and not later than five years	31,955
20,541	Later than five years	12,838
64,281	**Total non-cancellable operating lease commitments**	**54,376**
64,281	**Total commitments**	**54,376**

The Ministry has direct medium to long-term leases on premises in Auckland, Wellington, and Palmerston North. It has licences to occupy in Hamilton and Christchurch. The sites in Palmerston North, Hamilton, and Christchurch are on behalf of the Cancer Control Agency – 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 2025

The Ministry had no contingent liabilities as at 30 June 2025 (2024: $nil).

The Ministry had no contingent assets as at 30 June 2025 (2024: $nil).

The accompanying notes form part of these financial statements.

Notes to the financial statements for the year ended 30 June 2025

Notes index

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 Pae Ora (Healthy Futures) Act 2022. The Ministry's ultimate parent is the New Zealand Crown.

The financial statements of the Ministry for the year ended 30 June 2025 are consolidated financial statements including the Ministry and the Cancer Control Agency – Te Aho o Te Kahu (the Agency). The Agency (established on 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 101 – 115.

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 2025 and were approved for issue by the Director-General of Health on 30 September 2025.

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

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. Refer to Note 5.

PBE IFRS 17 Insurance Contracts

This new standard sets out accounting requirements for insurers and other entities that issue insurance contracts, and it 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.

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 2024/25 budget figures are for the year ended 30 June 2025 and were published in the 2023/24 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 2024/25.

Basis of the forecast figures

The 2025/26 forecast figures are for the year ending 30 June 2026, are consistent with the best estimate at the time when the Budget Economic and Fiscal Update forecast financial information was submitted to The Treasury for the year ending 2025/26.

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 2026 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 as at April 2025.

While the Ministry regularly updates its forecasts, updated forecast financial statements for the year ending 30 June 2026 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 2025/26 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 April 2025, were as follows.

- The Ministry's activities and output expectations will remain substantially the same as in 2024/25, focusing on the Government's priorities.
- Personnel costs were based on current wages and salary costs adjusted for anticipated remuneration changes.
- Operating costs were based on committed or required activity in alignment with Government priorities, with alignment to historical trends and 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 2024/25 was used as the opening position for the 2025/26 forecasts.

The actual financial results achieved for 30 June 2026 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 2025/26 and reflected in the Vote Health 2025/26 Supplementary Estimates
- technical adjustments to (including transfers between) financial years and/or
- 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 $210.394 million (2024: $254.075 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 2024 $000		Actual 2025 $000
11,919	Medicines registration	12,828
3,981	Annual licence and registration fees	4,130
3,900	Lease income	4,632
10,057	Other revenue	8,118
29,857	**Total other revenue**	**29,708**

Explanation of major variances against budget

Other revenue was $7.406 million higher than budget mainly due to:

- $3.234 million funding from the Ministry of Foreign Affairs and Trade for the Polynesian Health Corridors programme
- $1.632 million revenue received from Health NZ for IT facilities costs and rent recoveries
- $1.688 million revenue received from the New Zealand Customs Service relating to alcohol-related programmes funded from alcohol levies.

Other revenue was only finalised during the 2024 October Baseline Update. Due to the nature of the activity, the estimated budget was not known at the time the Main Estimates were prepared. The budgets for the new financial year can only be finalised once the prior year end accounts have been completed.

Debtor Crown was $20.230 million higher than budget as less cash was required to be 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 2024 $000		Actual 2025 $000
117,619	Salaries and wages	114,298
3,543	Employer contributions to defined contribution plans	3,509
3,607	Redundancy costs	1,305
621	Increase/(decrease) in employee entitlements	(489)
1,643	Other personnel costs	1,145
127,033	**Total personnel costs**	**119,768**

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 2025 was 5.0% (2024: 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 2024 $000		Note	Actual 2025 $000	Unaudited budget 2025 $000	Unaudited forecast 2026 $000
39,003	Professional specialist fees*		33,801	38,350	43,380
43,117	Scientific advice		29,871	29,857	31,022
18,537	Contractors and consultants		13,711	9,360	3,957
13,385	Operating lease payments		11,192	12,972	11,768
11,381	Computer services		10,189	8,751	14,485
3,828	Occupancy costs other than leases		4,436	3,870	4,810
1,994	Travel		1,481	2,167	1,814
1,415	Insurance		1,451	1,435	1,500
1,556	Communications		655	2,001	1,436
381	Fees to Audit New Zealand for audit of financial statements**		378	423	384
254	Advertising and sponsorship		371	123	224
419	Printing and stationery		319	410	479
210	Sector and public consultations		14	495	398
3,501	Repairs and maintenance		6	–	–
–	Net loss on sale/disposal of intangibles equipment		3	–	–
(40)	Impairment loss on receivables	6	(261)	–	–
1,421	Other expenses		1,793	4,506	5,080
140,362	**Total other expenses**		**109,410**	**114,720**	**120,737**

* Professional specialist fees include $7.157 million (2024: $13.469 million) of funding provided to local authorities for water fluoridation, as a result of direction notices under the Health Act 1956.

** 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 2025 (2024: nil).

Explanation of major variances against budget

Other expenses were $5.310 million lower than budget.

Operating costs were budgeted based on historical trends and other relevant factors that were believed to be reasonable under the current circumstances. These figures represent the Ministry's best estimate of the costs expected to be incurred at the time the 2024/25 Main Estimates were prepared.

The estimated year-end results for 2023/24 were used as the opening position for the 2024/25 budget. Any significant changes that affect the final results compared with the original budget are outlined in the Vote Health 2024/25 Supplementary Estimates.

The professional specialist fees were lower than the original budget mainly due to funding initially allocated to update the regulatory platform, being deferred to 2025/26 financial year.

The Ministry has worked to reduce expenditure on contractors and consultants in line with public sector expectations. Actual expenditure was more than the original budget, primarily due to the extension of the Holidays Act Remediation Programme and other project related work that was originally categorised against other expenditure lines until programmes were approved.

Actual spend for computer services was more than the original budget mainly due to the payroll replacement project and core services realignment project.

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 2024 $000		Actual 2025 $000
5,578	Gross receivables	2,301
(331)	Less: allowances for credit losses	(70)
5,247	**Net receivables**	**2,231**
Receivables consist of:		
5,247	Receivables from registration and licence fees and other revenue	2,231
5,247	**Total receivables**	**2,231**

As at 30 June 2025, 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

2024				2025		
Gross $000	Impairment $000	Net $000		Gross $000	Impairment $000	Net $000
3,789	–	3,789	Not past due	1,885	–	1,885
261	–	261	Past due 1–30 days	310	–	310
86	–	86	Past due 31–60 days	28	–	28
25	–	25	Past due 61–90 days	23	(15)	8
1,417	(331)	1,086	Past due >91 days	55	(55)	–
5,578	**(331)**	**5,247**	**Balance as at 30 June**	**2,301**	**(70)**	**2,231**

Movement in the allowance for credit losses

Actual 2024 $000		Actual 2025 $000
371	Balance as at 1 July	331
87	Increase/(decrease) in loss allowance made during the year	(235)
(127)	Receivables written off during the year	(26)
331	**Balance as at 30 June**	**70**

7. Property, plant 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 improve-ments	Furniture plant and equipment	Motor vehicles	Computer hardware	Total
	$000	$000	$000	$000	$000	$000
Cost or valuation						
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**
Balance as at 1 July 2024	5,750	8,299	770	171	780	15,770
Additions	–	98	146	–	5	249
Revaluation	–	–	–	–	–	–
Disposals	–	(3)	(41)	–	(16)	(60)
Balance as at 30 June 2025	**5,750**	**8,394**	**875**	**171**	**769**	**15,959**
Accumulated depreciation and impairment losses						
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**
Balance as at 1 July 2024	–	3,675	683	76	780	5,214
Depreciation expense	–	456	50	27	–	533
Eliminate on disposal	–	(3)	(41)	–	(16)	(60)
Balance as at 30 June 2025	**–**	**4,128**	**692**	**103**	**764**	**5,687**
Total property, plant and equipment including work in progress						
At 30 June 2023	6,315	2,984	137	122	6	9,564
At 30 June 2024	5,750	4,624	87	95	–	10,556
At 30 June 2025	**5,750**	**4,266**	**183**	**68**	**5**	**10,272**

Work in progress

As at 30 June 2025, work in progress was $0.117 million (2024: nil).

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 $000	Internally generated software $000	Total $000
Cost			
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**
Balance as at 1 July 2024	10	10,922	10,932
Additions	–	–	–
Disposals	(10)	(609)	(619)
Balance as at 30 June 2025	**–**	**10,313**	**10,313**
Accumulated amortisation and impairment losses			
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**
Balance as at 1 July 2024	10	10,503	10,513
Amortisation expense	–	173	173
Eliminate on disposal	(10)	(606)	(616)
Balance as at 30 June 2025	**–**	**10,070**	**10,070**
Total intangible assets including work in progress			
At 30 June 2023	–	935	935
At 30 June 2024	–	419	419
At 30 June 2025	**–**	**243**	**243**

Work in progress

As at June 2025, the Ministry has no IT projects in progress (2024: $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 and licences.

Actual 2024 $000		Actual 2025 $000
1,527	Creditors	1,566
5,018	Revenue in advance	5,761
26,242	Accrued expenses	12,266
6,979	GST payable	1,523
39,766	**Total payables**	**21,116**

10. Return of operating surplus

Actual 2024 $000		Actual 2025 $000
14,862	Net surplus/(deficit)	9,625
	Add:	
481	(Surplus)/deficit of memorandum accounts	1,555
15,343	Total operating surplus/(deficit)	11,180
15,343	**Total return of operating surplus**	**11,180**

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 2024 $000		Actual 2025 $000
	Current portion	
5,768	Restructuring	877
3,028	Demolition and remediation of 108 Victoria Street	3,028
8,796	**Total current portion**	**3,905**

Movements for each class of provision

	Restructuring	Demolition and remediation of 108 Victoria Street	Total
	$000	$000	$000
Cost			
Balance as at 1 July 2024	5,768	3,028	8,796
Additional provisions made	877	–	877
Provision used during year	(5,768)	–	(5,768)
Balance as at 30 June 2025	**877**	**3,028**	**3,905**

Restructuring provision

A restructuring provision is recognised when a detailed and formally approved plan has been publicly communicated to those affected, or when implementation has commenced.

A restructuring provision arose as a result of making changes to our organisational structure to continue to effectively lead our health system. The new structure was confirmed on 26 June 2025. These changes realign the Ministry's operations with the core elements of its mandate.

Demolition and remediation of 108 Victoria Street

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 anticipated fully utilising the provisions raised in 2024/25. The remediation at 108 Victoria Street was expected to occur within that year. However, due to reprioritisation of resources, the programme has been deferred to 2025/26.

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, and 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 2024 $000		Actual 2025 $000
	Current portion	
7,379	Annual leave	6,846
575	Retirement and long-service leave	553
3,146	Accrued salaries	3,476
11,100	**Total current portion**	**10,875**
	Non-current portion	
781	Retirement and long-service leave	771
781	**Total non-current portion**	**771**
11,881	**Total employee entitlements**	**11,646**

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 3.14% (2024: 5.30%) 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 $8,356 higher/lower (2024: $7,977 higher/lower).

If the salary inflation factor 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 $9,175 higher/lower (2024: $13,129 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 comprises 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.

Breakdown of equity and further information

Actual 2024 $000		Actual 2025 $000
	Taxpayers' funds	
9,390	Balance as at 1 July	8,874
14,862	Net surplus/(deficit)	9,625
481	Transfer of memorandum account net deficit for the year	1,555
(15,343)	Return of operating surplus to the Crown	(11,180)
(400)	Capital withdrawal – cash	–
(116)	Capital withdrawal – non-cash	–
8,874	**Balance as at 30 June**	**8,874**
	Property revaluation reserve	
3,555	Balance as at 1 July	2,990
(565)	Revaluation gains/(losses) on land	–
2,990	**Balance as at 30 June**	**2,990**
	Memorandum accounts	
(8,313)	Balance as at 1 July	(8,794)
(481)	Net memorandum account deficits for the year	(1,555)
(8,794)	**Balance as at 30 June**	**(10,349)**
3,070	**Total equity**	**1,515**

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 previously undertaken fees reviews for Medsafe and the Office of Radiation Safety. These changes were expected to address the deficit in the medium term.

Medsafe implemented a new fee structure in January 2023 and has seen a decrease in the deficit over the last two years as anticipated. A review is underway for Medicinal Cannabis, with recommendations for a new fees schedule to be made to Ministers during 2025/26. A review of all other memorandum account costs and fee structures will also be undertaken in 2025/26.

	Problem Gambling*	Office of Radiation Safety	Medsafe	Medicinal Cannabis	Vaping	Total
	$000	$000	$000	$000	$000	$000
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)
Surplus/(deficit) for the year	-	*(733)*	*820*	*(559)*	*(9)*	*(481)*
Balance as at 30 June 2024	**(707)**	**(3,687)**	**(2,653)**	**(1,767)**	**20**	**(8,794)**
Balance as at 1 July 2024	(707)	(3,687)	(2,653)	(1,767)	20	(8,794)
Revenue	–	1,319	12,428	726	818	15,291
Expenditure	–	(2,386)	(11,910)	(936)	(1,614)	(16,846)
Surplus/(deficit) for the year	-	*(1,067)*	*518*	*(210)*	*(796)*	*(1,555)*
Balance as at 30 June 2025	**(707)**	**(4,754)**	**(2,135)**	**(1,977)**	**(776)**	**(10,349)**

* The Problem Gambling memorandum account was disestablished in 2019/20. The Ministry has been working to seek 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 105.

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.

Actual 2024 $000		Actual 2025 $000
	Leadership team	
3,990	Remuneration	4,087
11	Full-time equivalent staff	10

The leadership team also includes the Director-General of Health.

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.

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 2024 $000		Actual 2025 $000
	Financial assets measured at amortised cost	
7,746	Cash and cash equivalents	2,903
5,247	Receivables	2,231
52,987	Debtor Crown	32,431
65,980	**Total financial assets measured at amortised cost**	**37,565**
	Financial liabilities measured at amortised cost	
1,527	Creditors	1,566
26,242	Accrued expenses	12,266
27,769	**Total financial liabilities measured at amortised cost**	**13,832**

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	13,832	13,832	13,832	–	–
Balance as at 30 June 2025	**13,832**	**13,832**	**13,832**	**–**	**–**
Payables	27,769	27,769	27,769	–	–
Balance as at 30 June 2024	**27,769**	**27,769**	**27,769**	**–**	**–**

17. Departmental agency results

Cancer Control Agency – Te Aho o Te Kahu

On 28 August 2019, Cabinet approved the establishment of the Cancer Control Agency – Te Aho o Te Kahu (the Agency) as a departmental agency hosted by the Ministry.

The Order in Council also named the Agency 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 the Agency.

The Agency is funded within Vote Health baselines.

In summary, the financial performance of the Agency for the year ended 30 June 2025 was as follows.

Actual 2024 $000		Actual 2025 $000
	Departmental activities	
14,509	Revenue	13,572
14,509	**Revenue Crown**	**13,572**
	Expenses	
8,803	Personnel costs	9,220
3,855	Other expenses	3,469
12,658	**Total expenses**	**12,689**
1,851	**Net surplus/(deficit)**	**883**

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 2025

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.

Statement of non-departmental expenses for the year ended 30 June 2025

Actual 2024 $000		Note	Actual 2025 $000	Unaudited budget 2025 $000	Revised budget 2025 $000
23,485,461	Services from Health NZ	2.1	24,295,583	23,713,176	24,735,613
535,681	Services from Te Aka Whai Ora	2.2	–	755,582	–
1,836,118	Services from Pharmaceutical Management Agency Limited	2.3	1,721,141	1,611,141	1,721,141
18,167	Services from Health Quality & Safety Commission		16,667	16,667	16,667
19,701	Services from the Health and Disability Commissioner	2.4	20,201	16,801	19,701
9,712	Services from other Crown entities		10,712	10,712	11,212
25,904,840	**Total services from Crown entities**		**26,064,304**	**26,124,079**	**26,504,334**
1,678	Services from government departments		1,670	–	1,500
1,678	**Total services from government departments**		**1,670**	**–**	**1,500**
7,828	Services from third parties	2.5	12,698	6,347	14,649
–	Redress payments		2,627	–	12,573
650	Loss on disposal of assets		–	–	–
8,478	**Total other services from third parties**		**15,325**	**6,347**	**27,222**
25,914,996	**Total services**		**26,081,299**	**26,130,426**	**26,533,056**
25,914,996	**Total non-departmental expenses**		**26,081,299**	**26,130,426**	**26,533,056**
3,886,937	GST input expense		3,911,041	3,919,564	3,979,958
29,801,933	**Total non-departmental expenses GST inclusive**		**29,992,340**	**30,049,990**	**30,513,014**

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 2025.

Schedule of non-departmental revenue and capital receipts for the year ended 30 June 2025

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 2024 $000		Actual 2025 $000	Unaudited budget 2025 $000	Revised budget 2025 $000
	Revenue			
	Reimbursement from the Accident Compensation Corporation (ACC)			
8,789	Reimbursement of complex burns costs	8,952	8,968	8,952
43,981	Reimbursement of work-related public hospital costs	52,431	48,627	52,431
519,526	Reimbursement of non-earners' account	619,340	574,403	619,340
168,254	Reimbursement of earners' non-work related public hospital costs	200,580	186,027	200,580
81,498	Reimbursement of motor vehicle related public hospital costs	97,156	90,106	97,156
4,923	Reimbursement of medical misadventure costs	5,869	5,443	5,869
10,232	Reimbursement of self-employed public hospital costs	12,198	11,313	12,198
837,203	**Total ACC reimbursements**	**996,526**	**924,887**	**996,526**
	Other non-departmental revenue			
476,007	Capital charge from Crown entities	491,233	576,359	576,359
9,633	Fines, penalties and levies	13,285	–	15,200
61	Gain on disposal of assets	–	–	–
327	Miscellaneous revenue	71	–	–
1,323,231	**Total non-departmental revenue**	**1,501,115**	**1,501,246**	**1,588,085**
	Non-departmental capital receipts			
20,803	Repayment of residential care loans	24,464	35,000	35,000
12,499	Equity repayments by Health NZ	12,499	12,499	12,499
–	Receipts from Pharmac	284,831	–	284,831
33,302	**Total non-departmental capital receipts**	**321,794**	**47,499**	**332,330**
1,356,533	**Total non-departmental revenue and capital receipts**	**1,822,909**	**1,548,745**	**1,920,415**

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 2025.

Schedule of non-departmental assets and liabilities as at 30 June 2025

Actual 2024 $000		Note	Actual 2025 $000	Unaudited budget 2025 $000	Revised budget 2025 $000
	Assets				
	Current assets				
68,409	Cash and cash equivalents		15,810	26,000	20,000
(8)	Receivables from Health NZ		–	500	–
905	Receivables from government departments		982	1,000	–
8	Other receivables		392	200	100
1,466	Prepayments		1,550	1,500	1,550
70,780	**Total current assets**		**18,734**	**29,200**	**21,650**
70,780	**Total non-departmental assets**		**18,734**	**29,200**	**21,650**
	Liabilities				
	Current liabilities				
	Payables:				
10,575	Other payables		12,840	10,000	12,800
	Accrued liabilities and provisions:				
17,593	Crown entities accrued liabilities	2.6	–	75,000	–
6,359	Other accrued liabilities		8,467	7,000	6,200
34,527	**Total non-departmental current liabilities**		**21,307**	**92,000**	**19,000**

The Ministry monitors a number of Crown entities, including Health NZ, and Pharmac. 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 2025.

Schedule of non-departmental contingent liabilities and contingent assets as at 30 June 2025

Contingent liabilities

Actual 2024 $000		Actual 2025 $000
13,610	Legal proceedings and disputes	13,610
13,610	**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 a class action proceeding against the Ministry on behalf of self-employed midwives over contractual issues. The High Court hearing was completed in September 2024 and the Ministry is awaiting the decision.

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 case was heard in the High Court in March 2025 and the Ministry is awaiting the decision.

J v Attorney General and others

The claim was filed for unlawful detention and New Zealand Bill of Rights Act 1990 compensation. The Supreme Court hearing occurred in August 2024 and the Ministry is awaiting the decision.

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 NZ as part of the 2022 health system reform. No hearing date has been set.

Contingent assets

The Ministry had no contingent assets held on behalf of the Crown as at the balance date (2024: $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 2025.

Schedule of non-departmental commitments as at 30 June 2025

Capital commitments

The Ministry had no commitments on behalf of the Crown as at the balance date (2024: $nil).

Problem Gambling Revenue Report for the year ended 30 June 2025

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 NZ. The following report shows the revenue collected to date and actual expenditure.

Actual 2024 $000		Actual 2025 $000
	Problem Gambling	
466	Balance as at 1 July	(6,159)
22,797	Revenue	21,857
(29,422)	Expenses	(20,534)
(6,625)	Surplus/(deficit)	1,323
(6,159)	**Balance as at 30 June***	**(4,836)**

* 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.*[45]

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 2025.

45 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).

Notes to the non-departmental statements and schedules

Notes index

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 2025.

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 on behalf of the Crown 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 on behalf of the Crown has assessed this standard and there are not any anticipated impacts on the financial statements.

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 on behalf of the Crown has assessed this standard and there are not any anticipated impacts on the financial statements.

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 NZ 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 2024/25 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 2024/25 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 2025. 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 2025

Actual expenditure 2024 $000	Appropriation title	Note	Actual expenditure 2025 $000	Unaudited budget 2025 $000	Revised budget* 2025 $000	Location of end-of-year performance information^
	Multi-year appropriations					
	Departmental output expenses					
–	Strengthening Pacific Health Systems MYA		2,244	–	5,036	1
–	**Total multi-year appropriations**		**2,244**	**-**	**5,036**	
	Multi-category expenses					
269,070	**Stewardship of the New Zealand health system MCA**		**228,183**	**228,563**	**235,824**	
	Departmental output expenses					
23,432	Equity, evidence and outcomes		36,594	16,620	40,302	1
43,456	Policy advice and related services		36,489	39,791	38,609	1
125,443	Public health and population health leadership		88,610	103,743	87,515	1
61,814	Regulatory and enforcement services		45,866	53,274	46,786	1
14,925	Sector performance and monitoring		20,624	15,135	22,612	1
–	**Redress for Abuse in Care MCA**		**2,677**	–	**13,070**	
	Departmental output expenses					
–	Delivering redress for abuse in care		50	–	497	1
	Non-departmental output expenses					
–	Redress Payments		2,627	–	12,573	1
70,287	**Implementing the COVID-19 vaccine strategy MCA#**		**–**	**–**	**–**	
	Non-departmental output expenses					
70,287	Implementing the COVID-19 immunisation programme#		–	–	–	N/A
177,448	**National response to COVID-19 across the health sector MCA#**		**–**	**–**	**–**	
	Non-departmental output expenses					
177,448	COVID-19 public health response#		–	–	–	N/A
269,070	**Total multi-category departmental output expenses**		**228,233**	**228,563**	**236,321**	
247,735	**Total multi-category non-departmental output expenses**		**2,627**	**–**	**12,573**	
516,805	**Total multi-category output expenses**		**230,860**	**228,563**	**248,894**	
269,070	**Total departmental output appropriation**		**230,477**	**228,563¥**	**241,357**	

Actual expenditure 2024 $000	Appropriation title	Note	Actual expenditure 2025 $000	Unaudited budget 2025 $000	Revised budget* 2025 $000	Location of end-of-year performance information^
	Departmental capital expenditure					
2,082	Ministry of Health — capital expenditure permanent legislative authority		248	1,600	500	1
2,082	**Total departmental capital expenditure**		**248**	**1,600**	**500**	
	Non-departmental output expenses					
2,104	Aged Care Commissioner		2,104	2,104	2,104	5
704,106	Delivering Hauora Māori health services		718,966	749,424	766,166	2
14,381,833	Delivering hospital and specialist services	2.7	14,520,631	14,610,883	14,850,019	2
8,668,148	Delivering primary, community, public and population health services	2.8	9,048,562	9,087,520	9,112,732	2
41,123	Monitoring and protecting health and disability consumer interests	2.4	40,123	36,723	40,123	3, 5
29,907	National management of pharmaceuticals	2.3	31,507	29,507	31,507	4
1,806,211	National pharmaceuticals purchasing	2.3	1,689,634	1,581,634	1,689,634	4
28,898	Problem gambling services		19,823	24,599	20,023	2
25,662,330	**Total non-departmental excluding multi-category output expenses**		**26,071,350**	**26,122,394**	**26,512,308**	
	Non-departmental other expenses					
2,707	International health organisations		3,016	2,230	3,017	7
1,574	Legal expenses		4,306	1,208	5,158	7
650	Loss on sale of Crown-owned assets		–	–	–	7
4,931	**Total non-departmental other expenses**		**7,322**	**3,438**	**8,175**	
25,914,996	**Total non-departmental including multi-category output expenses**		**26,081,299**	**26,125,832[c]**	**26,533,056**	

Actual expenditure 2024 $000	Appropriation title	Note	Actual expenditure 2025 $000	Unaudited budget 2025 $000	Revised budget* 2025 $000	Location of end-of-year performance information^
	Non-departmental capital expenditure					
10,916	Capital investment in Health NZ		–	–	–	2
521,594	Health capital envelope 2022–2027 (MYA)	2.10	1,149,327	1,090,429	1,312,738	2
100,080	New Dunedin hospital 2021-2026 (MYA)	2.11	206,200	292,280	190,000	2
285,836	Remediation and resolution of Holidays Act 2003 historical claims	2.12	256,717	1,663,216	1,623,044	2, 6
30,309	Residential care loans – payments		25,283	35,000	35,000	7
–	Standby credit to support health system liquidity		–	200,000	200,000	2
–	Supporting Pay Equity	2.13	419,516	–	419,516	7
948,735	**Total non-departmental capital expenditure**		**2,057,043**	**3,280,925**	**3,780,298**	
26,863,731	**Total non-departmental appropriations**		**28,138,342**	**29,406,757**	**30,313,354**	
27,134,883	**Total Vote: Health**		**28,369,067**	**29,636,920**	**30,555,211**	

* These are the total approved appropriations from the 2024/25 Vote Health Supplementary Estimates, adjusted for any transfers under section 26A of the Public Finance Act 1989.

¥ The statement of comprehensive revenue and expenses includes funding carried forward from 2023/24 for the Sanitary Works Subsidy Scheme. The final amount was confirmed in the 2024 October Baseline Update.

€ The statement of non-departmental expenses includes funding carried forward from 2023/24 agreed during the 2024 March Baseline Update. The final amount was confirmed in the 2024 October Baseline Update.

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. Year-end performance information on appropriations Section 2 of this annual report.
2. Health NZ's annual report.
3. Health Quality & Safety Commission's annual report.
4. Pharmac's annual report.
5. Health and Disability Commissioner's annual report.
6. New Zealand Blood and Organ Service's annual report.
7. Exemptions granted under section 15D of the Public Finance Act 1989.

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.

The detailed changes between the 2024/25 unaudited budget (Mains budget) and the revised budget by initiatives, approved by Cabinet during 2025/26, are reflected in the Vote Health 2025/26 Supplementary Estimates.

Statement of non-departmental expenses

2.1 Services from Health New Zealand

Services from Health NZ were $582.407 million higher than the budget mainly due to:

- $755.582 million of funding for services from Te Aka Whai Ora transferred into Health NZ, which was not reflected in the opening budget as the changes were being finalised at the time when forecast budgets were closed
- $214.301 million of additional funding to meet the ongoing costs of implementing Health NZ's allied, scientific, and technical new pay equity rates
- $38.000 million of additional funding in 2024/25 only for Health NZ's implementation costs in increasing access to cancer treatments and other medicines
- $17.912 million of additional funding for the implementation of the Primary Care Tactical Action Plan initiatives to deliver high-quality and timely primary care
- $16.620 million for a transfer to reflect the expected increase in costs with corresponding revenue from the New Zealand Customs Service relating to alcohol-related programmes funded from alcohol levies
- $11.717 million of additional funding to meet the increases in capital charge associated with the impact of capital contributions for the new capital projects for Health NZ.

This increase was partially offset by:

- $440.030 million for an approved in principle expense transfer of funding from 2024/25 to 2025/26 for initiatives and programmes that will be achieved or completed in 2025/26. The final transfer value will be confirmed in the 2025 October Baseline Update.

2.2 Services from Te Aka Whai Ora

Te Aka Whai Ora had an allocated budget in the 2024/25 Mains Estimate.

Legislation was passed to disestablish Te Aka Whai Ora effective 1 April 2024, and staff and the related functions were transferred to Health NZ, along with the funding.

The financial implications of the final decision for Health NZ to provide services from 1 April 2024 were not reflected in the opening 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 $110 million higher than budget mainly due to:

- additional funding of $108 million to the National Pharmaceuticals Purchasing appropriation for purchasing and providing an estimated 26 additional cancer treatments for a range of cancer types, and an estimated 28 other medicines that add substantially to the health and life outcomes of New Zealanders with a wide range of health conditions
- $2 million of funding to Pharmac for implementation costs in increasing access to cancer treatments and other medicines.

2.4 Services from the Health and Disability Commissioner

Services from the Health and Disability Commissioner (HDC) were $3.4 million higher than budget due to:

- $2.9 million for a fiscally neutral transfer of funding from the Delivering Hospital and Specialist Services appropriation to meet output delivery for the HDC in 2024/25 only
- $0.500 million for a fiscally neutral transfer of funding from the Stewardship of the New Zealand health system MCA, to enable the HDC to upgrade its document management system.

2.5 Services from third parties

Services from third parties were $6.351 million higher than budget mainly due to:

- $2.600 million of additional funding in the 2024/25 year, to address a parity issue by reimbursing legal fees of Lake Alice survivors who were part of the first-round settlement in 2001, and to enable the Crown to settle the current 10 historic abuse claims at Lake Alice
- $1.200 million for a transfer from the Stewardship of the New Zealand health system MCA to cover the cost pressures for legal expenses resulting from new proceedings, ongoing historical abuse claims and COVID-19 litigation
- $0.787 million for a fiscally neutral transfer of funding from the Stewardship of the New Zealand health system MCA to cover the increase in the assessable contribution to the World Health Organization.

Schedule of non-departmental assets and liabilities

2.6 Crown entities accrued liabilities

The Crown entities accrued liabilities budget were as a result of the timing of capital payments claims from Health NZ. When the 2024/25 Mains Estimates were prepared the budget allocation reflected a timing lag between when capital payment requests were expected and when they were received. The capital payment requests are now finalised, and payments are made before the end of the month.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations

2.7 Delivering Hauora Māori health services

Delivering Hauora Māori health services were $30.458 million lower than the budget mainly due to:

- $47.2 million for an approved in principle expense transfer of funding from 2024/25 to 2025/26 for initiatives and programmes that will be achieved or completed in 2025/26. The final transfer value will be confirmed in the 2025 October Baseline Update.

This decrease was partly offset by:

- $6.349 million for a transfer to reflect the expected increase in costs with corresponding revenue from the New Zealand Customs Service relating to alcohol-related programmes funded from alcohol levies
- $5.611 million for a transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to reflect the transfer of the general practices of Green Cross Health from the ProCare primary health organisation (PHO) to the National Hauora Coalition PHO, which is a Māori led, whānau-informed and outcomes-focussed organisation
- $2.163 million for a transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to extend the school-based health services into kura kaupapa Māori
- $1.300 million for a transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to enable the Hauora Māori Services to directly commission the identified hauora Māori partners and deliver the maternal mental health and wellbeing assessment tool.

2.8 Delivering hospital and specialist services

Delivering hospital and specialist services were $90.252 million lower than the budget mainly due to:

- $329.388 million for an approved in principle expense transfer of funding from 2024/25 to 2025/26 for initiatives and programmes that will be achieved or completed in 2025/26. The final transfer value will be confirmed in the 2025 October Baseline Update
- $16.194 million for the partial return of funding for the implementation of increased access to cancer treatments and other medicines
- $8 million for a transfer to 2025/26 to continue the implementation of increased access to cancer treatments and other medicines in 2025/26.

This decrease was partly offset by:

- $214.301 million of additional funding to meet the ongoing costs of implementing Health NZ's allied, scientific, and technical new pay equity rates.
- $38 million of additional funding in 2024/25 only for Health NZ's implementation costs in increasing access to cancer treatments and other medicines
- $11.717 million of additional funding to meet the increases in capital charge associated with the impact of capital contributions for the new capital projects for Health NZ.

2.9 Delivering primary, community, public and population health services

Delivering primary, community, public and population health services were $38.958 million lower than budget mainly due to:

- $64.170 million for an approved in principle expense transfer of funding from 2024/25 to 2025/26 for initiatives and programmes that will be achieved or completed in 2025/26. The final transfer value will be confirmed in the 2025 October Baseline Update
- $7.769 million for a transfer to the Stewardship of the New Zealand health system MCA and the Delivering Hauora Māori services appropriation to reflect the current funding allocation for alcohol related programmes.

This decrease was partly offset by:

- $17.912 million of additional funding for the implementation of the Primary Care Tactical Action Plan initiatives to deliver high-quality and timely primary care
- $16.620 million for a transfer to reflect the expected increase in costs with corresponding revenue from the New Zealand Customs Service relating to alcohol-related programmes funded from alcohol levies.

2.10 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 actual expenditure was $58.898 million higher than the budget, which mainly reflects phasing of projects from Health NZ's updated capital expenditure plans. As this is an MYA, any underspends or overspends against forecast are moved across to the next year.

2.11 New Dunedin hospital 2021-2026 (MYA)

The New Dunedin Hospital 2021-2026 appropriation was established as an MYA in the last financial year to fund capital expenditure on the construction of the new Dunedin hospital and associated projects.

The actual expenditure was $86.080 million lower than the budget partly due to resets in the design of the new Dunedin hospital. Under an MYA any surpluses or deficits are moved across to the next year.

2.12 Remediation and resolution of Holidays Act 2003 historical claims

This appropriation provides funding to Health NZ (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 the budget by $1.407 billion as it has taken longer than planned to finalise the remediation and resolution of the Holiday's Act payment to current and former staff. The expenditure incurred reflects the phased approach to remediation across the Health NZ districts. Any remaining unspent funding in 2024/25 was approved as an in-principle expense transfer. The final transfer value will be confirmed in the 2025 October Baseline Update.

2.13 Supporting pay equity

The Supporting Pay Equity appropriation is newly established in 2024/25. The actual expenditure was more than the budget by $419.516 million due to additional funding approved of:

- $390.309 million for the lump sum payments and backpay to settle the Health NZ allied, scientific, and technical pay equity claim
- $29.207 million for the lump sum payments and backpay to settle the Health NZ midwifery pay equity claim.

Statement of departmental capital injections for the year ended 30 June 2025

Actual capital injections 2024 $000		Actual capital injections 2025 $000	Approved appropriation 2025 $000
	Vote: Health		
-	Ministry of Health — capital injection	-	-

Statement of departmental capital injections without, or in excess of, authority for the year ended 30 June 2025

The Ministry has not received any capital injections during the year without, or in excess, of authority.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations for the year ended 30 June 2025

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 2025

Expenses and capital expenditure incurred in excess of appropriation

Nil.

Expenses and capital expenditure incurred without appropriation or outside scope or period of appropriation

Nil.

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Section 5: Independent Auditor's Report

To the readers of the Ministry of Health's annual report for the year ended 30 June 2025

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 annual financial statements of the Ministry that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2025, 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 on pages 71 to 100.
- The end-of-year performance information for appropriations of the Ministry for the year ended 30 June 2025 on pages 23 to 37 and 45 to 58.
- The statement of budgeted and actual expenses and capital expenditure incurred against appropriations of the Ministry for the year ended 30 June 2025 on pages 109 to 111 and 115.
- The schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 101 to 108 and 112 to 115 that comprise:
    - the schedules of assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2025;
    - the schedules of expenses; and revenue and capital receipts for the year ended 30 June 2025; and
    - the notes to the schedules that include accounting policies and other explanatory information.

Opinion

In our opinion:

- The annual financial statements of the Ministry:
    - fairly present, in all material respects:
        - its financial position as at 30 June 2025; 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 end-of-year performance information for appropriations:
    - provides an appropriate and meaningful basis to enable readers to assess what has been achieved with each appropriation; determined in accordance with generally accepted accounting practice in New Zealand; and
    - fairly presents, in all material respects:
        - what has been achieved with each appropriation; and

- the actual expenses or capital expenditure incurred in relation to each appropriation 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 in accordance with the public benefit entity standards.

- The statement of budgeted and actual expenses and capital expenditure incurred against appropriations have been prepared, 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 have been prepared, in all material respects, in accordance with the Treasury Instructions. The schedules comprise:

◇ the assets, liabilities, commitments, and contingent liabilities and assets as at 30 June 2025; and

◇ expenses, and revenue and capital receipts for the year ended 30 June 2025.

Our audit was completed on 30 September 2025. This is the date at which our opinion is expressed.

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, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): The Audit of Service Performance Information 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 information to be audited

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

- Annual financial statements that fairly present the Ministry's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- End-of-year performance information for appropriations that:

◇ provides an appropriate and meaningful basis to enable readers to assess what has been achieved with each appropriation; determined in accordance with generally accepted accounting practice in New Zealand;

◇ fairly presents what has been achieved with each appropriation;

◇ fairly presents the actual expenses or capital expenditure incurred in relation to each appropriation 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.

- Statement of budgeted and actual expenses and capital expenditure incurred against appropriations of the Ministry, is prepared in accordance with section 45A of the Public Finance Act 1989.
- Schedules of non-departmental activities, prepared in accordance with the Treasury Instructions, of the 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 information to be audited, 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's responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

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 Estimates and/or Supplementary Estimates of Appropriations for the Government of New Zealand for the year ended 30 June 2025. For the forecast financial information for the year ending 30 June 2026, our procedures were limited to checking to the best estimate financial forecast information based on the Budget Economic Fiscal Update for the year ending 30 June 2026.

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 whether the end-of-year performance information for appropriations:
    - provides an appropriate and meaningful basis to enable readers to assess what has been achieved with each appropriation. We make our evaluation by reference to generally accepted accounting practice in New Zealand; and
    - fairly presents what has been achieved with the appropriation.
- We evaluate whether statement of budgeted and actual expenses and capital expenditure incurred against appropriations and schedules of non-departmental activities have been prepared in accordance with legislative requirements.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Director-General of Health.
- 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 all of the information included in the annual report other than 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.

The Minister of Health's report on relevant non-departmental appropriations that is appended to the Department's annual report is not part of the Department's annual report. The Public Finance Act 1989 does not require the information in the Minister's report to be audited and we have performed no procedures over the information in the Minister's report.

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) 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

Annexes – Ngā tāpiringa

Annex 1: Legal and regulatory framework

The Ministry of Health 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 Acts, regulations and other legislative tools (eg, orders-in-council), 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 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 2024/25, in steering the national public health system, we administered over 30 pieces of legislation:

- 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 (repealed 26 November 2024)
- Disabled Persons Community Welfare Act 1975 (Part 2A)[46]
- 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
- Misuse of Drugs Act 1975
- Pae Ora (Healthy Futures) Act 2022

46 This Act is administered by the Ministry of Social Development and the Ministry of Health.

- 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 (repealed 18 December 2024).

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 contains 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 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 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 NZ as the national organisation to lead and coordinate delivery of health services across the country.
- Pharmac, 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. It provides oversight and clinical governance of the organ donation system and provides support to the transplantation system.
- Health Quality & Safety Commission is responsible 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 NZ 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 of Health 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 to 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 New Zealand.

The New Zealand Customs Service hosts the Border Executive Board. The Ministry of Health'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**.**

Other regulatory roles and obligations

In addition to administering the legislation outlined above, key roles within our organisation (eg, 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.

Note: The Acts 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 comply with international obligations by actively supporting and participating in international organisations (eg, the World Health Organization).

We also ensure New Zealand complies with international requirements, such as the International Health Regulations (2005) and the World Health Organization Framework Convention on Tobacco Control, as well as a range of United Nations conventions.

Web resources

To search and access publications we produce, please visit health.govt.nz/publications.

For information on regulations administered by the Ministry, please visit health.govt.nz/our-work/regulation-health-and-disability-system.

To access a complete list of searchable copies of the Acts and associated regulations administered by the Ministry, please visit legislation.govt.nz.

Annex 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. For the year ended 30 June 2025, there were no delegations of the Director-General of Health's functions or powers to a person outside the public service.

Annex 3: Substance Addiction (Compulsory Assessment and Treatment) Act 2017

In February 2018, the Substance Addiction (Compulsory Assessment and Treatment) Act 2017 (the Act) came into effect, replacing the Alcoholism and Drug Addiction Act 1966.

A key purpose of the Act is to help restore decision-making capacity for people with one or more severe substance addictions to engage in voluntary addiction treatment services.

The Act was developed to better 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 Act, we are required to disclose the following information relating to patients in our Annual Report.

The data below has been extracted from PRIMHD[47] on 4 August 2025 and covers activities that occurred from 1 July 2024 to 30 June 2025.[48]

Over this period:

- 30 people were detained under the Act
- 32 compulsory treatment orders were made
- 17 compulsory treatment orders were extended
- 27 discharged patients chose voluntary residential treatment and out-patient services
- the average length of detention was just over 11 weeks (81 days) for individuals who had compulsory treatment orders made (or extended).

Table 13 shows the number of individuals detained under the Act in 2024/25 by how long they were detained (measured in weeks).

Table 13: Number of people detained under the Substance Addiction (Compulsory Assessment and Treatment) Act 2017, by length of detention

Number of weeks of detention[49]	Number of individuals
0–1	0
1–2	0
2–3	1
3–4	0
4–5	1
5–6	0
6–7	1
7–8	7
Greater than 8	16

Among these patients:

- 38.5% were detained for up to, and including, 8 weeks, which is within the first period of compulsory treatment set out in the Act.
- 61.5% of patients were detained for a period of between 8 and 16 weeks, requiring a compulsory treatment order extension.

47 The Programme for the Integration of Mental Health Data (PRIMHD) is Health NZ's single collection of national mental health and addiction information on service activity and outcomes data for health consumers. The data is collected from Health NZ district services and non-governmental organisations. PRIMHD is a living data collection, which continues to be revised and updated as data reporting processes are improved. For this reason, previously published data may be liable to amendments.

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).

48 In some cases, a person who first came under the Act late in the previous year, or engaged in the process late in that year, may have continued through the current report period year. For this reason, 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 Act.

49 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.

Data extracted from PRIMHD shows that among service users who were discharged from the Act between 1 July 2024 and 30 June 2025:

- 34.3% received additional inpatient care
- 71.4% engaged with individual treatments in outpatient services
- 42.9% had family meetings arranged
- 94.3% had supplementary consumer records
- 85.7% had wellness plans.

Note: If an individual using these services was discharged in late June 2025, 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.

Annex 4: Committees

The Ministry is required by legislation to include information about committees.

Under section 87 of the Pae Ora (Healthy Futures) Act 2022 (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 names of the chair and members of the committees associated with the Act in our annual reports.

Table 14 sets out information for the year to 30 June 2025 to meet these requirements.

Table 14: Committees under section 87 of the Pae Ora (Healthy Futures) Act 2022

Name of the committee	Membership	Purpose	Has the committee reported to the Minister in 2024/25?
Health Workforce and System Efficiencies Committee	Dr Andrew Connolly (Chair) 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, emerging issues and risks.	Yes

Name of the committee	Membership	Purpose	Has the committee reported to the Minister in 2024/25?
Health and Disability Ethics Committee – Northern A	Catherine Garvey (Chair) Dr Kate Parker Dr Andrea Forde Jonathan Darby Dr Catriona McBean Dr Malisa Mulholland Dr Katrina Gibson Dr Sotera Catapang (term ended 8 June 2025) Jade Scott (term ended 8 June 2025)	The health and disability ethics committees are a group of four regionally based ethics committees: Northern A, Northern B, Central and Southern. Their purpose is to check that health and disability research (eg, clinical trials) being conducted meets, or exceeds, ethical standards established by the National Ethics Advisory Committee.	No
Health and Disability Ethics Committee – Northern B	Kate O'Connor (Chair) Alice McCarthy Maakere Marr Dr Joy Panoho Dr Sharon Kletchko (term began 9 June 2025) Dr Christopher Hazlewood (term began 9 June 2025) Dr Cheng-Kai Jin (term began 9 June 2025) Dr Amy Chan (term began 9 June 2025) Associate Professor John Pearson (term began 9 June 2025) Leesa Russell (term ended 8 June 2025) Barry Taylor (term ended 8 June 2025) Dr Amber Parry-Strong (term ended 8 June 2025) Ewe Leong Lim (term ended July 2024)	As above	No
Health and Disability Ethics Committee – Central	Joan Petit (Chair) Sandra Gill Dr Cordelia Thomas Associate Professor Patries Herst Jessie Lenagh-Glue Albany Lucas Dr Andrea Furuya Patricia Mitchell Dr Rebekah Jaung (term begins 13 July 2025) Patricia Mitchell (term expires 12 July 2025) Helen Walker (term ended Nov 2024)	As above	No

Name of the committee	Membership	Purpose	Has the committee reported to the Minister in 2024/25?
Health and Disability Ethics Committee – Southern	Dominic Fitchett (Chair) Dr Nicola Swain Associate Professor Tuifa'asisina Neta Tomokino Dianne Glenn Dr Maree Kirk Dr Geoffrey Noller Dr Tristan Sames (term began 9 June 2025) Dr Matthew Moore (term began 9 June 2025) Dr Amy Henry (term ended 8 June) Devonie Waaka (resigned Feb 2025)	As above	No
Ministerial Advisory Committee for New Dunedin Hospital Project	Evan Davies (Chair)	The Ministerial Advisory Committee for New Dunedin Hospital Project works with Health NZ to provide oversight of the New Dunedin Hospital Project and support good decision-making.	Yes

Other committees under the Pae Ora (Healthy Futures) Act 2022

Table 15 lists other committees that are enabled through other sections of the Pae Ora Act.

Table 15: Other committees under the Pae Ora (Healthy Futures) Act 2022

Name of the committee	Membership	Purpose	Has the committee reported to the Minister in 2024/25?
Hauora Māori Advisory Committee	Parekawhia McLean (Chair) Rāhui Papa Tā Mark Solomon Dr Matire Harwood 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	Kevin Hague (Chair) Beverly Te Huia Associate Professor Jason Gurney Associate Professor Ruth Cunningham Professor Peter Crampton Faumuina Professor Fa'afetai Sopoaga Dr Caroline McElnay	The Public Health Advisory Committee provides independent advice to the Minister and Associate Ministers of Health, the Public Health Agency, and Health NZ on public health issues, including factors underlying the health of people, whānau, and communities.	Yes

Other committees

Table 16 lists ethics committees that have been established to provide advice to the Minister of Health.

Table 16: Other committees

Name of the committee	Membership	Purpose	Has the committee reported to the Minister in 2024/25?
National Ethics Advisory Committee (NEAC)	Dr Elizabeth Fenton (Chair) Dr Lindsey MacDonald Associate Professor Vanessa Jordan Dr Hansa Patel Edmond Carrucan Maree Candish Julia Black Dr Tania Moerenhout Dr Fiona Miles Dr Filipo Kativik-McGrath Dr Karaitiana Taiuru Rochelle Style (resigned Dec 2024) John McMillan (Chair) (term ended Dec 2024) Nora Parore (term ended Dec 2024) Shannon Hanrahan (term ended Dec 2024)	The NEAC is an independent advisor to the Minister of Health on ethical issues related to health and disability research and services.	Yes

Name of the committee	Membership	Purpose	Has the committee reported to the Minister in 2024/25?
Advisory Committee on Assisted Reproductive Technology (ACART)	Professor Debra Wilson (Chair) Dr Karaitiana Taiuru (Deputy Chair) Lynsey Cree Seth Fraser Neuton Lambert Amanda Lees Andrew Murray Catherine Ryan Shalomy Sathiyaraj Sarah Wakeman (term ended Dec 2024) Edmond Fehoko (term ended Dec 2024) Tanushi (Minu) Punchihewa (Mana Mokopuna observer) (term ended Oct 2024) Karen Reader (term ended Dec 2024) Calum Barrett (Chair) (term ended Dec 2024)	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.	Yes
Ethics Committee on Assisted Reproductive Technology (ECART)	Dr Jeanne Snelling (Chair) Associate Professor Michael Legge Mania Maniapoto-Ngaia Dr Emily Liu Associate Professor Angela Ballantyne Dr Analosa Veukiso-Ulugia Richard Ngatai Dr Annabel Ahuriri-Driscoll Dr Simon McDowell Peter Le Cren Lana Stockman Jonathan Darby Jude Charlton (term ended Dec 2024)	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.	Yes

Annex 5: Asset performance indicators

Critical physical assets

The Ministry has seven buildings in its property portfolio, five of which are leased on behalf of the Ministry and the Cancer Control Agency – Te Aho o Te Kahu. Two properties are owned by the Ministry: one is a new purpose-built national radiation storage facility to ensure we maintain our regulatory role, and the other is a decommissioned site.

The strategic management of our physical assets is underpinned by the following drivers.

- Providing modern, flexible, safe, and accessible workspaces.
- Ensuring effective property and facilities management so our tenancies and properties operate smoothly and efficiently.
- Managing facilities in a sustainable, resource-efficient and cost-effective manner.
- Complying with lease agreements, relevant legislation, and regulatory requirements.

Property asset performance indicators

The measures in Table 17 relate to our most critical physical assets and have been developed to ensure efficient, effective, and sustainable management of our properties.

Table 17: Results for our most critical physical assets

Indicator and measure	2024/25 actual	2024/25 standard
Ensure the National Radiation Storage Facility (NRSF) meets the appropriate legislative and regulatory standards. This will be measured by:		
• A current building warrant of fitness (BWOF). This will demonstrate that the property has compliant mechanical and life safety systems.	Achieved	BWOF current
• The facility adheres to New Zealand Protective Security requirements, as demonstrated through regular audit and review of the NRSF Security Protocols. Site Security Plan is to be reviewed annually.	Achieved	NRSF Security Protocols are up to date and being adhered to. Site Security Plan is current.
• Documentation that evidences that when accessing the facility, all Ministry and contracted parties are aware of the risks and complying with relevant health and safety legislation and standards (HS).	Achieved	Documented HS discussion in the minutes of each quarterly meeting.
Office space utilisation per square metre per employee[50] The square metre per employee[51] is a qualitative measure that helps the Ministry to understand how efficiently we are using space by dividing the square metres by the number of employees assigned to a particular office. We use this figure to project if future consolidation of the footprint is feasible.		Government Property Office (GPO) average 12–16 m^2 pp
• Upper North Island[52]	33.58 m^2 pp	Not achieved
• Lower North Island[53]	9.84 m^2 pp	Achieved
• South Island[54]	15 m^2 pp	Achieved

50 Based on Ministry workers, including those from the Cancer Control Agency – Te Aho o Te Kahu (the Agency) assigned to each office.

51 This is the average square metre per person (pp).

52 Includes properties leased by the Ministry and the Agency in Auckland and Hamilton.

53 Includes properties leased by the Ministry and the Agency in Palmerston North and Wellington.

54 Includes properties leased by the Ministry and the Agency in Christchurch.

Annex 6: Carbon Neutral Government Programme

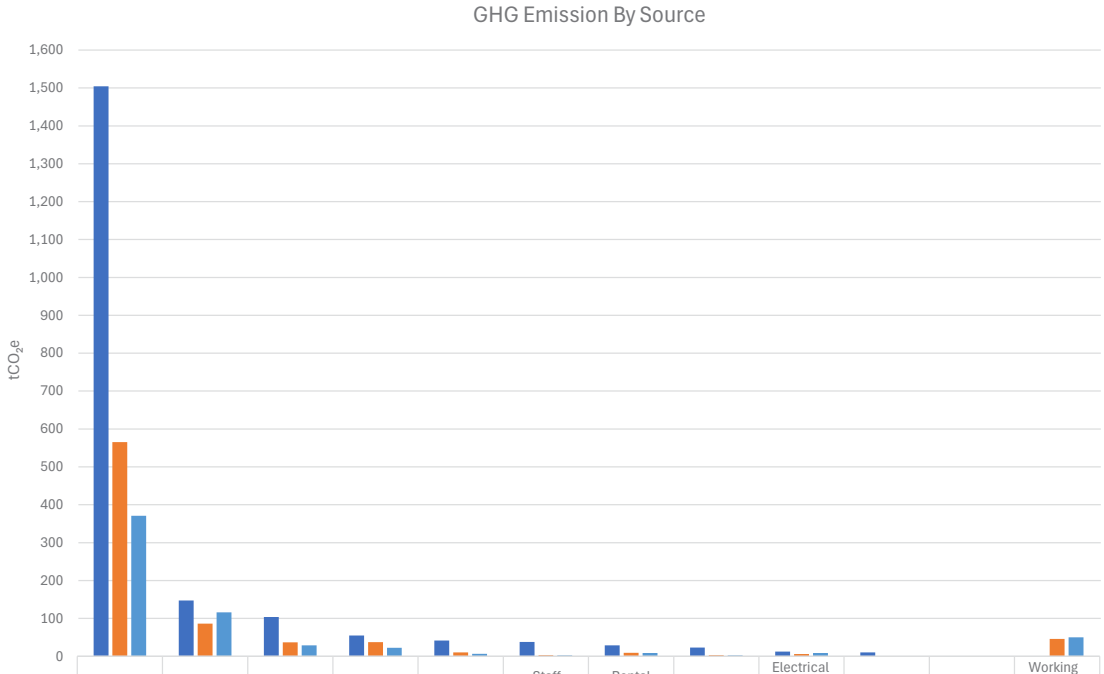
The Ministry is committed to playing our part in the Carbon Neutral Government Programme (CNGP) to minimise our environmental footprint by reducing our greenhouse gas emissions. Each year, the Ministry releases our Greenhouse Gas Emissions Report and Inventory, which covers notable events during the period as well as our progress towards our 2025 and 2030 reduction goals.

Our provisional and unverified data for 2024/25 shows we emitted 616.16 tonnes of carbon dioxide equivalent (t CO2e).[55] These emissions equate to a 69% reduction from our base year emissions (1,966.23 t CO2e),[56] and a further 23% reduction from 2023/24. The overall reduction in emissions from the previous reporting period can be directly attributed to a substantial reduction in air travel and travel-related emission factors (eg, accommodation and taxi).

Among the individual sources of emissions, our greatest increase for 2024/25 was from electricity emissions factors. This increase results from shifting electricity generation dynamics. In 2022 and 2023, emissions from electricity generation were relatively low due to favourable weather conditions and strong hydro inflows. In contrast, 2024 saw an increase in the proportion of fossil-based generation.[57] This increase has also impacted our 'electricity transport losses' and 'working from home' emissions.

Figure 2 provides an overview of our emissions, broken down by source. It compares emissions in 2024/25 against our base year and 2023/24 figures.

Figure 2: Comparison of emissions by Source: base year (2019/20), 2023/24 and 2024/25



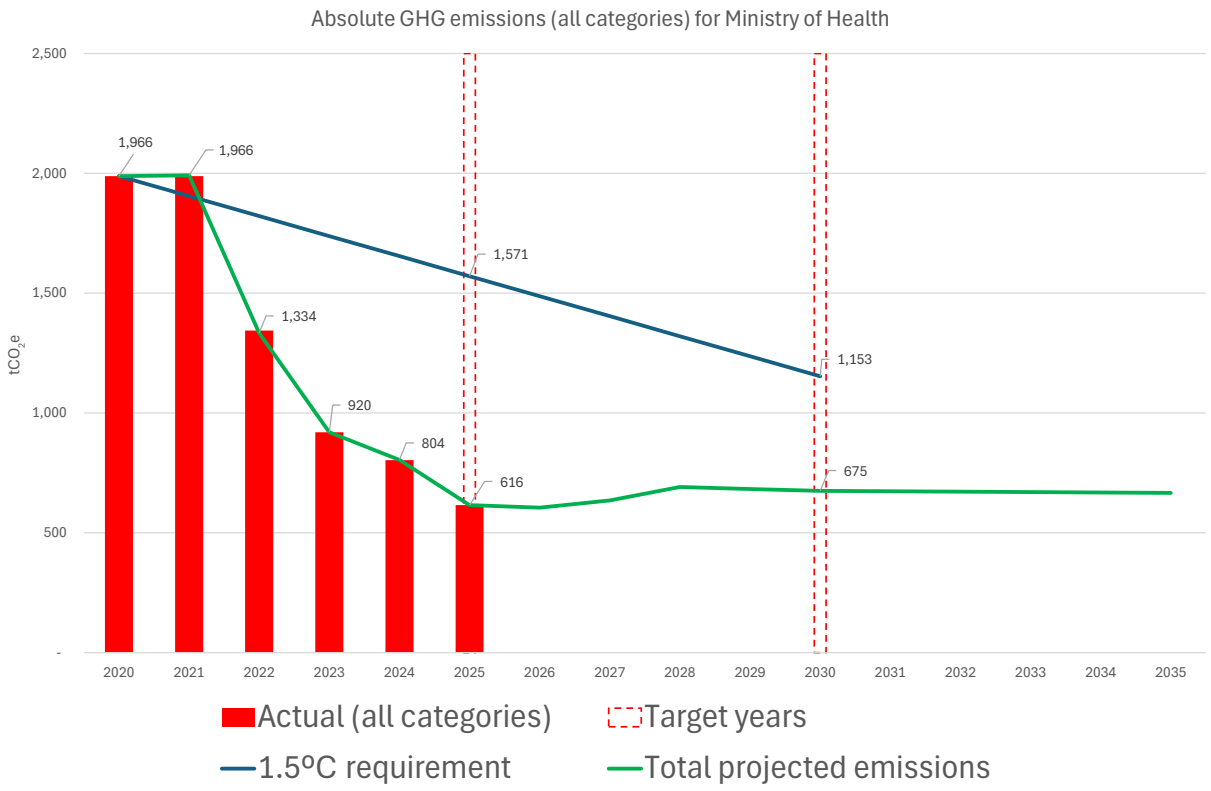
	Air travel	Electricity	Waste	Hotel	Taxis	Staff mileage	Rental vehicle	Fleet	Electrical transport losses	Freight	Other	Working from home
Base Year (2019/20)	1,504.4	147.5	103.9	55.1	41.8	38.1	28.8	23.3	12.6	10.4	0.3	0
Previous Year (FY2023/24)	565.2	86.1	36.9	37.5	10.3	2.8	9.4	2.8	6.3	0.3	0.2	46
Current Year (FY2024/25)	370.7	116.1	28.6	22.4	6.6	2.2	8.5	2.2	8.8	0.2	0.0	50.5

55 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 for 2024/25 are considered provisional and unverified.

56 Following a review of the historical data used to produce the 2021/22 emissions report, the total emissions for the base year (1 March 2019 to 29 February 2020) have been amended from 1,962.84 t CO2e to 1,966.23 t CO2e.

57 Ministry for the Environment. 2025. *New emissions factors released.* URL: environment.govt.nz/news/new-emissions-factors-released/ (accessed 23 July 2025).

Figure 3: Projections and target setting for the Ministry of Health



Our reduction targets – 2025 and 2030

As required under the CNGP, we set the following emission reduction targets:

- **2025 target**: Gross emissions (all categories) will be no more than 1,571 t CO2e, or a 21% reduction compared to our base year 2019/20.
- **2030 target**: Gross emissions (all Categories) to be no more than 1,153 t CO2e, or a 42% reduction compared with our base year 2019/20.

Figure 3 shows the Ministry has achieved its 2025 target and is well on track to achieve a 42% reduction in gross emissions by 2030.

Progressing towards our 2030 target

The Ministry will continue to deliver further reductions as opportunities arise through continuing to promote virtual options as a preference to travel and improvements in systems, technology, and procurement.

TE AHO O TE KAHU CANCER CONTROL AGENCY

Annual Report

Cancer Control Agency
Te Aho o Te Kahu

2024/25

Chief Executive foreword

Tēnā kōe

Over the past year, the Cancer Control Agency – Te Aho o Te Kahu has continued to collaborate across the sector on short-to-medium term initiatives and planning to improve timely access to cancer screening, diagnosis, and cancer care to people and whānau (families) across the country.

Like the rest of the world, more people are being diagnosed with cancer (in part due to more effective screening and diagnosis) in New Zealand. By 2045, we estimate approximately 45,000 people will be diagnosed with cancer. Sadly, some groups in our communities, including Māori, Pacific peoples, and disabled people, continue to experience higher rates of cancer and worse health outcomes due to barriers or inequities to how they can access cancer services in a timely or appropriate way.

I am proud of what our organisation and partners across the cancer sector have achieved amid ongoing workforce challenges, an evolving health system and rapidly changing technologies, while continuing to serve the growing number of people and whānau affected by cancer. However, we know there is much more to be done.

This year we have delivered or supported initiatives to build capacity in the cancer system and make cancer services more accessible and equitable. These are some examples, and more are outlined in this report.

- Co-led with Health New Zealand – Te Whatu Ora the implementation of new cancer medicines resulting from the Government's transformative investment in more new medicines.
- Provided expert advice and data to Health New Zealand to inform an indicative and detailed business case to pilot a lung screening programme. It is estimated that implementing a lung cancer screening programme would result in saving 12,592 lives and averting $477.35 million in costs over 20 years.
- Provided ongoing support to Health New Zealand on the Government's faster cancer treatment target, where 90% of patients are to receive cancer management within 31 days of the decision to treat.
- Commenced analysis and planning to refresh the actions in the 2019–2029 Cancer Action Plan.
- Commenced an update of the 2020 State of Cancer Report for release in late 2025. This report outlines the available data on our nation's system of cancer prevention and care. It also highlights knowledge gaps and where more research and actions could be focused.
- Held the first Research to Action Hui with cancer researchers and clinicians to identify and document knowledge gaps and opportunities for collaboration.

Ngā manaakitanga

Rami Rahal
Chief Executive, Tumu Whakarae
Cancer Control Agency — Te Aho o Te Kahu

He Kupu nā te Tumuaki

Tēnā kōe

I te tau kua pahure, kua kaha tonu a Te Aho o Te Kahu ki te mahi ngātahi ki ngā tāngata huri noa i te rāngai nei mō ngā kaupapa poto me ngā kaupapa waenga, ā, kua whakatakoto mahere hoki mātou kia wawe te whakamātautau me te kitenga atu o te mate pukupuku me ngā mahi tautīaki mō ngā tāngata me ngā whānau huri noa i te motu.

Pērā i te ao whānui, kua piki ake te nui o te kitenga atu o te mate pukupuku (ko tētahi take, ko te whakapainga ake o ngā mahi whakamātautau me ngā whakataunga). Hei te tau 2045, ko te matapae ka eke te nui o ngā tāngata e pāngia ana e te mate pukupuku ki te 45,000. Ko te pōuri, ka nui ake te pānga o te mate pukupuku ki ētahi o ngā rōpū i roto i ō tātou hapori, pērā i te Māori, i ngā iwi o Te Moananui-a-Kiwa me te iwi whaikaha, ā, he kino ake te pānga ki te hauora, nā ngā taupā, nā ngā āhuatanga taurite-kore rānei ki runga i tō rātou whakawhiwhinga ki ngā ratonga hauora e tika ana mā rātou, i te wā tika.

Kei te whakahīhī ahau i ngā whakatutukinga o tō mātou whakahaere me ō mātou hoamahi huri noa i te rāngai mate pukupuku. Ahakoa ngā ākinga ki runga i te kāhui kaimahi, ngā huringa o te pūnaha hauora me te ao hangarau, e manaaki tonu ana rātou i tēnei hunga nui tonu me ō rātou whānau e pāngia ana e te mate pukupuku. Heoi, kei te mōhio mātou, arā noa atu ngā mahi hei whakatutuki.

I tēnei tau, kua tutuki i a mātou, kua tautoko rānei mātou i ngā kaupapa e hāpai ana i te raukaha o te pūnaha o te mate pukupuku, kia māmā ake, kia tautika ake hoki te whakawhiwhinga atu o ngā ratonga mate pukupuku. He tauira ēnei o ngā mahi, ā, kei te pūrongo anō ētahi atu kōrero.

- Kua kōkiri ngātahi mātou ko Te Whatu Ora i te whakatūnga o ngā rongoā mate pukupuku hou i hua mai i te pūtea haumi o te Kāwanatanga mō te whakapikinga ake o ngā rongoā hou.
- Kua tāpaea atu he kōrero me ngā raraunga ki Te Whatu Ora hei whāngai i tētahi kaupapa pakihi hou e pā ana ki tētahi hōtaka whakamātautau pūkahukahu. Hei tā ngā matapae, mā tēnei kaupapa ka whakaorangia kia 12,592 ngā tāngata, ka puritia hoki te $477.35 miriona i te roanga o te 20 tau.
- Kei te tautoko tonu mātou i Te Whatu Ora ki te whakaea i te whāinga a te Kāwanatanga kia tere ake te whakamaimoatanga o te mate pukpuku, arā, me whiwhi te 90% o ngā tūroro i ngā whakaritenga mō te mate pukupuku i mua i te paunga o te 31 rā i muri mai i te whakatau kia whakamaimoatia rātou.
- Kua tīmata te tātaringa me ngā mahi māherehere ki te whakahou i ngā tūmahi a Te Mahere mō te Mate Pukupuku o Aotearoa 2019–2029.
- Kua tīmata te whakahoutanga o te Pūrongo Mate Pukupuku o Aotearoa 2020 hei whakaputa atu ā te paunga o te tau 2025. Kei tēnei pūrongo ngā raraunga ā-motu e pā ana ki te āraitanga atu me te tautīakitanga o te mate pukupuku. Kei konā anō ngā kōrero mō ngā momo mātauranga hei whai tonu mā mātou, ngā ara rangahau me ngā tūmahi hei aronga anō mā mātou.
- Kua tū te hui tuatahi o Research to Action ki te taha o ngā kairangahau o te mate pukupuku me ngā kaimahi haumanu hei tautuhi, hei whakatakoto hoki i ngā momo mātauranga hei whai tonu me ngā ara hou e mahi ngātahi ai mātou.

Ngā manaakitanga

Rami Rahal
Chief Executive, Tumu Whakarae
Cancer Control Agency – Te Aho o Te Kahu

Statement of responsibility – Haepapa Tauākī

I am responsible for the accuracy of any end-of-year performance information prepared by the Cancer Control Agency, 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 the Cancer Control Agency over the year 1 July 2024 to 30 June 2025.

Ngā manaakitanga

Rami Rahal
Chief Executive, Tumu Whakarae
Cancer Control Agency – Te Aho o Te Kahu

30 September 2025

Section 1: Progress on strategic intentions – Te hauora me te raukaha o ngā whakahaere

The Agency's role in the cancer system

The Cancer Control Agency – Te Aho o Te Kahu (the Agency) was established on 1 December 2019 in recognition of the impact cancer has on people living in Aotearoa New Zealand. Our vision is for people to experience fewer cancers, better survival, and equity for all.

We are a departmental agency that is hosted by the Ministry of Health and reports to the Minister of Health. Our purpose is to provide strong central leadership and oversight of cancer control. We are equity-led, knowledge-driven and outcomes-focused, taking a whole-of-system approach to preventing and managing cancer. We are responsible for overseeing system-wide prioritisation and coordination of cancer care in Aotearoa New Zealand.

The Agency considers how to get the best value from existing cancer care investment, makes decisions on nationally agreed aspects of cancer control, and advises the government about what new services to fund. This includes developing initiatives to monitor and improve cancer system performance and practice.

Our role in the health sector is reflected in the taonga (treasure) name we were gifted by *Hei Āhuru Mōwai – Māori Cancer Leadership Network*. It describes the Agency as the central thread (Te Aho) of the cloak (Te Kahu), uniting ongoing work across the health sector, non-government cancer organisations, volunteers, and people in the cancer system who wrap a protective cloak around those with cancer.

In practice, we demonstrate this role by:

- providing advice to the Government, through the Minister of Health, about the current state, and future design and function of cancer services
- developing options to prevent or resolve issues across the cancer continuum, and new approaches to transform cancer care
- assembling and sharing cancer data, insights and information to inform decision-making and service delivery
- collaborating with partners and stakeholders to progress and deliver shared objectives
- undertaking national initiatives in partnership with partners and stakeholders to improve the cancer system and health outcomes for all people
- supporting cancer service providers to avoid or resolve service delivery challenges, and address inequities across the country.

We are accountable for ensuring transparency of 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 Plan).

The Plan was developed by health experts, non-government and advocacy organisations, and people and whānau living with cancer. It sets out actions under four outcomes (listed on next page) for the sector to achieve over 10 years.

Table 1: The four outcomes in the New Zealand Cancer Action Plan 2019–2029

Outcomes in the Plan	Aims for each outcome
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.
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.
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.
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.

The Agency's work also supports key health legislation such as the Pae Ora (Healthy Futures) Act 2022 and related government strategies, including:

- *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.*

We also uphold and contribute to the Crown in meeting its obligations under the *Treaty of Waitangi Act 197*5 as a departmental agency within the public service (under section 14 of the Public Service Act 2020). This Act, along with the health sector principles outlined in the Pae Ora (Healthy Futures) Act 2022, recognises the Crown's intent to give effect to the principles of Te Tiriti o Waitangi across the health sector to reduce inequities and improve hauora Māori outcomes.

Implementing the Government's priorities

The Agency collaborated with Health New Zealand – Te Whatu Ora (Health NZ), the Ministry of Health – Manatū Hauora (the Ministry), Pharmac and the wider cancer sector in 2024/25 on the following Government priorities to improve access to cancer treatment and outcomes for all people and whānau.

Faster Cancer Treatment targets

Faster Cancer Treatment (FCT) was one of five health targets the Government introduced in February 2025. This target aims for 90% of cancer patients to begin their first cancer treatment within 31 days of the decision to treat by a health professional.

The FCT target will help:

- drive better-coordinated, faster, quality care for patients with cancer, which can increase the likelihood of successful treatment
- address variations in performance around the country
- improve data quality.

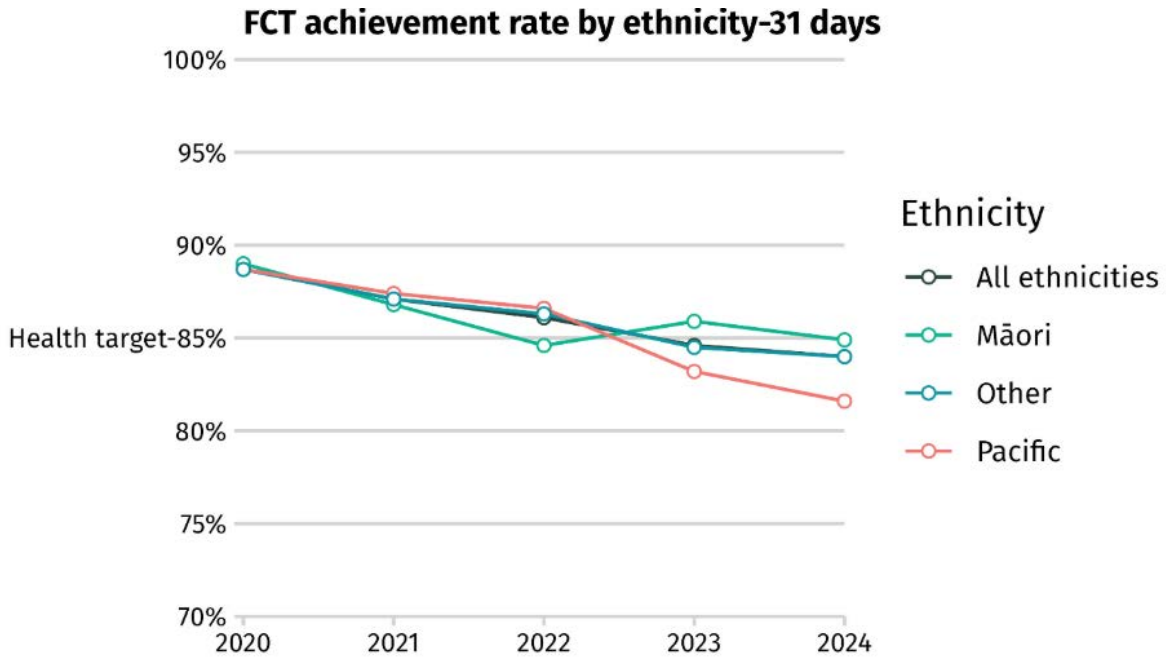
In 2024/25 we supported Health NZ to take over the ongoing collation and reporting of FCT data, following our work in 2023/24 to improve the FCT data collection processes and data quality.

Throughout 2024/25, we continued to work with Health NZ and the Ministry to:

- understand what is driving different target results across the country
- improve performance at regional and district levels
- provide advice on maintaining data indicators and integrity.

As of March 2025, the 31-day FCT performance for all ethnicities was 84.6%, very close to the 85% target. However, since 2020, performance against this target has been deteriorating (Figure 1).

Figure 1: FCT data for all ethnicities 2020 - 2024



Implementing cancer medicines across Aotearoa New Zealand

In June 2024, the Government announced an unprecedented $604 million funding boost over four years to Pharmac's Combined Pharmaceutical Budget to increase the availability of cancer medicines and other treatments. For the first time, the Government also provided additional funding to Health NZ to support the delivery of these medicines.

This announcement was informed, in part, by a report the Agency released in 2022 called *Understanding the Gap: an analysis of the availability of cancer medicines in Aotearoa*. This report compared the availability of publicly funded cancer medicines for treatment of solid tumour cancers between Australia and New Zealand.

It is estimated that once fully implemented, up to 1,000 people with different cancers will benefit from these newly funded treatments.

Health NZ and the Agency, with support from the Ministry and Pharmac, set up the Increasing Access to Medicines Programme. In recognition of the significant impact the introduction of these new medicines would have on the delivery of cancer services, the programme's focus is to ensure these treatments are successfully delivered in an equitable and responsive way. The programme developed an implementation plan to embed future-focused, sustainable models of care that are responsive to local needs and, over time, will support people to receive care closer to home. The plan includes:

- implementing the systemic anti-cancer therapy model of care developed by the Agency with the sector
- developing training and certifying pathways for the advanced practice cancer nursing workforce
- expanding the availability of genomics and molecular biomarker services
- implementing e-Prescribing and digital integration solutions.

The Agency also provided advice to the Ministry and Pharmac to inform policy on a transitional funding process to deliver the treatments in private hospitals and clinics. This will enable eligible patients to receive the publicly funded medicines in private facilities for up to 12 months without having to move to a public hospital. The policy was approved by Government in April 2025 and came into effect on 1 July 2025.

Expanding the national cancer screening programmes

Being able to identify and treat cancer as early as possible is critical to a person's chance of survival and quality of life. This is where free, effective, equitable and accessible cancer screening programmes can play a substantial role.

The Agency collaborated with Health NZ and the Ministry to provide data, analysis and advice on expanding existing national cancer screening programmes and developing new ones.

Free bowel screening

On 6 March 2025, Minister of Health Hon Simeon Brown announced that free bowel cancer screening would be expanded from 60–74 years of age to 58–74 years. This announcement also included significant investment in initiatives to lift bowel screening participation in groups with lower uptake rates.

Lowering the screening age will take place in two phases, starting in two Health NZ regions in October 2025. The remaining two regions will follow in March 2026.

Māori and Pacific peoples in the Tairāwhiti and MidCentral districts who could access bowel screening from the age of 50 under a previous pilot will continue to receive free screening kits.

Free breast screening

In October 2024, the age for free breast screening was extended in Nelson and Marlborough for women aged 70 or 74 provided they book a screen before they turn 75.

For all areas outside of Nelson and Marlborough, the eligible age range remains between 45 to 69. The aim is to progressively extend the age range for free breast screening across the rest of Aotearoa New Zealand from October 2025.

Lung cancer

Lung cancer is the leading cause of cancer death in New Zealand and disproportionately affects Māori. People diagnosed with lung cancer often experience poor quality of life over time and lower survival rates compared to those experiencing other types of cancer.

It is estimated that implementing a national lung cancer screening programme would result in 12,592 lives saved and $477.35 million in costs averted over 20 years.

In 2024, Health NZ set up a project with the Agency, Otago University, the National Public Health Service, and the Public Health Agency to develop an indicative business case to investigate options for a new national lung cancer screening programme.

We provided advice on the draft business case and took part in working groups which covered oversight, equity, clinical pathways, workforce, data and digital, how CT scans could be provided and read, and consistent management of lung nodules.

In January 2025, the Health NZ Executive Leadership Team endorsed the indicative business case to proceed to develop a detailed business case, which will include:

- an agreed clinical pathway
- key planning options
- policy frameworks to support equitable and accessible screening.

Budget 2024/25 baseline savings

The Agency's budget for the 2024/25 financial year was $13.572 million. This was reduced by 6.5% (approximately $0.943 million) from the previous year to meet Government savings expectations.

Under a Departmental Agreement with the Ministry, we pay for services (including HR and IT) and accommodation. For the 2024/25 financial year these services cost $1,527,996. The Agency's financial information is included in the Ministry's 2024/25 Annual Report.

Annual Performance Plan

In August 2024, Cabinet set a new requirement for all departmental agencies to provide an annual Performance Plan. As the Agency is hosted by the Ministry, our previous annual fiscal and performance reports had been included either within, or as an appendix to, the Ministry's Annual Report.

Our Performance Plan outlines how we will actively manage potential increases in expenditure and continue to meet our responsibilities in a cost-effective way. In 2024/25 the Agency delivered within its budget envelope; however, increases in expenditure were due to:

- growing overhead costs including rent for offices, electricity, and travel
- salary inflation to attract and retain data, statistical, cancer, clinical, and equity expertise during local and global heath workforce shortages
- rising costs for contracted cancer services or networks providing the Agency and sector with advice, advocacy, and research
- technology costs to maintain existing and develop new systems and data platforms to share, collate and display real-time data.

We continue to manage these costs by:

- working closely with networks and contracted partners to understand cost pressures, manage scope creep, and provide support to seek other funding options
- assessing all staff vacancies to determine if roles are still required
- making conservative salary offers when recruiting
- using fixed-term roles for short- to medium-term work.

Progress against the Agency's strategic intentions

In August 2024, the Agency identified six strategic intentions. They align to four of the five strategic intentions set by the Ministry, but with a specific focus on cancer. They are:

- provide system-level leadership for cancer
- drive cancer system strategy and performance
- be the Government's primary advisor on cancer
- future-proof the cancer system
- support equity and whānau-centred system shifts
- be a high-performing agency focused on cancer.

You can read more in the *Ministry of Health Strategic Intentions 2024–2028 – Ko ngā Takune-a-Arataki 2024–2028.*

Table 2 shows how our 2024/25 work programme activities supported the new strategic intentions. Section 2: Assessment of operations has more details on progress against our work programme.

Table 2: Cancer Control Agency Strategic Intentions aligned to 2024/25 work programme

2024–2028 Strategic Intentions

Provide system-level leadership for cancer – Arahina ngā mahi a te pūnaha o te mate pukupuku

Strategic outcome	2024/25 work programme
We lead and unite efforts to create a high-performing, sustainable and equitable cancer system for Aotearoa New Zealand	Stocktake and plan for proposed refresh of the actions in the New Zealand Cancer Action Plan 2019–2029. Provide data expertise to support Faster Cancer Treatment targets. Support the establishment of and co-lead the Cancer National Clinical Network with Health NZ. Develop Optimal Cancer Care Pathways for eight blood and eight tumour cancers, and implementation approaches. Develop Models of Care and/or implementation approach for: • systemic anti-cancer therapy • haematopoietic stem cell transplant • radiation oncology services • surgical services. Support Health NZ workforce and infrastructure planning.

Drive cancer system strategy and performance – Kōkirihia ngā rautaki me ngā mahi a te pūnaha o te mate pukupuku

We have a strong understanding of how we are progressing towards improved outcomes for those who are affected by cancer and the objectives in the 2019–2029 New Zealand Cancer Action Plan.	Develop a cancer system performance approach and a forward plan of future spotlight reports, dashboards, and other knowledge product projects. Analyse data and begin compiling State of Cancer 2025 report. Publish quality performance indicator (QPI) reports for: 1. route to diagnosis (for 22 cancer types) 2. lung cancer 3. breast cancer. Facilitate a Cancer Research to Action Hui Support Health NZ's Faster Cancer Treatment target and other measures.

Being the Government's primary advisor on cancer – E tū hei kaitāpae matua o te Kāwanatanga mō te mate pukupuku

We work with the health system and the Government to ensure the outcomes of the 2019–2029 New Zealand Cancer Action Plan and Government priorities are delivered.	Ongoing development and maintenance of the CanShare system including: • Anti-Cancer Therapies – Nationally Organised Workstreams • National Radiation Oncology Collection • Structured Anatomical Pathology Reporting • SNOMED-CT development • supporting the National Breast Cancer Registry. Provide cancer intelligence to the wider sector. Provide advice on implementation of new cancer medicines with Health NZ, the Ministry, and Pharmac. Support Health NZ in developing a business case to establish a lung screening programme. Scope an engagement framework with primary and community care on all aspects of the cancer continuum. Scope evidence-based approaches to engage primary care on early detection approaches to support equitable access and cancer outcomes. Support the Population Attributable Fractions for Cancer Study.

Future-proof the cancer system – Whakatakatūria te pūnaha mate pukupuku mō ngā rā ki tua

We work across the health sector to create a shared understanding of the challenges, long-term risks, and opportunities to deliver equitable cancer outcomes for all people in Aotearoa New Zealand.	Undertake horizon scanning on sector initiatives and opportunities across the cancer continuum. Work with partner health organisations to identify and address emerging and/or unexpected issues across the cancer system (eg, service level disruptions, new technologies, and precision medicine). Enhance access to high-quality evidence, data and trends relating to cancer, including through the CanShare programme, QPI reports, dashboards and other knowledge product projects.

Support equity and whānau-centred system shifts – Hāpaitia te noho taurite me ngā pūnaha e aronui ana ki te whānau

New Zealand's cancer system provides accessible and equitable care in a way that meets the needs of patients and whānau.	Work with Health NZ on advice to improve access to National Travel Assistance. Provide advice to and support Health NZ to scale up cancer navigation services. Progress two projects focused on gathering information about the impact of cancer on disabled people and Pacific fānau. Continue to partner with groups on work to reduce inequities and improve access for people and whānau including: • Hei Āhuru Mōwai – Māori Cancer Leadership Network • He Ara Tangata, our consumer advisory group • Health NZ • Ministry of Health • Cancer Society • CANGO (Cancer Non-Governmental Organisations). Support planning for the World Indigenous Cancer Conference 2026 hosted in New Zealand by Hei Āhuru Mōwai.

A high-performing agency focused on cancer – Kei ngā taumata tiketike ngā mahi a te tari e aronui ana ki te mahi pukupuku

We deliver high-quality and high-value work that makes a difference for those who are affected by cancer.	Develop and implement actions to: • support staff development plans and career progression • build organisational capacity • support staff in embedding needs-based and whānau-centred care tools in the Agency's work • improve Agency processes and tools to work more efficiently. Continue to embed our Whāinga Amorangi Plan to build skills and organisational capacity in: • New Zealand history and Te Tiriti o Waitangi • Te reo Māori • tikanga and kawa.

Section 2: Assessment of operations – Te Aromatawai o ngā Whakahaere

In 2024/25, the Agency continued to improve cancer control and supported the sector to embed Government and sector initiatives to improve cancer information, services and outcomes for all New Zealanders.

This section sets out the Agency's key achievements and initiatives, and how we continue to collaborate with the sector to improve cancer control. The actions are listed under five of the Agency's six strategic intentions.

1. Provide system-level leadership for cancer

Refresh of the actions in the New Zealand Cancer Action Plan 2019–2029

In December 2024, the health sector reached the halfway point in delivering the 10-year New Zealand Cancer Action Plan. Since the Plan was launched, the sector has undergone major reforms and continues to manage increased demand, patients with more complex needs, and rapid changes and rising costs in cancer screening, diagnosis, and treatment options.

Given the changes in both cancer treatments and the health system, the Agency engaged subject matter experts across the Ministry, Health NZ, and Agency advisory groups and contracted partners to complete a stocktake of progress against the Plan.

From April to August 2025, the Agency worked with above key health partners and Hei Āhuru Mōwai Māori Cancer Leadership Network, the Cancer Society, He Ara Tangata – Consumer Advisory Group, and CANGO (Cancer Non-Governmental Organisations) to review progress against the Plan. This work, which was done from April to August 2025:

- assessed which actions had been achieved
- updated existing and proposed new actions that would make the biggest difference for people and whānau living with cancer that the sector could initiate or deliver by the end of 2029.

As part of this work, we:

- have considered the review and proposed actions against current health strategies and government priorities
- will identify which entity is best placed to lead, own, and deliver each action
- will develop an overall monitoring framework to assess how the actions are improving cancer services and outcomes for people and whānau.

In late September 2025 we will invite the wider cancer sector (including researchers and colleges) to provide feedback on the refreshed actions.

Cancer National Clinical Network

In June 2024, the Agency and Health NZ set up a joint Cancer National Clinical Network (the Network). This Network, made up of 22 cancer clinical experts, brings together strategic and operational leadership to deliver improved health outcomes for people living with cancer.

The Network reports to the joint oversight group, (made up of senior leaders from the Agency and Health NZ) to deliver a 12 to 24-month work programme. We also collaborate with the Network to:

- align the work programmes of the Agency, the Network, and the wider sector
- gather feedback on Agency work such as the cancer care pathways and models of care
- provide advice and resources to inform and support the Network's work programme.

We also engage with other Health NZ clinical networks on cancer-related areas, such as radiology, to support system design, planning, and service monitoring and improvements.

Release of Optimal Cancer Care Pathways

To support the planning and delivery of best practice cancer care, the Agency develops Optimal Cancer Care Pathways (OCCP) for 16 types of cancer. The OCCPs allow organisational system leaders and service providers to:

- identify gaps and opportunities to improve cancer services
- address barriers and unwarranted variations people may face in accessing screening and high-quality care
- continually improve how services are planned and coordinated
- place the needs of people and whānau at the heart of service design and delivery.

In 2023/24, we finalised the first edition of OCCPs for bowel, breast, lung, and pancreatic cancers.

Over the 2024/25 year we developed an additional 12 pathways. Table 3 lists the 16 OCCPs now available. These were published on the Agency's website on 22 July 2025.

The next phase will involve working with the Network on implementation.

Table 3: Published Optimal Cancer Care Pathways for tumour and blood cancers

OCCPs published for types of tumour cancers	OCCPs published for types of blood cancers
Bowel cancer	Acute Lymphoblastic Leukaemia
Breast cancer	Acute Myeloid Leukaemia
Head and neck cancer	Chronic Lymphocytic Leukaemia
Lung cancer	Chronic Myeloid Leukaemia
Ovarian cancer	Hodgkin and Diffuse Large B Cell Lymphoma
Pancreatic cancer	Low Grade Lymphoma
Prostate cancer	Multiple Myeloma
Sarcoma cancer	Myelodysplastic Syndrome

New models of care to guide efficient, consistent, quality care

Over the year, the Agency engaged with clinical and allied health experts across the sector to finalise draft models of care for radiation oncology, medical oncology, and complex cancer surgery. These models will support clinicians, service leaders, and operational managers in Health NZ to improve the experience of patients who rely on these services. Importantly, these models will embed more sustainable, equitable, consistent, and cost-effective ways of providing cancer services across the country over time.

For example, the new medical oncology model of care is a key enabler to support the delivery of cancer medicines newly funded by the Government. New processes identified in the model of care are being implemented. Over time this will enable people to receive some chemotherapy treatments in community settings, such as pharmacies or primary health providers, with appropriate wrap-around care to maintain patient safety. This is a critical example of building more capacity in the system and enabling more people to receive cancer care closer to home.

Cancer workforce and infrastructure planning

Being able to provide quality cancer care and increasingly deliver it closer to home is a key goal for the Agency and wider sector. This requires:

- changing existing, or implementing new, models of care and optimal cancer care pathways to enable treatment to be delivered in new settings, closer to home
- modelling to inform service design and investment in infrastructure (including data and digital) to ensure equitable access to care across New Zealand's populations and locations
- ongoing recruitment strategies to compete in the environment of global and local health workforce shortages (led by Health NZ).

Previously the Agency has developed short- and medium-term workforce modelling for a range of clinical roles, which has informed health system and education pathway planning. In 2024/25, we continued to work closely with Health NZ, the Ministry of Health, and clinical colleges and membership organisations to provide data and advice on actions to build capacity in the workforce in the short, medium, and long term.

A recent example of this is a new Cancer Nursing Education Pathway we developed with Health NZ and the Cancer Nurses College NZ. This pathway outlines the education and certification requirements for nurses to be able to deliver systemic anti-cancer therapy. This applies to novice cancer nurses and nurses who are moving into a designated senior nurse position or clinical nurse specialist role. Supporting nurses to deliver Systemic Anti-Cancer Therapy will increase the number of people who can receive this type of treatment. Over time, it will also support people to receive it in community settings (like a GP clinic) that are closer to home, which is a great outcome for people and whānau. This is in the final stages of approval.

An example of infrastructure work completed is medical linear accelerator (LINAC) modelling to identify likely future demand and inform Health NZ investment decisions. Currently, many districts are running their LINACs at or above 100% capacity, which is inefficient and unsustainable. International best practice says the optional level for LINACs to run is approximately 87%. This would allow for:

- regular maintenance and repairs
- space to provide emergency treatments.

Previous modelling has informed LINAC investment outlined in the *Health Infrastructure Plan* released by Health NZ in April 2025.

2. Drive cancer system strategy and performance

Across Aotearoa New Zealand, cancer services deliver high-quality care for most people, most of the time. However, other people experience inconsistencies in their access to services and/or the quality of their care, which may lead to poorer health outcomes.

It is vital to monitor or research how and when people access cancer services, the quality of care they receive, and their resulting health outcomes. What we learn helps inform health policies, system design, and quality improvement activities at regional and national levels. Below are some examples of activities we led or supported to monitor and improve cancer control.

Develop a cancer system performance monitoring approach

Since the Agency was established it has provided a range of cancer system performance reports to inform improvements to cancer control. We have developed a new cancer system performance monitoring approach to:

- prioritise work that supports system performance improvement goals and wider Government and health system strategies
- continue to periodically report on the overall state of cancer control using online dashboards and easy-to-understand infographics
- share QPI data and monitoring via the online cancer care data explorer and targeted infographic-based reports
- provide shorter (compared with the QPI reports) 'spotlight' reports highlighting system improvements, best practice, and areas for improvement.

Performance monitoring of breast and lung cancer services

The Agency's QPI programme describes best practice in cancer control. It also detects unwarranted variation in cancer diagnosis, treatment and outcomes, to enable investigation and quality improvement actions or system changes.

Unwarranted variation is a difference in how people access health services that cannot be explained by patient needs, clinical evidence, or personal preference. Addressing these can reduce differences people may experience due to location, sex, ethnicity, age, or deprivation.

Over the 2024/25 year, we published QPI reports and supporting technical documents for breast cancer and lung cancer (recalculating lung cancer QPIs published in 2021). We are grateful to the Breast Cancer NZ Foundation Register Trust, the Breast Cancer Foundation NZ, and the lung cancer working group and subgroup for their assistance with these reports.

The *Breast Cancer Quality Improvement Monitoring Report 2025* shows:

- the results for 10 QPIs for the 8,390 people who received a new primary diagnosis of breast cancer in New Zealand from 1 January 2020 to 31 December 2021
- variation in detection (including screening), diagnosis, and treatment, which includes access to surgery, systemic anti-cancer therapy, and radiation therapy
- variations in results between districts and demographic groups, such as age, rural-urban status, ethnicity, and socioeconomic deprivation.

The *Lung Cancer Quality Improvement Monitoring Report 2025*:

- is an update on the findings of the 2021 lung cancer report (period one)
- highlights 4 of the 11 QPIs for 9,567 people who received a new primary diagnosis of lung cancer in New Zealand between 1 January 2019 and 31 December 2022 (period two)
- highlights persistent disparities between period one and period two across the lung cancer care pathway, with notable differences between demographic groups, extent of disease at diagnosis and districts
- examines variations in route to diagnosis, treatment, survival outcomes, and end-of-life care.

Both reports can be used to inform improvements in how cancer services are organised, resourced, and accessed by patients. It is important to note that the improvements needed extend beyond the cancer care system into other key factors like access to primary care and other services such as treatment (including assistance to travel for treatment and support for organising time off work or childcare to attend appointments). Therefore, areas for improvements identified across the QPIs require a system-wide approach.

To date, the QPI programme has reported on:

- QPIs for bowel, lung, prostate, pancreatic, and breast cancers
- people who have been diagnosed with one of 22 types of cancer within 30 days of an emergency or acute (unplanned) hospital admission.

You can read these reports on our website or view the data via the Cancer Care Data Explorer.

State of Cancer Report 2025

In 2020, the Agency published the *State of Cancer in New Zealand 2020 – He Pūrongo Mate Pukupuku o Aotearoa 2020* (the Report). This Report provided a complete summary of the available data on New Zealand's cancer system. It also highlighted knowledge gaps or areas of focus across the cancer continuum.

This Report has been one of the Agency's most frequently referenced publications by academics, researchers, and the media. Most of the data presented in the report covers the period up to and including 2017.

In the past five years, the health system has undergone major reforms and continues to manage global and local workforce shortages, changing treatments, and growing numbers of cancer patients who often present with complex conditions.

In late 2024, we began working with key health partner organisations to gather evidence and data to update the Report. The 2025 Report will show how the cancer system has changed and how cancer continues to affect our communities. We plan to publish a summary and full version of the 2025 Report in November 2025.

Cancer Research to Action Hui

Research and evidence play a critical role in monitoring the performance of the cancer system and identifying areas to inform policy change aimed at improving cancer care and outcomes for people and whānau. However, there was no process for cancer researchers, non-government organisations, and health partners to work on coordinating research with cancer control planning and policies.

During 2024/25, the Agency worked with researchers and health partners to arrange a hui for cancer researchers, government policy makers and health agency change makers.

This hui was an opportunity to:

- collaborate on a cancer research-to-action translation pathway
- create a shared understanding and alignment of potential research topics and gaps
- highlight the Government's policy processes.

Since the hui, the Agency has continued to work with the participants to develop a strategic approach for cancer research in New Zealand and investigate ways to improve both funding and implementation processes so research can be delivered to improve policy and service delivery.

Population Attributable Fractions for Cancer Study

In August 2024, the Agency partnered with the Public Health Agency to secure a grant from the Research and Evaluation Fund within the Ministry. The $581,000 grant is being used to calculate population attributable fractions for cancer. This 30-month research project will estimate the proportion of certain cancers that can be attributed to preventable or modifiable exposures such as smoking, alcohol, and nutrition. The results will be stratified by ethnicity to address the disproportionate preventable cancer burden faced by Māori and Pacific peoples.

The findings will help policy makers develop targeted, evidence-based cancer prevention strategies and interventions. These will prioritise need, address disparities in cancer incidence, and align to a social investment approach. The research project aligns with Pae Ora strategies to protect long-term affordability of the health system by shifting the focus towards prevention.

3. Being the Government's primary advisor on cancer

CanShare

The Agency has been working with the health sector to develop and implement CanShare – a national cancer information platform to connect data from across the cancer care pathway. This includes radiation therapy systems, systemic anti-cancer therapy prescribing solutions and pathology reporting, as well as other clinical applications.

By linking these sources, CanShare is creating a single, consistent, standards-based platform that will enable the timely sharing of accurate cancer information. As more data is refined and connected, CanShare will increasingly support clinicians and patients with near real-time information to guide discussions about diagnosis, treatment options, and ongoing care.

CanShare is being built on national health information standards, including SNOMED CT for clinical terminology and FHIR for near real-time data exchange, ensuring consistency and interoperability across the system. This foundation will strengthen clinical decision-making, support patients and whānau to make decisions, and provide a secure environment for advanced analytics to inform service planning and research.

In 2024/25, work continued to bring together three major data areas.

- **Anti-Cancer Therapies – Nationally Organised Workstreams (ACT-NOW)** standardises how systemic anti-cancer therapy data is defined, collected, and shared. It provides nationally agreed protocols for chemotherapy and other systemic treatments, ensuring that prescribing systems capture consistent, standards-based data.
- **ROC (Radiation Oncology Collection)** captures consistent information on radiation treatment, dose, fractionation, and delivery, ensuring that public cancer centres are aligned in how data is recorded and shared. This allows clinicians to benchmark care, supports service planning and workforce requirements, and improves equity and quality of radiation oncology services nationwide.
- **Structured pathology** enables cancer pathology results to be recorded in a standardised format that can be shared digitally across the health care system. This ensures that essential diagnostic information, such as tumour type, stage, and biomarkers, is captured consistently and can be used at the point of care, in multidisciplinary meetings and national analytics. Structured pathology reporting improves accuracy, reduces variation, and forms the foundation for future AI-assisted reporting.

Raurau Ngaehe: Northern Region oncology ePrescribing system

In late 2024, a major milestone was achieved through collaboration between the Agency, Health NZ Northern and Valentia Technologies, with the launch of Raurau Ngaehe, a modern oncology and haematology ePrescribing and administration system.

Raurau Ngaehe is now being used by around 600 clinicians across the Northern region, enabling the safe and timely delivery of approximately 40,000 cancer treatments to more than 5,400 patients each year. The system has been successfully rolled out across haematology and oncology services at Middlemore, Waitematā, Northland, and Auckland hospitals.

The system is New Zealand's first CanShare-compliant ePrescribing platform. Built on international health data standards (SNOMED CT and FHIR), it integrates with the Northern region's clinical portal, so patient treatment summaries are automatically generated and visible to the wider care team. This has eliminated the need for manual scanning or transfer of prescriptions.

Importantly, the project has embedded the ACT-NOW systemic anti-cancer therapy treatment protocols, aligning Northern region practice with national standards to increase the coverage of systemic anti-cancer therapy data. This will enable more comprehensive national reporting and analysis to help identify service gaps and direct resources where they are most needed.

Advancing cancer data standards with SNOMED CT

Over the year, we made considerable progress implementing SNOMED CT – the core terminology standard underpinning the CanShare programme. A key milestone was the development of 645 SNOMED CT reference sets. These sets ensure that data describing cancer care is recorded consistently and accurately. This is among the most detailed applications of cancer-specific SNOMED CT coding internationally.

This work involved close collaboration with the University of Nebraska, the PALGA Foundation in the Netherlands and SNOMED International, ensuring our coding structures are both globally aligned and locally applicable. We presented this work internationally, attracting global interest.

We now have a solid foundation for consistent national coding of cancer diagnoses, treatments, and outcomes. In time, this will:

- ensure greater safety in clinical communication
- support equity by enabling reliable comparisons across regions
- enable seamless data exchanges via CanShare
- provide clinicians and decision-makers with information they need to plan and deliver services effectively.

Radiation oncology waitlist data business rules

The National Radiation Oncology Group set up business rules to guide how referrals to public radiation oncology services are managed and monitored consistently. These rules were endorsed by the Agency's Radiation Oncology Working Group and published in January 2025.

The business rules provide best practice clinical criteria to guide radiation oncology services when a person is referred for their first specialist assessment. The criteria are based on the type and stage of cancer and the urgency of starting treatment. However, specialists may recommend different timings or approaches tailored to a person's specific needs, concerns, or other health conditions.

The rules also support the collection of consistent, accurate waitlist data across the country. Collecting this data will inform:

- effective monitoring and management of radiation oncology waitlists at public hospitals and services, to support the provision of timely treatment
- decision-making at local, regional, and national levels to deliver services equitably across the country.

4. Future-proof the cancer system

System performance

In late 2024, we developed a new system performance strategy to identify new ways to share performance measurement data and insights. This will allow us to:

- explore cancer-related issues that need attention
- track progress and share information, either as an overview (eg, closing outcome gaps between Māori and non-Māori) or with a specific focus (eg, how effective a screening programme has been at identifying cancer early)
- provide access to data that others (eg, health system decision-makers, researchers or NGOs) can use to identify problems and suggest improvements.

Earlier in 2025, we began working with Health NZ and clinicians to identify a priority area to test the new reporting approach for publication before the end of the year.

Our aim is to move away from large data reports to more responsive snapshots that focus on highlighting priorities for the sector. These products will use quantitative and qualitative evidence to inform improvements in cancer care.

Understanding blood cancer medicine availability

In October 2024, we released a report that showed the differences between blood cancer medicines that were publicly funded in Australia and Aotearoa New Zealand. This complemented the report *Understanding the Gap: an analysis of the availability of cancer medicines in Aotearoa*, which we published in 2022.

We were unable to include an analysis of blood cancer medicines in the 2022 report, as there was no validated assessment tool on the clinical benefit of the medicines available then. When a tool became available in late 2023, we analysed the availability of blood cancer medicines as of 1 January 2024. This showed:

- 24 individual blood cancer medicines were available in Australia but not in New Zealand, for 42 different cancer treatment indications (or uses)
- 12 of these 42 medicine-indication pair gaps had a substantial magnitude of clinical benefit. This means they demonstrated a high degree of improvement in quality of life and/or survival
- 2 of the 12 are medicines used to cure blood cancer, and the remaining 10 are used to manage the disease and its symptoms.

Since the comparison was completed on 1 January 2024, of the 12 medicine-indication pair gaps with substantial clinical benefit:

- six have been funded by Pharmac
- one is on Pharmac's Options for Investment list – the prioritised list of medicines they would fund if budget was available
- two are currently being assessed by Pharmac
- three have not had an application for funding submitted to Pharmac.

5. To support equity and whānau-centred system shifts

In 2024/25, we continued to partner with non-government cancer organisations, advisory groups, and networks to inform and strengthen our work programme and the advice we provide.

We review the role and functions of these groups regularly to make the best use of their valuable time and expertise. With the recent establishment of the Cancer National Clinical Network, we took the opportunity to realign the Agency's working group structure. This means working groups will now only be brought together as required to provide their clinical and cancer insights to the work programme of the Network and the Agency.

Hei Āhuru Mōwai – Māori Cancer Leadership Aotearoa and its members bring a range of expertise, including clinical, community care, epidemiology, health services management, and research. We support the leadership and rangatiratanga of Hei Āhuru Mōwai, including via operational funding. They collaborate closely with us and provide expertise and support for negotiated strategic work and projects centred on improving Māori cancer outcomes. Key areas of shared focus in 2024/25 included cancer navigation, and research and planning for the World Indigenous Cancer Conference 2026.

He Ara Tangata – Consumer Reference Group provides advice and solutions from a lived-experience perspective. Members provide overarching advice and feedback to the Agency and are sometimes embedded in specific projects to provide lived experience expertise. To support our commitment to Te Tiriti o Waitangi, we aim for He Ara Tangata to include 50% Māori membership.

The **National Child Cancer Network New Zealand** and **Adolescent and Young Adult Cancer Network Aotearoa** (AYA) are contracted organisations who care for children and young people with cancer. We collaborate on their work programmes, discuss progress and issues, and support delivery. This year we also supported AYA to seek additional funding avenues to support their endeavours.

In addition, we connect with a wide array of organisations and programmes across the cancer system, including:

- iwi and Māori organisations and service providers
- Pacific organisations and service providers
- government organisations, such as Whaikaha – Ministry of Disabled People, Ministry for Ethnic Communities – Te Tari Mātāwaka, Health and Disability Commissioner – Te Toihau Hauora, Hauātanga, and Health Research Council
- research/academic institutions such as University of Otago (including the Surgical Cancer Research Group), University of Auckland – Waipapa Taumata Rau and The University of Queensland, Australia
- international organisations, such as Cancer Australia, Canadian Partnership Against Cancer, and participation in the International Cancer Benchmarking Partnership, led by Cancer Research UK
- cancer non-government organisations.

Supporting change to National Travel Assistance

The National Travel Assistance (NTA) scheme helps people who need to travel frequently or long distances to see a health specialist and/or receive treatment. Our data shows that between 2018 and 2021, 28% of the NTA budget was claimed by cancer patients. This includes patients who required radiation oncology treatment, which is currently only available in a small number of publicly funded locations.

The Agency has been investigating how the NTA policy could be made more accessible and equitable for patients. While the policy is valuable and well utilised, it is potentially creating inequities for some people. This is likely to be contributing to inequitable outcomes and system inefficiency, particularly through non-attendance rates for specialist appointments.

In 2021/22, we developed advice on travel and accommodation for the then-Transition Unit. This informed the interim New Zealand Health Plan, which includes an action to 'implement national pathways to access transport and accommodation to support the equitable completion of cancer treatment'.

In 2024/25, we conducted further analysis of quantitative data and lived experiences of cancer patients and their whānau who had used NTA. This is informing a report that we will release by the end of 2025 which will include proposed options for change that will:

- target support to the people and whānau who need it most
- make it easier for patients to understand and access the funding
- support equitable access to specialist health care
- simplify how people apply and receive support to reduce the administrative burden on patients, whānau, and the health sector.

We have worked with Health NZ on these suggested options which, if implemented, could significantly improve the value and fairness of the scheme over time.

Cancer navigation services

Cancer navigators play a critical role in supporting people through their cancer diagnosis and treatment, while connecting them to available support and resources. These services also support people to be diagnosed as early as possible and complete their cancer treatment. This is particularly important for Māori and Pacific peoples who often experience worse cancer outcomes. Although there are a small number of dedicated navigation services available across New Zealand, they are not yet consistently coordinated or resourced.

In 2024/25, the Agency continued work towards a national model of care for cancer navigation services based in both hospital and community settings. The Agency also supported the Hauora Māori team within Health NZ on investments to scale up community-based kaupapa Māori cancer navigation services.

Improving cancer care for people with a disability

There is limited research on the incidence, experience of cancer, and cancer outcomes for disabled people both in New Zealand and worldwide, but we know disabled people often experience poorer health outcomes generally. Given that one in four New Zealanders will experience a temporary or permanent disability, it is important to identify barriers they may face in accessing quality, equitable cancer care.

In 2024/25, we continued work to identify the knowledge gaps and gather qualitative insights into how disabled people experience cancer diagnosis and care. We also worked with cancer researchers to carry out a literature review of the research available.

These insights will be combined into two reports that will be released before the end of 2025. We will share these insights across the health sector to help influence the equitable delivery of cancer services to disabled people and their whānau in New Zealand.

World Indigenous Cancer Conference 2026

In April 2026, the World Indigenous Cancer Conference (W.I.C.C. 2026) will take place in Rotorua. Held every two years, the W.I.C.C. 2026 is a global event that brings together Indigenous health leaders, researchers, clinicians, advocates, and policy makers from around the world to address the cancer burden and improve health outcomes for Indigenous peoples.

The event is being managed by Hei Āhuru Mōwai, the Māori Cancer Leadership Network. The Agency will be a key sponsor of the event and supported planning work throughout 2024/25. It is a unique opportunity to discuss and share methods for improving cancer outcomes for Indigenous peoples, engage researchers, academics, and people with lived experience, and highlight New Zealand's cancer care coordination models.

6. A high-performing agency focused on cancer

A key focus of the Agency over the past two years has been increasing our capability and capacity while supporting the career development aspirations and job satisfaction of our people. While the Agency continues to receive excellent feedback via the annual Kōrero Mai staff survey, creating better career opportunities has been identified as an area we can improve on. To address this, we put in place the following initiatives.

Building capabilities internally

Creating more professional development opportunities was a key piece of feedback we received in the past two Kōrero Mai surveys. In late 2024, we developed a new capability development programme that delivers regular and free capability sessions. This supports people's personal and career development plans and builds the Agency's organisational capabilities.

We run two to four sessions per quarter. The sessions are created and delivered by our people. The subjects are based on a combination of the common development areas that staff identified in their annual performance development plans, and the capabilities identified to deliver the Agency's work. Topics covered so far include:

- cancer and health care delivery knowledge and understanding
- communications and managing stakeholder relationships
- data analysis and visualisation
- embedding equity into work and tools to support this
- emerging relevant research and application to the Agency's work
- machinery of Government functions such as writing for ministers and Official Information Act requests
- project management and the tools to support it
- Te Ao Māori.

E Tipu E Rea Rōpū

In March 2025, we created a workplace culture council called E Tipu E Rea. The members represent each team and/or hub, and the co-leads report directly to the Chief Executive. It has been set up to work with our people on ways to foster wellbeing, provide peer support, and improve overall organisational effectiveness.

Using insights from the Kōrero Mai surveys and meetings with teams, E Tipu E Rea has gathered ideas on how to improve the way we work together. These recommendations are being finalised to be presented to the Executive Leadership Team for consideration in September 2025.

Career progression framework

In September 2024, we released a career progression framework which covers three of the Agency's job families (IT Analysts, Advisors and Project Managers). It describes knowledge, skills, and capabilities needed to progress to more senior roles within each job family. This assists staff and managers to have conversations about areas for development.

In the first of what will become an annual process, we undertook a promotion round in 2024/25 for eligible staff. When assessing applicants, we considered the person's technical skills and knowledge, alongside how they demonstrated our values, contributed to our team and culture, and drove results. Two people were assessed as meeting the criteria and were promoted.

International work

We maintain regular connection with international partners including the International Agency for Research on Cancer, Cancer Australia, International Cancer Benchmarking Partnership, the Canadian Partnership against Cancer, and the Union for International Cancer Control. These relationships enable the sharing of knowledge, research, technologies, and cancer treatments to improve prevention, diagnosis, treatment, and equity outcomes.

In May 2025, we presented at the inaugural Cancer Planners Forum which was set up by the Union for International Cancer Control and the World Health Organization. The Forum brought together experts involved in developing and implementing national cancer control plans to collaborate on ways to resolve variances in how they are implemented and the outcomes they deliver.

We described how the sector developed the 2019–2029 New Zealand Cancer Action Plan, the lessons learned and the approach to engage the sector on refreshing the Plan's actions. We also shared how we embed equity into our work to improve outcomes for populations who continue to experience worse cancer outcomes.

Section 3: Organisational health and capability – Te hauora me te raukaha o ngā whakahaere

As New Zealand's national Cancer Control Agency, the Agency is a small organisation with a diverse workforce providing expertise in cancer, clinical, pharmaceutical, data, statistical, equity, and whānau-centred care. We continue to focus on strategies that support our people to develop the knowledge and skills required to perform their roles effectively.

We have four regional hubs with staff in Auckland, Hamilton, Palmerston North, and Christchurch. They work directly with frontline clinical and operational leaders of cancer services. This includes:

- developing positive working relationships with stakeholders
- maintaining links with clinical and service leadership both locally and regionally
- promoting the Agency's national work programme
- providing insight into service performance data and working with clinicians and service staff to identify and implement appropriate responses
- understanding regional and local needs and challenges
- promoting a regional perspective and a focus on the needs of the population
- supporting a regional service/quality improvement focus.

We engage in regional, national, and international projects and initiatives across all aspects of cancer control: prevention, diagnosis and treatment, survivorship, and palliative or end-of-life care. Read more on our structure and teams on our website.

Whāinga Amorangi – Māori-Crown relations

In 2021 we adopted the Whāinga Amorangi public sector framework for developing Māori-Crown relationships to strengthen the Agency's capability in understanding and partnering with Māori to improve cancer outcomes.

The Agency developed two Whāinga Amorangi plans: one focused on enhancing individual staff capability, and the other on strengthening organisational capability. The framework outlines six domains of capability development for each plan. Until recently, the individual staff capability plan included all six domains, allowing staff to select areas for development.

In 2024/25, the Agency narrowed the focus from six to three key domains in this plan. This change was made to concentrate development efforts and resources to move staff capability more efficiently from comfortable to confident in these areas. The three focus areas for 2024/25 were:

- New Zealand history and Te Tiriti o Waitangi
- te reo Māori
- tikanga and kawa.

To support this capability lift, we:

- encourage staff to attend relevant courses, such as Level 1 and 2 te reo Māori, The Wall Walk, and Toro Mai
- expect staff to complete relevant Ministry Te Rito e-learning modules
- hold monthly tikanga sessions to increase cultural awareness, which are linked to the three focus areas
- invite guest speakers to come and speak to kaimahi on focus areas, such as Te Tiriti o Waitangi
- hold regular drop-in sessions for any questions relating to tikanga and language
- deliver a kupu/kīwaha o te wiki, word/idiom of the week to support language learning
- support staff to participate in relevant pōwhiri/welcoming ceremonies
- make available and promote a range of resources to support independent learning, including te reo Māori books, games, and online learning opportunities.

We continue to run waiata practice, lunchtime learning events for Matariki and Te Wiki o Te reo Māori, and highlight research, events, and talks available in regions and online that strengthen our understanding of te ao Māori and our ability to partner with Māori to improve cancer outcomes.

Increasing resilience

To strengthen the Agency's ability to continue operating and support the wider health sector during an emergency, we refined the Agency's Business Continuity Plan and developed a new Emergency Management Plan in 2024/25. This ensures we can continue to meet our obligations under the Health Emergency Management Assurance Framework and other relevant laws and standards.

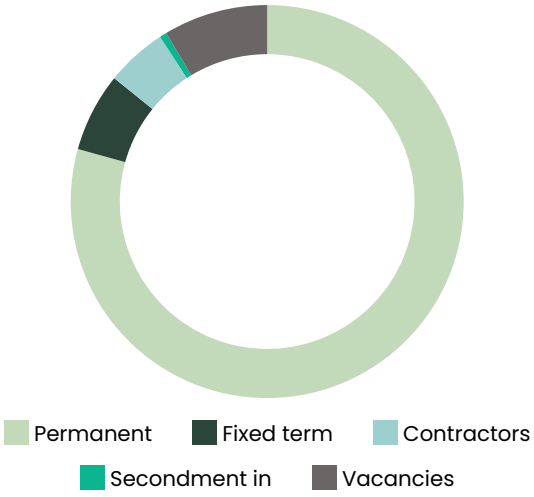
The Ministry's Emergency Management Team has provided advice on this work and will support the Agency in running a desktop emergency exercise with all the Agency's leaders to test and refine the Plan. We will also run a learning kāhui (session) with staff on the Agency's emergency management processes and opportunities to support civil defence responses.

Our people – Ō mātou kaimahi

On 30 June 2025, the Agency employed 63 people. The 59.8 full-time equivalent (FTE) roles were based in five offices across the country. Of the 63 people, four and a half FTE were in fixed-term roles, and one FTE was on secondment. Not included are three staff on parental leave, and three 0.4 FTE who were seconded into the Agency during this time.

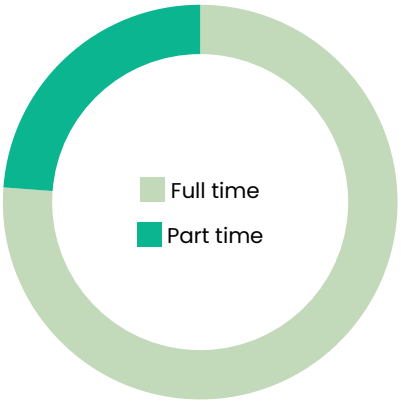
We also engaged three FTE in contract roles.

We were also recruiting three FTE roles with another three FTE roles on hold.



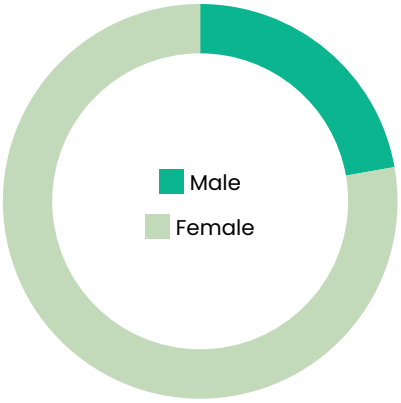
Full-time and part-time roles

Of our workforce, 76% of our permanent staff work full time.



Gender

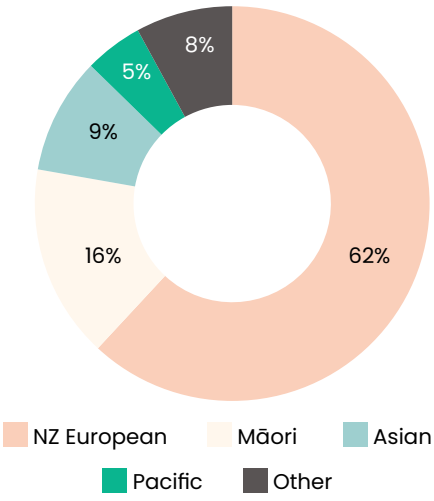
The Agency's gender distribution was similar to the previous year, with 77% percent of staff identifying as female.



Ethnicity

We actively seek a diverse and qualified workforce to reflect the population we serve.

In the 2024/25 year, 62% of our staff identified as NZ European, 16% as Māori, 5% percent as Pacific peoples and 9% percent as Asian. Some staff also identify with more than one ethnic group.



Our performance – Ā mātou mahi

Performance measure	2021/22	2022/23	2023/24	2024/25	Notes
Staff satisfaction	NA	84%	72%	74%	Kōrero Mai survey undertaken in October 2023.
Sick/domestic leave taken	4.7 days	8.2 days	6.7 days	5.4 days	We encourage kaimahi to take sick leave to support both public health efforts and staff wellbeing.
Staff turnover	13%	16%	21%	14.5%	Being a small agency with a flat structure can limit career development opportunities
Percentage Māori staff	11%	11%	13%	16%	
Percentage Pacific staff	6%	5%	5%	5%	
Percentage non-European staff	40%	34%	40%	22%	
Diversity and inclusion					**Statements from 2025 Public Service Census or annual Kōrero Mai staff survey**
The person I report to creates an inclusive team environment, showing care for success and wellbeing.	91%		83%	82%	2024 Kōrero Mai survey Average across the public service was 73%.
I feel welcome and included at the Agency.	86%		80%	83%	2024 Kōrero Mai survey result Average across the public service was 79%.
I am able to maintain a balance between my personal and working life.	59%		81%	73%	2024 Kōrero Mai survey Average across the public service was 55%.
Te reo Māori					**Statements from 2025 Public Service Census**
Staff are encouraged to use te reo Māori	84%	89.7%	89%	97%	Average across the public service was 66%.
Staff are supported to improve our te reo Māori.	84%		83%	100%	Average across the public service was 64%.
Percentage of kaimahi who can pronounce te reo Māori words correctly.	56%	60%	65%	64.6%	2025 Whāinga Amorangi survey result

Performance measure	2021/22	2022/23	2023/24	2024/25	Notes
Māori–Crown relations					**Statements from 2025 Public Service Census**
I am comfortable supporting tikanga Māori in my Agency.	87%	97.9%	97%	90%	Average across the public service was 72%.
I feel confident in my ability to identify aspects of my agency's work that may disadvantage Māori.	89%	95%	93%	85%	Average across the public service was 62%.
I understand how my Agency's Te Tiriti responsibilities apply to its work.	89%	89.7%	88%	97%	Average across the public service was 77%.
I feel that leaders in my Agency show a commitment to strengthening the relationships between Māori and the Crown.	49%	34%	84%	98%	Average across the public service was 68%.
I am encouraged and supported to engage with Māori and to understand Māori perspectives.				97%	Average across the public service was 71%.
Official Information Act timeliness	100%	100%	100%	100%	From Ministry of Health data

Section 4: System performance against Cancer Action Plan

The New Zealand Cancer Action Plan 2019–2029 has four outcomes and multiple actions across the cancer control pathway. To monitor the performance of the system and how well it is serving New Zealanders we use a range of data indicators. This report presents a sample of one indicator per outcome of the current state of cancer control in New Zealand.

We are in the process of updating a draft monitoring framework that will take place annually to better to track system changes over time. These measures will show if the sector is heading in the right direction. It is important to note that the results are not solely attributable to the Agency or any one health organisation, and some are likely to shift slowly.

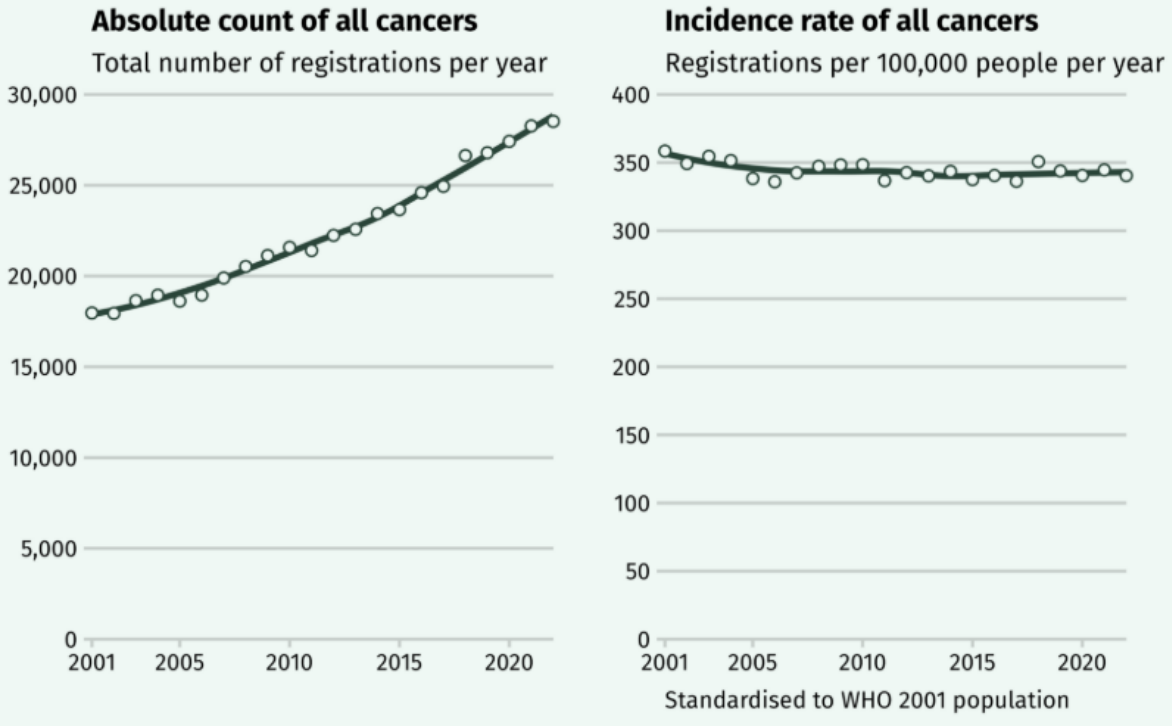
How cancer is affecting our populations

The number of people diagnosed with cancer each year continues to increase (Figure 2, left). The key driver is New Zealand's growing (from 4.90 million in 2018 to 5.22 million in 2023) and ageing (median age of 37.2 in 2018 and 38.0 in 2023) population.

We project the number of cancer diagnoses will increase to 45,100 by 2040.

However, there has been minimal change in cancer incidence rates over the past 10 years (Figure 2, right).

Figure 2: Absolute count and incidence rate of all cancers

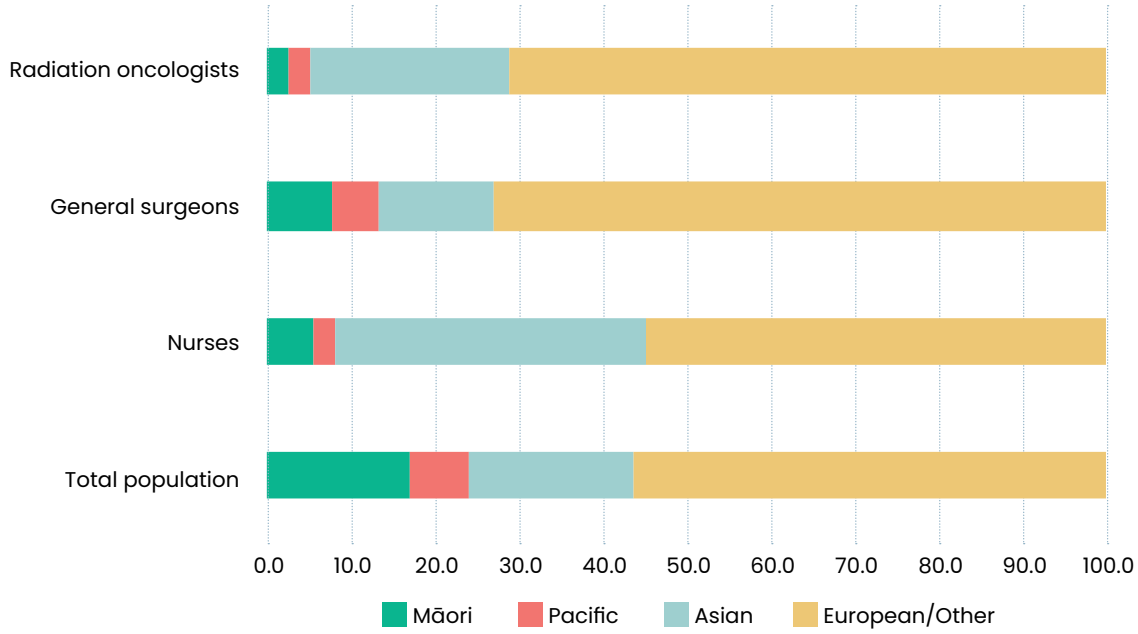


Outcome 1: New Zealanders have a system that delivers consistent and modern cancer care

Indicator: Ethnic distribution of the cancer workforce and New Zealand's total population for 2024

The health system strives to attract and maintain a workforce that represents the communities it serves. Research shows that diverse health workforces can help reduce health inequities in multicultural societies like New Zealand.

Figure 3: Ethnic distribution of health workforce vs ethnic distribution of New Zealand's population



Data source: Medical Council Workforce Survey (2024) and Nursing Cancer Workforce Survey (2025).

Outcome 2: New Zealanders experience equitable cancer outcomes

Indicator: Routes to diagnosis – proportion of cancers that were diagnosed in 2023 within 14 days of an emergency presentation

An early cancer diagnosis improves a person's outcomes by treating it at the earliest possible stage. Ideally a person would receive their diagnosis through a primary or community health care service (such as a GP clinic or a screening programme) and treatment would be provided close to home, with wrap-around support.

In 2023, Māori (30%) and Pacific peoples (36%) were more likely to be diagnosed with cancer following an emergency presentation, compared to 24% Asian and 21% European/Other for all cancers. These results are similar to the previous year.

Figure 4: Proportion of cancers diagnosed in 2023 within 14 days of an emergency presentation

Data source: New Zealand Cancer Registry and National Minimum Dataset.

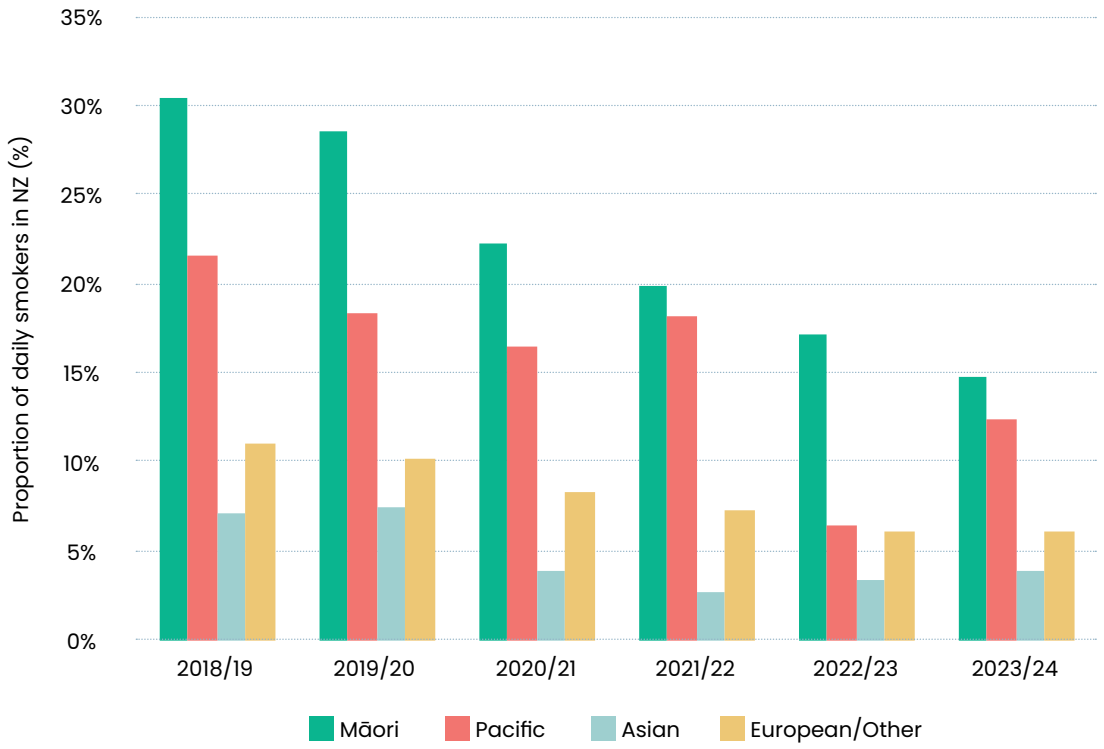
Outcome 3: New Zealanders have fewer cancers

Indicator: Tobacco – proportion of New Zealanders who were daily smokers

The rate of daily smoking continued to reduce for Māori, with a 2.4% drop. The daily smoking rates for Asian and European/Other communities remained the same as 2022.

Pacific peoples saw a large decrease and increase in 2022/23 and 2023/24 respectively. This was due to changes in the small sample size, where even a slight drop in survey numbers can result in a significant percentage shift. Overall, the daily smoking rates for these ethnicities appears to be trending down.

Figure 5: Proportion of daily smokers in New Zealand, by ethnicity, 2018/19 to 2023/24



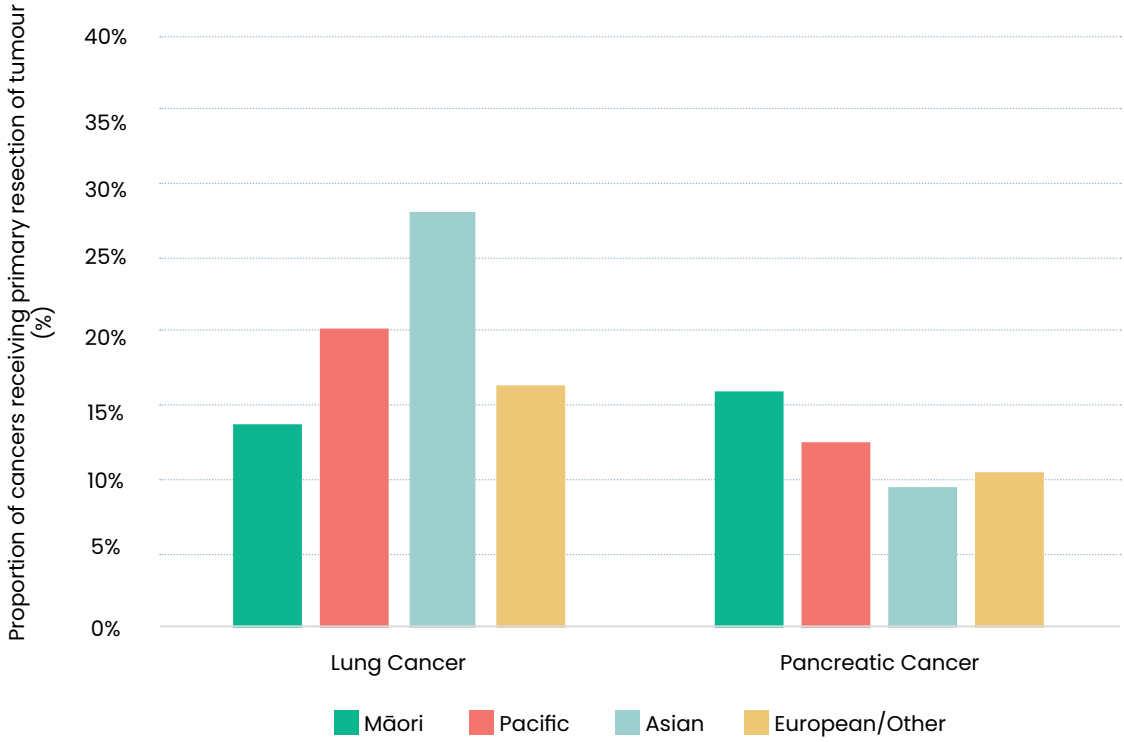
Data source: New Zealand Health Survey.

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 2023/24

Surgery is one option used to treat a person's cancer and increase their survival rate. The rate of surgical resection for lung and pancreatic cancers was around 9–28% in 2023/24, which is a slight increase from the previous year.

Figure 6: Proportion of New Zealanders with lung and pancreatic cancer who received surgical treatment in 2023/24



Data source: New Zealand Cancer Registry and National Minimum Dataset.

Report by the Minister of Health on Non-departmental Appropriation (Vote Health)

The following pages meet the requirements under the Public Finance Act 1989 (sections 7C, 15C, and 19C) and the end-of-year reporting requirement set out in the Vote Health Supplementary Estimates of Appropriations 2024/25 for information on the non-departmental appropriation, Monitoring and Protecting Health and Disability Consumer Interests.

As multiple entities use this appropriation, the performance and financial reporting has been consolidated into this single document, including contributions from those entities, for reporting by the Minister of Health.

This report is presented to the House of Representatives pursuant to section 19B of the Public Finance Act 1989. Although it is presented within the same document as the Ministry's Annual Report, it does not form part of the Ministry's Annual Report for the year ended 30 June 2025 (including reporting by the Ministry on appropriations for that year).

Monitoring and Protecting Health and Disability Consumer Interests appropriation

The Monitoring and Protecting Health and Disability Consumer Interests appropriation is intended to protect the rights of people using health and disability services. This includes addressing the concerns of whānau and investigating alleged breaches of patients' rights.

This appropriation is limited to the provision, purchase, and support of services that monitor and protect health and disability consumer interests.

Assessment of performance

Performance assessment				
Health and Disability Commissioner – Te Toihau Hauora, Hauātanga (HDC)				
Performance measure	**Actual 2023/24**	**Budget Standard 2024/25**	**Actual 2024/25**	**At a glance**
Number of complaints closed by HDC	3,148	2,700–3,000	4,406	✓
Number of complaints closed by Advocacy	2,402	2,600–3,100	2,649	✓
Number of networking visits carried out by advocates with community groups and provider organisations to provide information about the Code of Health and Disability Services Consumers' Rights, HDC and the Advocacy Service (Note 1)	3,075	3,300	2,642	✗
At least 75% of networking visits and meetings are focused on vulnerable consumers	76%	75%	81%	✓
Number of people that accessed the online provider educational resources and number of people who have viewed the online consumer 'Your Rights' video, which promotes and educates the practical implication of consumers' rights	12,812 (providers' online education modules) Over 4,000 views (online consumer 'Your Rights' video)	12,000	18,460 (providers' online education modules) Over 6,000 views (online consumer 'Your Rights' video)	✓
Number of enquiries managed by HDC and the Advocacy Service about the Act, the Code, and consumer rights under the Code	22,163	20,000	26,763	✓
Make recommendations to improve quality of services, and monitor compliance with the implementation of recommendations by providers (Note 2)	96.4%	97% compliance	91.3%	✗

Health Quality & Safety Commission (HQSC) – Te Tāhū Hauora				
Performance measure	**Actual 2023/24**	**Budget Standard 2024/25**	**Actual 2024/25**	**At a glance**
A publication on the quality of Aotearoa New Zealand's health care is provided by 30 June	Achieved	Achieved	Achieved	✓
Provide tools (for example the atlas of healthcare variation, quality and safety markers, and quality dashboard) to allow the system and public to explore the quality and safety of services by 30 June	Achieved	Achieved	Achieved	✓
Support the health workforce to build capability in quality improvement through provision of a course by 30 June	Achieved	Achieved	Achieved	✓

Mental Health and Wellbeing Commission – Te Hiringa Mahara				
Performance measure	**Actual 2023/24**	**Budget Standard 2024/25**	**Actual 2024/25**	**At a glance**
He Ara Āwhina monitoring framework has been applied to publish a report on mental health and addiction services (which includes the access and choice programme) by 30 June	Achieved	Achieved	Achieved	✓

Note 1: The actual result reflects a reduction in capacity of the Advocacy Service over time. In a resource constrained environment, the focus of the Advocacy Service has been on managing complaints with a reduced focus on networking and education. Note also that in 2024/25 the Advocacy Service provided an additional 1,092 (target 1,000) education sessions to consumers and providers on the Code of Health and Disability Services Consumers' Rights and avenues for complaints. Of these sessions, 83% (911) were provided to focus populations.

Note 2: Compliance with HDC's recommendations remains over 90%; however, compliance dropped slightly in 2024/25. This was due primarily to providers leaving the workforce, quality improvement projects being superseded by national projects, or providers no longer having the resources to implement improvements. Where these issues are identified, HDC follows up with individual providers to ensure they are taking actions to mitigate risk arising from not implementing recommendations. HDC continues to follow up with providers to monitor whether they are completing recommendations and taking appropriate action to protect patient safety.

Financial performance				
Expenses	**Actual 2023/24 $000**	**Main estimates 2024/25 $000**	**Voted appropriation 2024/25 $000**	**Actual 2024/25 $000**
Health and Disability Commissioner – Te Toihau Hauora, Hauātanga (HDC)	17,597	14,697	18,097	18,097
Health Quality and Safety Commission (HQSC) – Te Tāhū Hauora	18,167	16,667	16,667	16,667
Mental Health and Wellbeing Commission (MHWC) – Te Hiringa Mahara	5,359	5,359	5,359	5,359
Total	**41,123**	**36,723**	**40,123**	**40,123**