

Hon Simeon Brown
Minister of Health

Health Delivery Plan: Update on policy and legislative changes

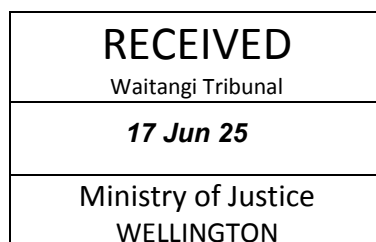
Date of Issue: 17 June 2025

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Title: Health Delivery Plan: Update on policy and legislative changes
CAB-25-MIN-0188

Author: Public Service Commission

Explanatory note:

These documents are being released by the Hon Simeon Brown, Minister of Health .



In Confidence

Office of the Minister of Health

Cabinet Social Outcomes Committee

Health Delivery Plan: Update on policy and legislative changes

Proposal

1. This paper provides an update on, and seeks Cabinet's agreement to, legislative amendments to the Pae Ora (Healthy Futures) Act 2022 (Healthy Futures Act) ^{9(2)(f)(iv) confidentiality of advice} [REDACTED]
2. The proposals in this paper sit within a series of measures outlined in my Health Delivery Plan [CAB-25-MIN-0046 refers] that focus on boosting delivery of health services for New Zealanders. They respond to some, but not all of my key focus areas, being: getting Health New Zealand (Health NZ) back to basics, driving down emergency department wait times, getting on top of the elective surgery backlog, enabling faster access to primary care, setting out a long-term health infrastructure programme, and streamlining regulatory settings to ensure the health system is enabled for success in the long run.

Executive summary

3. My Health Delivery Plan, considered by Cabinet on 3 March, drives a focus on delivering more and better health services to New Zealanders. However, this delivery focus is not reflected in the legislative settings for the health system. In March, Cabinet agreed to amend the Healthy Futures Act, and agreed in-principle to amend the ERA, to address this disconnect [CAB-25-MIN-0046 refers].
4. The Healthy Futures Act has created a convoluted set of accountabilities and roles across the health system. The suite of changes to the Act I propose in this paper align with my overarching objective to clarify, streamline and simplify the statutory settings, roles and responsibilities for the health system. The amendments focus on strengthening governance and monitoring levers, ensuring strategic direction setting and planning are streamlined and delivery-focused, clarifying roles and responsibilities in relation to Māori interests, and simplifying language.
5. ^{9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations} [REDACTED]

9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations

6. Cabinet invited me to report back with further details on proposals to amend the Healthy Futures Act, 9(2)(f)(iv) confidentiality of advice
I am seeking Cabinet's agreement to further legislative change in this paper, building on Cabinet's March decisions in the context of the Health Delivery Plan [CAB-25-MIN-0046 refers].
7. Following agreement, I will report back to the Cabinet Legislation Committee in June seeking approval for introduction of an amendment bill for the Healthy Futures Act. 9(2)(f)(iv) confidentiality of advice
Together, these changes will ensure that the health system, particularly Health NZ, is laser-focused on delivering health services that New Zealanders deserve.

Amending legislation to drive a focus on delivery

Pae Ora (Healthy Futures) Act 2022

8. The Healthy Futures Act has created a convoluted set of accountabilities and roles across the health system. For example, the Minister, the Ministry of Health and each health entity must be guided by the Act's health sector principles – a discordant list that risks a lack of clarity for the health system. In addition, the health system's strategic direction under the Act is based on seven health strategies that risk misalignment and inconsistency. This impedes the ability of the health system to be laser-focused on providing New Zealanders with timely access to high-quality services, delivered by a financially sustainable health system.
9. In line with Cabinet's March policy decisions, I am progressing amendments as outlined in Appendix 1 [CAB-25-MIN-0046 refers]. The Ministry of Health has issued drafting instructions to the Parliamentary Counsel Office with amendments that give effect to Cabinet's decision in these areas.
10. I am now seeking Cabinet's authorisation to issue the Parliamentary Counsel Office further instructions to progress the following additional amendments to the Healthy Futures Act.

Health strategies

11. In line with Cabinet's March policy decision, I propose to rationalise the current approach where there are multiple health strategies for different population groups. This will mean there is a much clearer strategic framework for Health NZ going forward. It will provide flexibility to respond to changing needs and priorities.

12. In order to ensure the strategic framework for the health system is clear and consistent I propose to retain all seven health strategies but introduce a legislative requirement that they must give effect to the health targets as set out in the Government Policy Statement on Health

Hauora Māori Advisory Committee and iwi-Māori Partnership Boards

13. I propose to progress amendments relating to the Hauora Māori Advisory Committee (HMAC) and iwi-Māori Partnership Boards (IMPBs). These align with my overarching objective to clarify, streamline and simplify the statutory settings, roles and responsibilities for the health system.
14. The current statutory provisions were intended to facilitate Māori involvement in the health system through a variety of channels. However, I consider these to be unnecessarily complex and repetitive, and it is unclear what Health NZ is expected to do with the information it receives from Māori.
15. The arrangements relating to the HMAC and IMPBs were built around the Māori Health Authority. The Authority has been removed from the Act. It is now necessary to consider the remaining arrangements as they do not function as effectively as they could. I am therefore proposing the following changes to facilitate meaningful Māori involvement in decisions, in the context of a health system that is shifting to be more patient-oriented:
 - 15.1 clarify and streamline the role of IMPBs so their function is to engage with Māori communities about health needs in their area and to provide advice to the HMAC; and
 - 15.2 clarify the role of the HMAC, which will be to provide advice to the Minister and Health NZ. The Health NZ board must take into account or consider the advice of HMAC, but there is no requirement to weight or prefer this advice above any other factors the board may consider relevant when making a decision. This aligns with the approach taken for similar advisory boards, including the Māori Advisory Committee for the Water Services Authority. I also propose to include a specific purpose for HMAC in the Act.
16. Currently, HMAC's role is to advise the Minister of Health on any matter the Minister requests. I propose to expand this role so it must advise both the Minister and Health NZ, to ensure HMAC's expertise is always focused directly on improving health outcomes for Māori. The statutory role of HMAC would be set out in the Act and cover advice on:
 - 16.1 healthcare outcomes for Māori based on their needs;
 - 16.2 how the health sector is performing in relation to those needs and aspirations;
 - 16.3 the design and delivery of services and public health interventions; and
 - 16.4 any other matters that the Minister specifies by notice to the committee.


17. I also want to realign the IMPBs to support HMAC to undertake its statutory role. The IMPBs will be focused on engaging with local Māori communities about their health needs and aspirations in a similar way as they do now. The key change is that these Boards will be communicating the results through HMAC, who will then advise the Minister of Health and Health NZ accordingly.
18. 9(2)(f)(iv) confidentiality of advice

Future-proofing legislation related to infrastructure governance and delivery

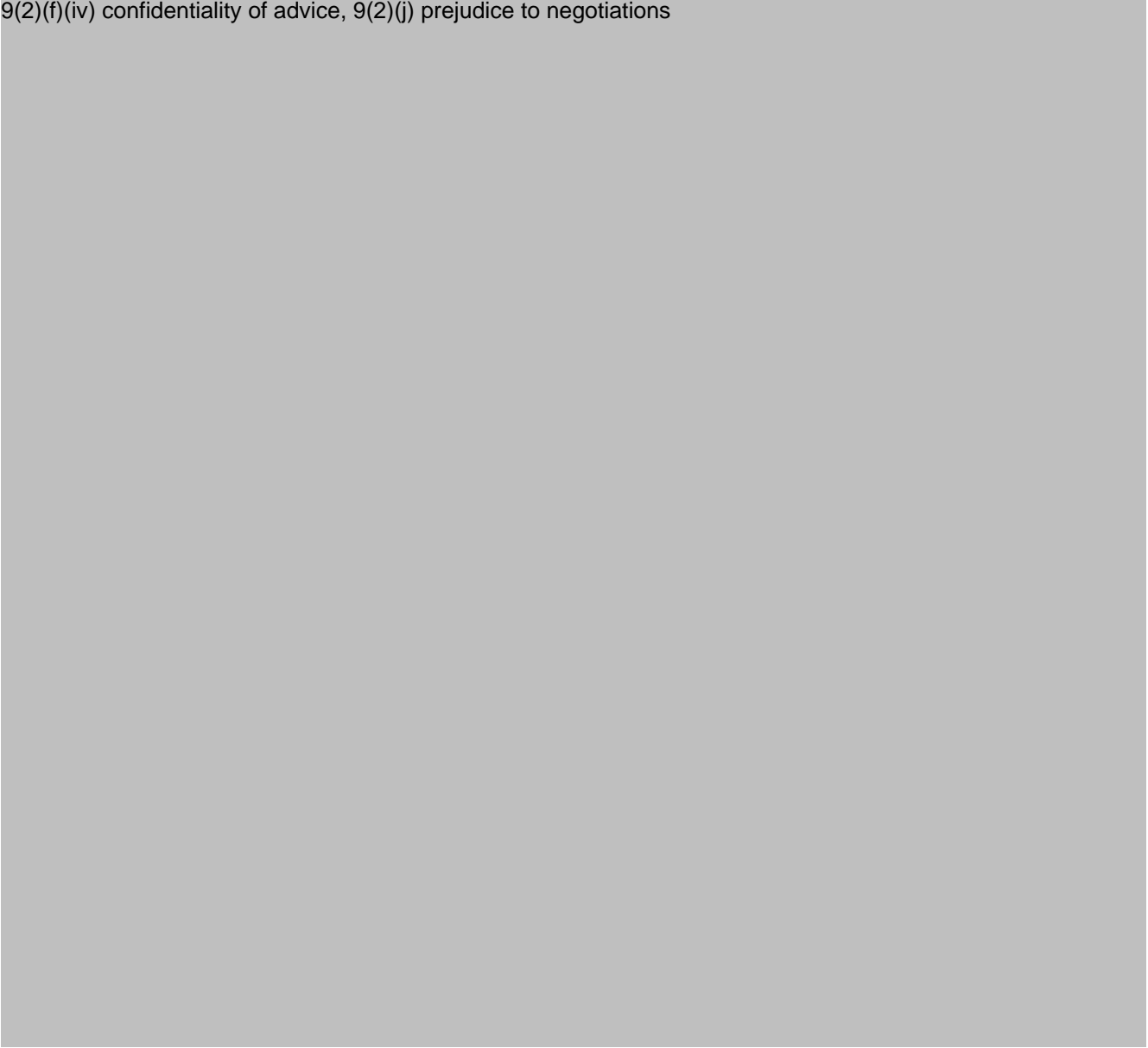
19. Last week, I reported back to Cabinet on the Health Delivery Plan implementation, which included an update on a rapid review of health infrastructure delivery I initiated [CBC-25-MIN-0012 refers]. The outcome of this review will be a two-phase approach to strengthening project delivery and governance arrangements.
20. In the first phase, I intend to establish a ministerial advisory committee by July 2025 to provide advice and exercise functions relating to delivery of physical health infrastructure. I intend to return to the Cabinet Appointments and Honours Committee (APH) in June with proposed appointments for the committee.
21. For the second phase, the Cabinet Business Committee has agreed to the establishment of a permanent statutory committee of the board of Health NZ with relevant functions specified in legislation [CBC-25-MIN-0012 refers]. This will improve my confidence that infrastructure functions are being carried out well.
22. To support the changes above, and in line with Cabinet's policy approval in March, I intend to amend the Healthy Futures Act to include infrastructure as a specific function and objective of Health NZ. There is currently no explicit provision for infrastructure in the Healthy Futures Act. The inclusion of a function and objective will support the role of the ministerial advisory committee I intend to establish by July.

9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations

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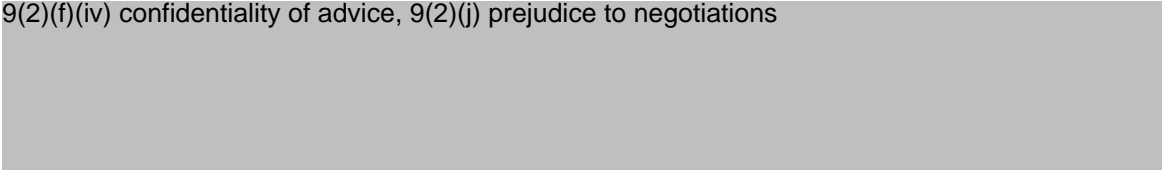


32. 9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations



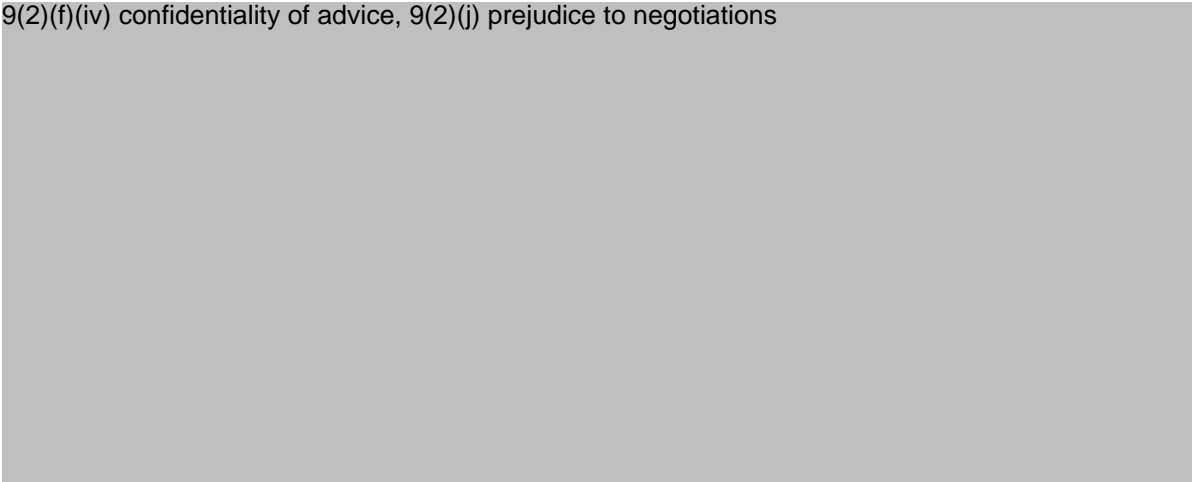
Financial Implications

33. 9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations



Legislative Implications


34. Legislation is required to give effect to the proposed changes to the Healthy Futures Act, which has been given a category 2 priority (must be passed by the end of 2025) on the legislative programme. I will report back to the Cabinet Legislation Committee in June seeking approval for introduction of an amendment bill for the Healthy Futures Act.

35. 9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations
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Regulatory Impact Statement

36. A QA panel with Ministry of Health and Public Service Commission representation has reviewed the attached Regulatory Impact Statements (“Amendments to the Pae Ora (Healthy Futures) Act 2022” 9(2)(f)(iv) confidentiality of advice 9(2)(f)(iv) confidentiality of advice both produced by the Public Service Commission and dated April 2025).

37. For the Pae Ora (Healthy Futures) Act 2022 Impact Statement, the panel considers that the Impact Statement **partially meets** the quality assurance criteria. The Impact Statement is clear, concise and complete. However, only limited consultation has been undertaken and engagement with Māori representatives has been limited to the Hauora Māori Advisory Committee.

38. 9(2)(f)(iv) confidentiality of advice
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39. The Ministry for Regulation has determined that the remaining proposals in Appendix 1 are exempt on the basis that they have no or only minor economic, social or environmental impacts.

Population Implications

40. There are longstanding disparities in health service access and outcomes for some population groups. The proposals in this paper will drive a focus on

delivering timely and quality health services to all New Zealanders and improve outcomes for population groups with the highest needs by:

- 40.1 embedding a needs-based approach to strategic direction setting and planning, for example by removing the discordant health sector principles, and aligning and co-ordinating the New Zealand Health Strategy with the other strategies required by the Healthy Futures Act; and
- 40.2 clarifying accountabilities and roles in relation to health service planning and oversight to improve outcomes for population groups with the highest needs.

Human Rights

41. The Ministry of Justice will assess the bill for consistency with the New Zealand Bill of Rights Act 1990 ahead of consideration by the Cabinet Legislation Committee.

Use of external resources

42. The taskforce established by the Public Service Commission to provide independent advice on the performance and future direction of the health system has assisted with the development of this paper.

Consultation

43. This paper has been developed with input from the Ministry of Health. The Treasury, the Public Service Commission, Te Puni Kōkiri and the Ministry of Business, Innovation and Employment were consulted. The Department of Prime Minister and Cabinet was informed.

Engagement with the Hauora Māori Advisory Committee

44. I have engaged with the Hauora Māori Advisory Committee on proposed legislative changes to clarify the role of iwi-Māori partnership boards and the Hauora Māori Advisory Committee, which will facilitate meaningful Māori involvement in decisions. Committee members are supportive of the direction of changes proposed. In particular, Committee members supported an expansion and elevation of their role, and clarification of the role of IMPBs. The Committee members noted operational support (for example, data and analysis) would be required to ensure the success of IMPBs and the Committee.
45. Committee members also support the proposal to rationalise and co-ordinate the New Zealand Health Strategy to improve the current approach where there are multiple health strategies for different population groups.

Communications

46. My intention is to publicly announce these proposals alongside introduction of legislation to the House. 9(2)(f)(iv) confidentiality of advice

9(2)(f)(iv) confidentiality of advice

Proactive release

47. I propose to release this paper in due course.

Recommendations

The Minister of Health recommends that the Committee:

- 1 **note** that Cabinet considered the Health Delivery Plan in March 2025 and supported the priorities and immediate actions to provide timely and quality access to health services for New Zealanders;

Amendments to the Pae Ora (Healthy Futures) Act 2022


- 2 **note** Cabinet has agreed to amend the Pae Ora (Healthy Futures) Act 2022 to refocus the purpose, objectives, and functions of Health NZ and improve the efficiency of the health system, and authorised the Minister of Health to issue drafting instructions to the Parliamentary Counsel Office [CAB-25-MIN-0046 refers];
- 3 **note** that amendments to the Pae Ora (Healthy Futures) Act 2022 have been given a category 2 priority on the 2025 Legislation Programme (must be passed by the end of 2025);
- 4 **note** that the Ministry of Health has issued drafting instructions to the Parliamentary Counsel Office for amendments that give effect to Cabinet's decision in March 2025 [CAB-25-MIN-0046 refers];
- 5 **agree** to amend the Pae Ora (Healthy Futures) Act 2022 to retain all seven health strategies on the basis they must give effect to the health targets as set out in the Government Policy Statement on Health; and
- 6 **agree** that additional legislative requirements for the strategies to be aligned and consistent will be included as necessary;

Amendments in relation to Māori interests

- 7 **agree** to amend the Pae Ora (Healthy Futures) Act 2022 to:
 - 7.0 clarify and streamline the role of iwi-Māori partnership boards, by clarifying that their function is to engage with Māori communities about health needs in their area and to provide advice to the Hauora Māori Advisory Committee;

- 7.1 clarify the role of the Hauora Māori Advisory Committee to provide advice to the Minister and Health NZ, with the Committee's purpose set out in the Act;
- 7.2 provide that the Health NZ board must consider or take into account the advice of the Hauora Māori Advisory Committee, with no requirement to weight or prefer this advice above any other factors the board may consider relevant when making a decision; and

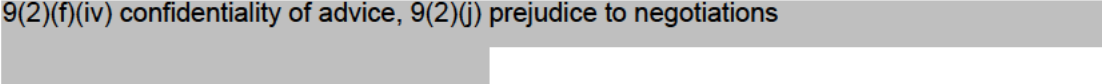
7.3 9(2)(f)(iv) confidentiality of advice



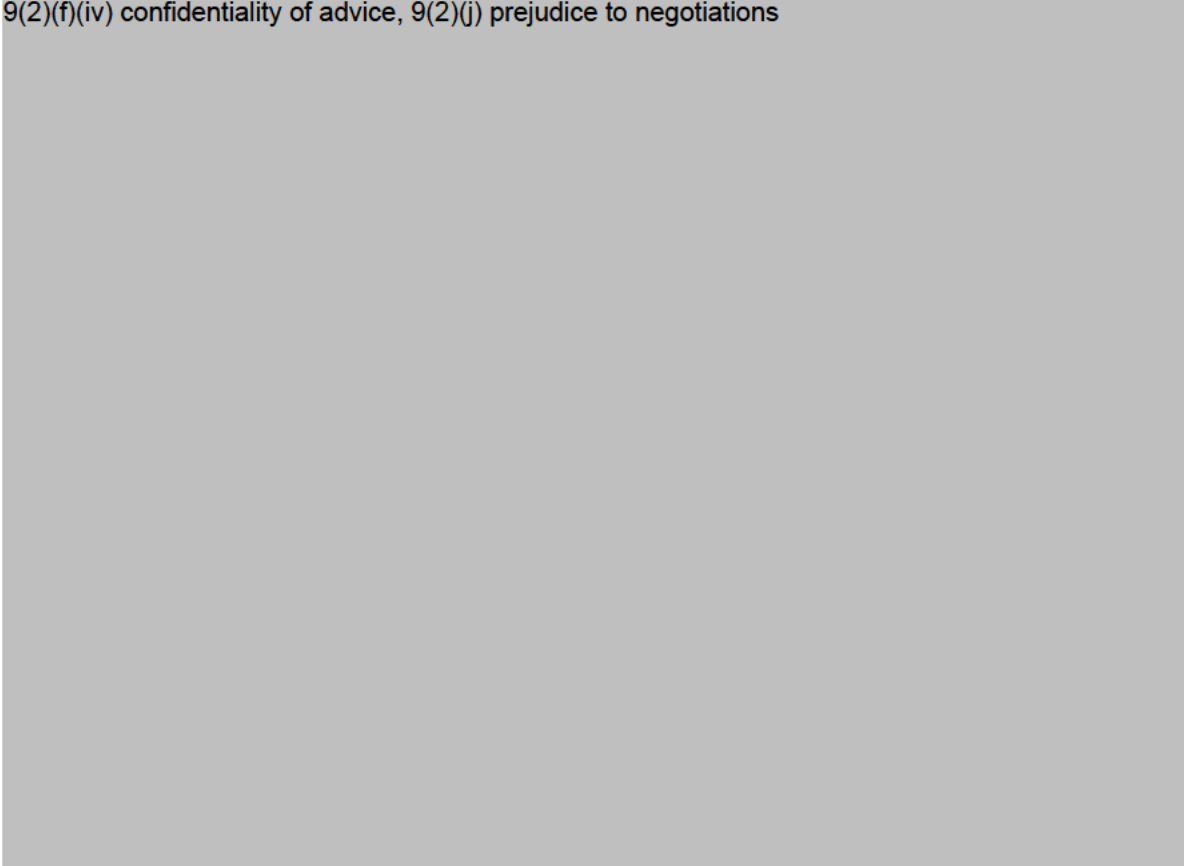
8 **authorise** the Minister of Health to issue further drafting instructions to the Parliamentary Counsel Office to give effect to the full list of detailed amendments in **Appendix 1**;

9 **invite** the Minister of Health to report back to the Cabinet Legislation Committee by June 2025 seeking approval to introduce an amendment bill for the Healthy Futures Act;

9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations



10 9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations



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9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations

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Authorised for lodgement

Hon Simeon Brown
Minister of Health

Appendix 1: Overview of proposed amendments to the Healthy Futures Act

This appendix sets out more detail about the amendments to the Healthy Futures Act I am progressing and the rationale for the amendments.

Categorisation	Proposed amendments
<i>Amendments that Cabinet has previously authorised.</i>	
<p>Amendments to refocus the purpose, objectives, and functions of Health NZ and improve the efficiency of the health system</p>	<ul style="list-style-type: none"> • An additional purpose of the Act, which is to ensure patients get timely and quality access to healthcare. This is a clarification of the fundamental purpose of the legislation, rather than a fundamentally new provision. • Repeal of the health sector principles and New Zealand Health Charter to streamline the health system and to clarify priorities by removing broad-sweeping and discordant focus areas that confuse decision-making across the health sector. • Update one of Health NZ’s objectives (which currently relates to the health sector principles), to provide that one of the objectives is to design, arrange, and deliver appropriate, effective, and timely services to achieve the purpose of the Act. • Changes relating to appointment of the board of Health NZ, its objectives, and its functions, and collective duties of the board. This comprises: <ul style="list-style-type: none"> ○ Simplifying the appointment requirements for the board of Health NZ, by providing that the Minister must appoint only people who, in the Minister’s opinion, have the appropriate knowledge, skills and experience to assist the board to perform its role. These changes reflect standard requirements for government appointments, as set out in the Crown Entities Act. The present requirements are inflexible. Appointments will be considered by APH before they are made. ○ Amending the objectives of Health NZ so these objectives include references to patients. ○ Amending the functions of Health NZ to include references private healthcare providers. ○ Amending Health NZ functions and objectives to include infrastructure as a specific function and objective of Health NZ. • Include a provision to make it clear that the public service principle relating to political neutrality in the Public Service Act 2020, together with any minimum standards of integrity and conduct made by the Public Service Commissioner, applies to the Health NZ board, chief executive, employees and any individuals working as contractors or secondees.

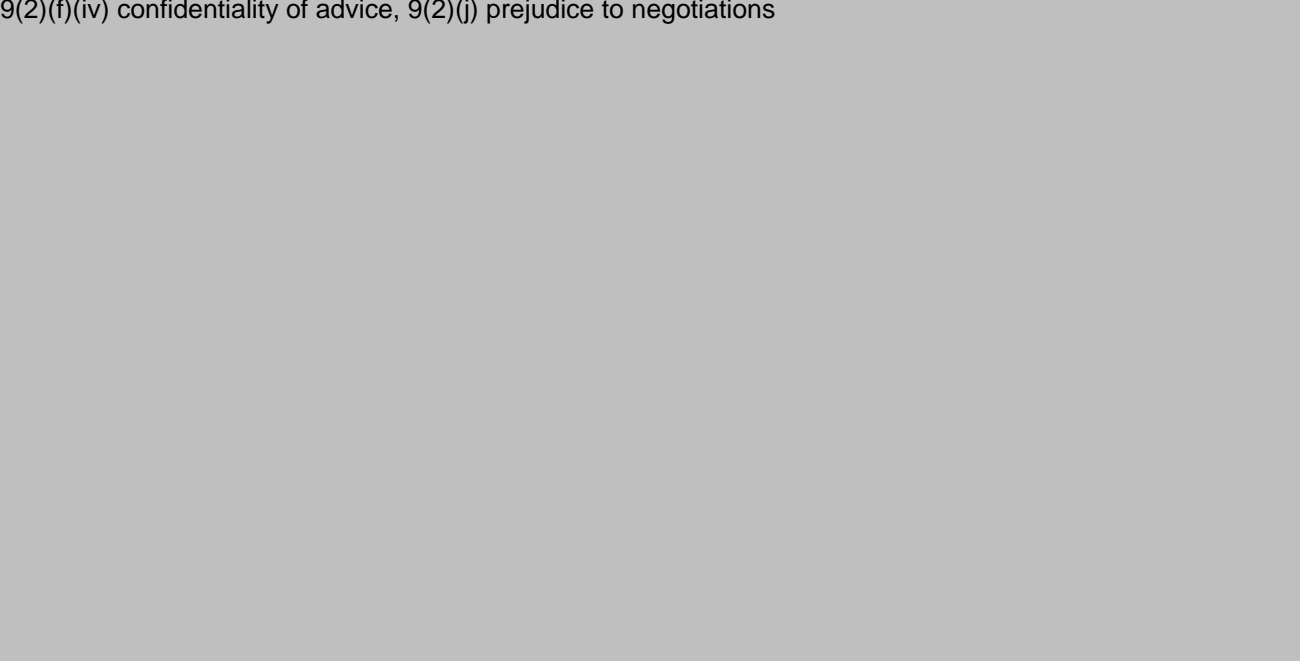
IN CONFIDENCE

Categorisation	Proposed amendments
	<ul style="list-style-type: none"> • Include a requirement that the Government Policy Statement on Health (GPS) must include targets to drive performance in priority areas. These targets must include the five targets for the health system that the Government set in March 2024, as well as a sixth target to drive timely access to primary care that Cabinet Business Committee recently agreed to. The targets are essential tools to ensure progress on vital areas of health. The certainty and force of having them in legislation is worthwhile given they will remain important for the foreseeable future. • Simplify the prescribed content of the GPS to provide that it must include the Government’s priorities for: achieving equitable healthcare outcomes for different population groups based on their needs, including for Māori and long-term improvement of mental health and wellbeing outcomes, including minimising the harm from addiction. • Clarify the content of the New Zealand Health Plan by providing that the Plan must set out how Health NZ: will achieve equitable healthcare outcomes for different population groups based on their needs, including for Māori; and will achieve long-term improvement of mental health and wellbeing outcomes, including minimising the harm from addiction. • Provide for the New Zealand Health Plan to include content about how activities are funded, and a budget for the funding arrangements, and remove the current requirement for the Plan to be audited. The present pre-publication audit requirement is onerous and has delayed publication of the plan for a considerable time. All of Health NZ’s plans and operations are auditable as part of the annual performance cycle, and at will by the Auditor-General. • Retain all seven health strategies on the basis they must give effect to the health targets as set out in the GPS. This would include additional legislative requirements, as necessary, for the strategies to be aligned and consistent. • Simplify, by repealing, the appointment requirements relating to the expert advisory committee on public health to ensure appointments can respond to the priorities of the day. That will mean the Committee is subject to the usual appointment processes, with advice given by the Ministry according to the government appointment guidelines, and appointments considered by APH before being made. • Technical drafting amendments that have been identified with the Act.
<p><i>Amendments for which policy decisions are sought through this Cabinet paper; these align with my overarching objective to clarify, streamline and simplify the statutory settings, roles and responsibilities for the health system.</i></p>	
<p>Amendments in relation to Māori interests</p>	<ul style="list-style-type: none"> • Clarify the role of iwi-Māori partnership boards so their function is to engage with local Māori communities about their health needs and health outcomes, and communicate the results and insights from that engagement to the Hauora Māori Advisory Committee.

IN CONFIDENCE

Categorisation	Proposed amendments
	<ul style="list-style-type: none"> • Clarify the role of the Hauora Māori Advisory Committee, which would be to provide advice to the Minister and Health NZ on: healthcare outcomes for Māori based on their needs; how the health sector is performing in relation to those needs and aspirations; the design and delivery of services and public health interventions; and any other matters that the Minister specifies by notice to the committee. The Act would provide that the Health NZ board must consider or take into account the advice of the Hauora Māori Advisory Committee, with no requirement to weight or prefer this advice above any other factors the board may consider relevant when making a decision. • Simplify the appointment requirements for the board of Health NZ, by providing that the Minister must appoint only people who, in the Minister’s opinion, have the appropriate knowledge, skills and experience to assist the board to perform its role. • 9(2)(f)(iv) confidentiality of advice
<p><i>Amendments to strengthen Health NZ governance, following previous Cabinet agreement (CAB-25-MIN-0046). These changes are in response to Health NZ’s disjointed management, poor financial controls, and ineffective monitoring by the Ministry of Health.</i></p>	
<p>Amendments to improve Health NZ governance, the functioning of Health NZ executive, financial control, as well as amendments related to employment relations</p>	<ul style="list-style-type: none"> • Strengthen the performance of Health NZ’s governance by requiring Health NZ to have a delegation policy that the Minister must approve. • Strengthen the performance of Health NZ’s executive by designating key positions within Health NZ that the Chief Executive must consult with the Public Service Commission making an appointment. • Strengthen Health NZ monitoring by providing for the Director-General of Health (or delegate) to observe Health NZ board meetings. • Enable the Minister of Health to delegate some or all Health NZ collective bargaining to the Public Service Commissioner.
<p>Other amendments</p>	<ul style="list-style-type: none"> • Simplify language in the legislation to provide greater clarity and use English first. This entails renaming the Act as the Healthy Futures (Pae Ora) Act 2022, and reordering other references so that “pae ora” appears after “healthy futures”.

9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations





Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Health Delivery Plan: Policy and Legislative Changes

Portfolio **Health**

On 9 June 2025, following reference from the Cabinet Social Outcomes Committee, Cabinet:

Background

1 **noted** that in March 2025, Cabinet considered the Health Delivery Plan, and supported the priorities and immediate actions to provide timely and quality access to health services for New Zealanders [CAB-25-MIN-0046];

Amendments to the Pae Ora (Healthy Futures) Act 2022

2 **noted** that in March 2025, Cabinet agreed to amend the Pae Ora (Healthy Futures) Act 2022 (the Healthy Futures Act) to refocus the purpose, objectives, and functions of Health NZ and improve the efficiency of the health system, and authorised the Minister of Health to issue drafting instructions to the Parliamentary Counsel Office [CAB-25-MIN-0046];

3 **noted** that amendments to the Healthy Futures Act have been given a category 2 priority on the 2025 Legislation Programme (must be passed by the end of 2025);

4 **noted** that the Minister of Health has issued drafting instructions to the Parliamentary Counsel Office for amendments that give effect to Cabinet's decisions in March 2025;

5 **agreed** to amend the Healthy Futures Act to retain all seven health strategies on the basis that these must give effect to the health targets as set out in the Government Policy Statement on Health;

6 **agreed** that additional legislative requirements for the strategies to be aligned and consistent will be included as necessary;

Amendments in relation to Māori interests

7 **agreed** to amend the Healthy Futures Act to:

7.1 clarify and streamline the role of iwi-Māori partnership boards, by clarifying that their function is to engage with Māori communities about health needs in their area, and provide advice to the Hauora Māori Advisory Committee;

7.2 clarify the role of the Hauora Māori Advisory Committee to provide advice to the Minister of Health and Health NZ, with the Committee's purpose set out in the Act;

7.3 provide that the Health NZ board must consider or take into account the advice of the Hauora Māori Advisory Committee, with no requirement to weight or prefer this advice above any other factors the board may consider relevant when making a decision; and

7.4 9(2)(f)(iv) confidentiality of advice

8 **authorised** the Minister of Health to issue further drafting instructions to the Parliamentary Counsel Office to give effect to the full list of detailed amendments in Appendix 1, attached to the submission under CAB-25-SUB-0188;

9 **invited** the Minister of Health to report back to the Cabinet Legislation Committee by June 2025 seeking approval to introduce an amendment bill for the Healthy Futures Act;

9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations

10 9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations

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Rachel Hayward
Secretary of the Cabinet