

The Treasury

Budget 2023 Information Release

July 2023

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- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
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- [36] 9(2)(h) - to maintain legal professional privilege
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- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
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2023 Budget Package: Vote Health (North Island Weather Events Initiatives)

Appropriation Administrator: Ministry of Health

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

- 1 **note** that Cabinet has approved the Budget initiative(s) for the above Vote for inclusion in the 2023 Budget package, as detailed in the summary table(s) below:

Summary of North Island Weather Events initiative(s) agreed by Cabinet:

Operating Initiative(s) (Impact on Operating Balance)

| Initiative ID | Initiative Name | \$m - increase/(decrease) | | | | |
|------------------------|--|---------------------------|---------------|---------|---------|--------------------|
| | | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 & Outyears |
| 15212 | Health Response: Hauora Māori Disaster Response Package | 2.624 | 5.656 | - | - | - |
| 15171 | Health Response: Hospital and Specialist Services | 4.097 | 4.753 | - | - | - |
| 15187 | Health Response: Primary, Community, and Residential Care Recovery | 3.294 | 2.817 | - | - | - |
| 15200 | Health Response: Transport, Power and Supply Chain | 0.579 | 1.157 | - | - | - |
| 15197 | Psychosocial Recovery: Mental Health and Wellbeing Response | - | 10.000 | - | - | - |
| Total Operating | | 10.594 | 24.383 | - | - | - |

- 2 **note** that Cabinet has:

- i. **authorised** the relevant Appropriation Minister and the Minister of Finance (Joint Ministers) jointly to agree to the changes to appropriations (including establishment of new appropriations if necessary) and/or capital injections and related recommendations necessary to give effect to the initiative(s) included in the 2023 Budget package for the above Vote, as detailed in the summary table(s) above;
- ii. **authorised** Joint Ministers jointly to agree that the proposed changes to appropriations and/or capital injections for 2022/23 approved by Joint Ministers as authorised above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- iii. **agreed** that expenses or capital expenditure against appropriations and capital injection authorisations set out in the 2023/24 Estimates and being sought in the Appropriation (2023/24 Estimates) Bill may be met from Imprest Supply until that Bill is enacted and comes into force;
- iv. **authorised** Joint Ministers to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2022/23 Supplementary Estimates, the 2023/24 Estimates and the fiscal forecasts;

- v. **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in the North Islands Weather Events Initial Package taken by Cabinet or taken by Joint Ministers as authorised by Cabinet to inform the chair and/or chief executive of a Crown entity, on a Budget-in-confidence-until-Budget-day basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent and/or Statement of Performance Expectations;
 - vi. **noted** that all communications relating to the Budget 2023: North Island Weather Events Initial Package will be coordinated by the Office of the Minister of Finance;
- 3 **agree** to establish new appropriations where required to implement the initiative(s) included in the summary table(s) above, as detailed in the attached initiative document(s);
 - 4 **approve** changes to appropriations and/or the capital injections to the administering department (where applicable) to implement the initiative(s) included in the summary table(s) above, as set out in the attached initiative document(s);
 - 5 **approve** the additional recommendation(s) to give effect to the initiative(s), as set out in the attached initiative document(s);
 - 6 **agree** that the proposed change(s) to appropriations and/or capital injections for 2022/23 detailed in the attached initiative document(s) be included in the 2022/23 Supplementary Estimates and that, in the interim, the increase(s) be met from Imprest Supply;
 - 7 **note** that Cabinet authorised Joint Ministers to agree to transfers of funding between the 2022/23 and 2023/24 financial years, where these changes are required due to the incorrect forecasting of funding;
 - 8 **note** that Cabinet agreed that funding for North Island Weather Event initiatives is not to be transferred to fund other activities or into 2024/25 or beyond, and any unspent funding is to be returned to the centre;
 - 9 **note** that Cabinet directed all departments to monitor and report all North Island Weather Event-related expenditure and performance at the initiative level in line with Treasury guidance, in addition to regular expenditure and performance reporting requirements undertaken at the appropriation level;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Health Response: Hauora Māori Disaster Response Package

Description: This initiative provides funding for urgent psychosocial response and recovery services that support whānau wellbeing and support the community to recover from the impacts of North Island Weather Events. It also supports funding needed by the local Māori health system within the districts affected by the North Island Weather Events.

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|---------------------------|---------------------------|--------------|---------|---------|--------------------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 & Outyears |
| Operating Balance Impact* | 2.624 | 5.656 | - | - | - |
| Net Debt Impact Only | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | 2.624 | 5.656 | - | - | - |

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

| | \$m - increase/(decrease) | | | | |
|--|---------------------------|--------------|---------|---------|--------------------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 & Outyears |
| Non-Departmental Output Expenses: | | | | | |
| Delivering Hauora Māori services | 2.624 | 5.656 | - | - | - |
| Total Operating | 2.624 | 5.656 | - | - | - |

Additional Recommendation

- 10 **agree** that the initiative is funded up to 31 December 2023, after which unspent funds will be returned to the centre;
- 11 **agree** that the administering department will report back to Joint Ministers on proposed options to conclude the initiative by 30 September 2023;

| | |
|-------------------------------------|---|
| Vote: | Health |
| Appropriation Administrator: | Ministry of Health |
| Title: | Health Response: Hospital and Specialist Services |
| Description: | This initiative provides funding for air and road transport enabling planned care, outreach, and other hospital services for isolated communities. It also funds alternative provision of acute healthcare, and urgent repairs to hospital facilities as a result of the impact of the North Island Weather Events. |

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|---------------------------|---------------------------|--------------|---------|---------|--------------------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 & Outyears |
| Operating Balance Impact* | 4.097 | 4.753 | - | - | - |
| Net Debt Impact Only | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | 4.097 | 4.753 | - | - | - |

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

| | \$m - increase/(decrease) | | | | |
|---|---------------------------|--------------|---------|---------|--------------------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 & Outyears |
| Non-Departmental Output Expenses: | | | | | |
| Delivering Hospital and Specialist Services | 4.097 | 4.753 | - | - | - |
| Total Operating | 4.097 | 4.753 | - | - | - |

Additional Recommendation

- 12 **agree** that the initiative is funded up to 31 December 2023, after which unspent funds will be returned to the centre;
- 13 **agree** that the administering department will report back to Joint Ministers on proposed options to conclude the initiative by 30 September 2023;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Health Response: Primary, Community, and Residential Care Recovery

Description: This initiative supports the provision of primary, community and residential care services to the population affected by the North Island Weather Events. The provision of an increased level of support to the affected population will decrease the acuity and frequency of these patients presenting at hospitals. It also provides additional funding for air ambulance services and to improve the accessibility of virtual primary healthcare services.

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|---------------------------|---------------------------|--------------|---------|---------|--------------------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 & Outyears |
| Operating Balance Impact* | 3.294 | 2.817 | - | - | - |
| Net Debt Impact Only | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | 3.294 | 2.817 | - | - | - |

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

| | \$m - increase/(decrease) | | | | |
|--|---------------------------|--------------|---------|---------|--------------------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 & Outyears |
| Non-Departmental Output Expenses: | | | | | |
| Delivering Primary, Community, Public and Population Health Services | 3.294 | 2.817 | - | - | - |
| Total Operating | 3.294 | 2.817 | - | - | - |

Additional Recommendation

- 14 **agree** that the initiative is funded up to 31 December 2023, after which unspent funds will be returned to the centre;
- 15 **agree** that the administering department will report back to Joint Ministers on proposed options to conclude the initiative by 30 September 2023;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Health Response: Transport and Power

Description: This initiative supports the delivery of critical health care services by leasing suitable additional vehicles to provide for patient access where road infrastructure is compromised, and generators and diesel for the continued operation of health services while repairs are undertaken, following the North Island Weather Events.

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|---------------------------|---------------------------|--------------|---------|---------|--------------------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 & Outyears |
| Operating Balance Impact* | 0.579 | 1.157 | - | - | - |
| Net Debt Impact Only | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | 0.579 | 1.157 | - | - | - |

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

| | \$m - increase/(decrease) | | | | |
|--|---------------------------|--------------|---------|---------|--------------------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 & Outyears |
| Non-Departmental Output Expenses: | | | | | |
| Delivering Primary, Community, Public and Population Health Services | 0.579 | 1.157 | - | - | - |
| Total Operating | 0.579 | 1.157 | - | - | - |

Additional Recommendation

- 16 **agree** that the initiative is funded up to 31 December 2023, after which unspent funds will be returned to the centre;
- 17 **agree** that the administering department will report back to Joint Ministers on proposed options to conclude the initiative by 30 September 2023;

| | |
|-------------------------------------|---|
| Vote: | Health |
| Appropriation Administrator: | Ministry of Health |
| Title: | Psychosocial Recovery: Mental Health and Wellbeing Response |
| Description: | This initiative provides funding for locally-led, community-based mental wellbeing initiatives to meet the psychosocial care need for populations across areas affected by the North Island Weather Events, including Māori, Pacific and youth. |

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|---------------------------|---------------------------|---------------|---------|---------|--------------------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 & Outyears |
| Operating Balance Impact* | - | 10.000 | - | - | - |
| Net Debt Impact Only | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | - | 10.000 | - | - | - |

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

| | \$m - increase/(decrease) | | | | |
|--|---------------------------|---------------|---------|---------|--------------------|
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 & Outyears |
| Non-Departmental Output Expenses: | | | | | |
| Delivering Primary, Community, Public and Population Health Services | - | 10.000 | - | - | - |
| Total Operating | - | 10.000 | - | - | - |

Additional Recommendations

- 18 **note** that \$3.747 million of funding in the 2023/24 financial year is to be used to support the expansion of the Mana Ake programme into Hawke's Bay and Tairāwhiti;
- 19 **agree** that the administering department will report back to Joint Ministers by 30 September on options to conclude the North Island Weather Events psychosocial response, as well as progress on establishing Mana Ake in Hawke's Bay and Tairāwhiti; and
- 20 **direct** Health agencies to coordinate with Ministry for Primary Industries, Ministry of Social Development, and the Department of Prime Minister and Cabinet (including the National Emergency Management Agency) on the provision of services via regional infrastructure (including community hubs) to make best use of existing systems and local knowledge.