

Attachment: Written Parliamentary Questions 4044 (2026) & 4045 (2026)

Regional efficiency targets

As noted in Written Parliamentary Question 53291 (2025), the budget is the budget, and it does not change. Efficiency targets are about making that budget go further for patients in their respective regions. Efficiencies are internal metrics set by Health New Zealand to enable regions to optimise their resource allocation, to enable investment into priorities. This helps regions to deliver more frontline care within their budgets, by reducing waste in back-office and procurement functions.

Regional efficiency targets for 2022/23 to 2024/25 are set out below. Efficiency targets are shown as a percentage of Other Operating Costs and as a percentage of Total Expenditure. Efficiency targets for FY2022/23 were not allocated regionally.

It should be noted that the financial periods 2023/24 and 2024/25 were transition years as the financial performance of Health NZ required significant rectification – including from a position where \$28 billion was being managed on a single Excel spreadsheet under Labour – and the implementation of improved financial systems and disciplines.

For 2025/26 efficiency targets I refer the Member to Written Parliamentary Question 53291 (2025).

Total Regional Efficiency Targets embedded in Budgets 23/24 to 24/25	Northern	Te Manawa Taki	Te Ikaroa	Te Waipounamu	Sum of All Regions
FY2022/23 Efficiency Targets \$m	-	-	-	-	-
FY2023/24 Efficiency Targets \$m	46	20	82	3	152
FY2023/24 Efficiency Targets as a % of Other Operating Costs	1.2%	0.9%	3.7%	0.1%	1.4%
FY2023/24 Efficiency Targets as a % of Total Expenditure	0.6%	0.5%	2.1%	0.1%	0.8%
FY2024/25 Efficiency Targets \$m	90	37	29	73	228
FY2024/25 Efficiency Targets as a % of Other Operating Costs	2.2%	1.5%	1.1%	2.5%	1.9%
FY2024/25 Efficiency Targets as a % of Total Expenditure	1.1%	0.8%	0.6%	1.4%	1.0%

For the avoidance of doubt, realised efficiencies will be reinvested into more frontline services for patients, as our Government is focused on improved frontline outcomes rather than bureaucracy.