Aide-Mémoire

Health New Zealand
Te Whatu Ora

Scanners coming online - procurement of FY25/26 budget scanners

Due to MO:	9 October 2025	**Reference**	HNZ00099565
To:	Hon Simeon Brown, Minister of Health		
From:	Jason Power, National Director, Planning Funding & Outcomes		
Copy to:	n/a		
Security level:	In Confidence	**Priority**	Urgent
Consulted	n/a		
Proactive Release:	This title is not proposed by Health NZ for proactive release		

Contact for further discussion (if required)			
Name	**Position**	**Phone**	**1st contact**
Rachel Haggerty	Director, Funding, Hospitals	[redacted]	x
Jason Power	National Director, Planning Funding & Outcomes		

Attachments	
Appendix 1:	[redacted]
Appendix 2:	Talking Points
Appendix 3:	Q&A

Appendices 1 - 3 withheld in full.

Purpose

1. You requested information on:
    a) The procurement of scanners in the FY25/26 budget;
    b) How many are new;
    c) How many are replacement;
    d) The costs for each; and
    e) The intended go-live or procurement date;
    f) Expected increase in delivery of diagnostics; and
    g) If additional workforce is required and when the roles are expected to be recruited.
2. This is to inform a potential public announcement on Health NZ's investment in new and replacement machines at the opening of a new CT machine in Kenepuru.

Background

3. Reliable, modern and capable radiology equipment is critical to deliver the timely diagnostics patients need to get them onto the right care pathway quicker, but also to ensure Health NZ's delivery is the most cost effective it can be.
4. The APEX union, which represent many imaging technologists, has contended in a recent report, *Broken Scanners, Exhausted Staff,* that many radiology machines are outdated or non-functioning.
5. Health NZ has a programme of investment in radiology equipment, including new state of the art Photon Counting CT machines such as the new machine being installed in Kenepuru where the Minister is speaking as part of the blessing.
6. This paper provides an overview of Health NZ's investment programme in CT, SPECT and MRI machines as background to the opening of the Kenepuru and to inform potential announcements around Health NZ's broader investment in these machines.
7. Appendix 2 provides draft talking points to assist in the development of a PR, and Appendix 3 includes a set of potential Q&As.

Health NZ Approaches to Machine Investment

8. There are two main approaches to Health NZ's investment in CT, SPECT and MRI machines:
    a) Depreciation funded capital plan investments investing in replacement machines when existing machines reach their end of life;
    b) Crown/Health Crown Envelope (HCE) investment which is part of broader infrastructure development initiatives with a focus on additional machines to Health NZ's fleet.
9. A recent Aide-Mémoire (HNZ00098184) provided a breakdown of new and replacement

Computed Tomography (CT) and Magnetic Resonance Imaging (MRI) scanning equipment across Health NZ. This information was sourced from the 25/26 Capital Plan and excluded Health Crown Envelope (HCE) major infrastructure projects.

10. The information in this Aide-Mémoire includes CT and MRI investment from all funding sources, including HCE major infrastructure projects. This investment includes single-photon emission computerized tomography (SPECT) scanners. These SPECT machines are a type of nuclear medicine imaging test using radiotracers (radioactive substances) that help healthcare providers get detailed pictures of specific areas in your body.

11. This data has been validated by Health Technology Management (HTM). A single data source has been created to avoid any future confusion created by funding source.

12. Appendix 1 provides details of Health NZ's current investment commitments in CT, MRI and SPECT machines for each District across both the 2025/26 Capital Plan and HCE. The HCE machines only include those with go live dates up to July 2026.

The Health NZ Investment in CT and MRI Scanners

13. Health NZ has planned the investment in radiology machines nationally as part of its renewal and modernisation programme. The focus on improving the quality of machines and fair access for patients has resulted in differential regional investment raising the capacity and capability to benefit all New Zealanders.

14. Health NZ has committed to purchasing 17 CT, 8 MRI and 7 SPECT scanners as part of [redacted] budget allocation in its 2025/26 capital plan to be implemented over the next three years (see Table 1 below).

15. This is in addition to the 3 CT and 3 MRI machines going live in 2025/26 that have already been committed to as part of broader hospital building programmes in Northland, Counties Manukau, Taranaki and Hawke's Bay.

16. Of these 38 machines, 31 are replacement machines across 14 hospitals to keep our equipment modern, up to date and reliable. As a result, 87% of our national CT/SPECT fleet and 93% of our national MRI fleet will be within expected useful life of 10 years.

17. The 31 replacement machines will renew and update 29% of the national fleet and the 7 additional machines will expand Health NZ's machine capacity by 6%.

Table 1: Regional summary Health NZ CT, SPECT and MRI 25/26 FY Capital Plan Commitments plus Crown Health Care Expenditure Go Lives in 25/26 FY

18. Please note, the 'Go Live' date commitments in Appendix 1 may vary, especially in the latter parts of the programme due to:

    a) The procurement process ensuring clinically fit-for-purpose equipment that meet clinical requirements, safeguard quality and patient safety;

b) The manufacture of the equipment, which is typically built to order and shipped by sea, often with lead times of around six months;

c) The readiness of supporting facilities and digital infrastructure, as many of these scanners are located within acute hospitals requiring good sequencing to maintain service delivery.

Benefits

19. There are benefits for all New Zealanders from the investment in these modern machines, not only from increasing capacity but also via greater productivity and clinical capability, thereby improving access and reducing waiting times for patients.

20. The benefits include:

a) **Uplifts in activity** through more capacity and improved productivity. These new machines are easier to use, have slighter quicker scanning times and reduced downtimes. Combined with additional resourcing, a minimum lift in output and productivity of 5% is planned for replacement machines;

b) The 5 additional CT machines and 2 additional MRI machines will deliver a minimum of **32,000 CT and 6,800 MRI additional scans** per annum;

c) **Improved access for patients** with new locations, including Kenepuru and Manukau Health Park, will mean patients will no longer have to travel into busy hospital campuses to get their CT scan;

d) **Increased capability** where some of these machines include new functionality that wasn't available previously, including CT angiograms, will now be available in more locations in Northland, Counties Manukau, Taranaki, Hawke's Bay, Palmerston North and Porirua;

e) **Improved Image quality** which enhances diagnostic accuracy, giving patients access to the right care pathway quicker

f) **Lower doses of radiation and less intravenous contrast** needed which is both better for patients as well as savings in the contrast costs per patient.

Resourcing the new additional machines and maximising the investment in new replacement machines

21. Recruitment is underway or planned to fully resource the new and replacement machines, supported by the Diagnostic Boost programme and National Radiology Clinical Network, to optimize national radiology productivity and deliver consistent output measures.

Resourcing the new additional machines

22. Workforce recruitment and/or financial processes are underway to ensure Health NZ is maximising the investment in the new additional machines. For example, recruitment for the new MRI machine in Hawke's Bay has already occurred.

Maximising the investment and productivity of the new and replacement machines

23. The Diagnostic Boost programme and the National Radiology Clinical Network are working together to support nationally consistent radiology production planning and productivity expectation for all radiology machines. Some machines are in acute hospital environments, some are in outpatient departments, and some support cancer services. The production of each machine is dependent on its function in service delivery.

24. Productivity is a key part of the Diagnostic Boost Programme where key metrics are being developed including site profiles, utilisation and output measures that are consistent across all Districts. These will help individual Districts benchmark their outputs against others, invoke insights and maximise outputs and performance accordingly.

25. There is a potential output and productivity gain of up to 5% with new replacement machines, depending on the associated resourcing and types of scans undertaken, through quicker scanning (30sec-1min per scan) and reduced downtimes. This cannot be quantified as the current utilisation and opening hours vary.

26. The operational expenditure planning for these machines is underway. [redacted]

Looking Ahead

27. Health NZ is currently in the process of developing a Long-Term Investment Plan (LTIP) for equipment. Reinforcing the importance of nationwide consistent access to radiology diagnostics the initial focus will be on CT and MRI machines. The LTIP will be completed in 2026 and will provide a high-level, 10-year view of the investment pipeline bringing together service needs, HTM, IIG and Digital Services.