

Health Infrastructure Plan

April 2025

Introduction

Our hospital buildings and campuses are crucial in enabling clinical staff to deliver high quality care safely and effectively to New Zealanders.

The public health system faces a number of challenges in meeting the health needs of New Zealanders. A growing, ageing and more diverse population is placing increasing demand on health services and its supporting infrastructure. Our geography and history have resulted in different standards of health facility and provision across the country. There are also persistent differences in health outcomes for New Zealanders based on who they are, their health needs, and where they live.

Health infrastructure in New Zealand has not been maintained or grown at a level to match healthcare demands. Underinvestment in health infrastructure has resulted in a declining state of many of our buildings, and an emerging understanding of the need for resilience from seismic and natural disasters introduces new requirements for investment. As a result, many health assets are struggling to meet the demands of modern health services.

In March 2024, the Government announced health targets for: faster access to cancer treatment, increased childhood immunisation rates, shorter stays in emergency departments, and shorter wait times for first specialist assessments and elective treatment. The five health targets focus the health system on areas that really matter to New Zealanders and help improve the performance of our health services across the country.

To achieve these targets and improve the performance of the health system will require enhancements, including a national approach to investment in our health infrastructure.

This plan is one part of an overall 10-year investment roadmap for health: a summary of the principles and priorities that guide investment across physical and digital infrastructure and health technology. The Health Infrastructure Plan outlines the investments into our facilities and campuses to provide for a clinically led and financially sustainable health service for New Zealand, covering:

- Our infrastructure capacity (how much we can build, procure, and plan, where and when)
- Our infrastructure capability (what we can build and plan, and our ability to do this successfully).

The Health Infrastructure Plan is underpinned by the National Clinical Service and Campus Plan which describes the settings of care and networks of service delivery needed across New Zealand to meet our future healthcare needs and enable optimal physical and mental health service delivery. It is designed to take a forward view and set out the high-level changes needed to meet our healthcare needs now and into the future.

The Health Infrastructure Plan will enable the development of a sustainable health infrastructure portfolio, built with capacity to meet growing populations and changing needs, and designed to be flexible to changing models of care.

The assessment of health needs has driven our infrastructure planning

We know the health needs of New Zealanders: we are living longer, getting older, and getting sicker. Being intentional with our planning means we can shift the system to respond to this and not only deliver more timely access to quality care but be more financially sustainable.

The Health Needs Assessment 2023 has informed our understanding of who people are, where they live, and their health status. It also informs the forward view of the population we are planning services for over the next 20 years.

The Health Needs Assessment identified inequities in health status and outcomes for Māori, Pacific, people with disabilities, and those living in rural New Zealand. It informs the need for a greater focus on improving settings of care and better consideration of geographic location and service capacity when we plan for our communities.

The published document of the Health Needs Assessment is the Health Status Report 2023. The document informed the development of the New Zealand Health Plan 2024-2027 | Te Pae Waenga and is being used to inform the development of various pieces of foundational work in Health New Zealand | Te Whatu Ora (Health NZ), including the National Clinical Service and Campus Plan.

There are many ways to address changing health needs and growing demand. Building infrastructure where our communities are growing and ageing is one part of the puzzle, but we must look to new models of care – including virtual and more digitally-enabled care – and changes to where we deliver care to have adequate capacity for New Zealand. This also means exploring shifting care closer to home and setting up our system so that less people need to go to hospital in the first place.



This involves identifying where and how we deliver care across NZ

Planning for health infrastructure must be based on the population served: who people are, where they live, and the services they require. The Health Infrastructure Plan is underpinned by the National Clinical Service and Campus Plan which describes the **settings of care** and **service delivery networks** needed across New Zealand to meet our future healthcare needs. It is designed to take a forward view and set out the high-level changes needed to meet our healthcare needs now and into the future.

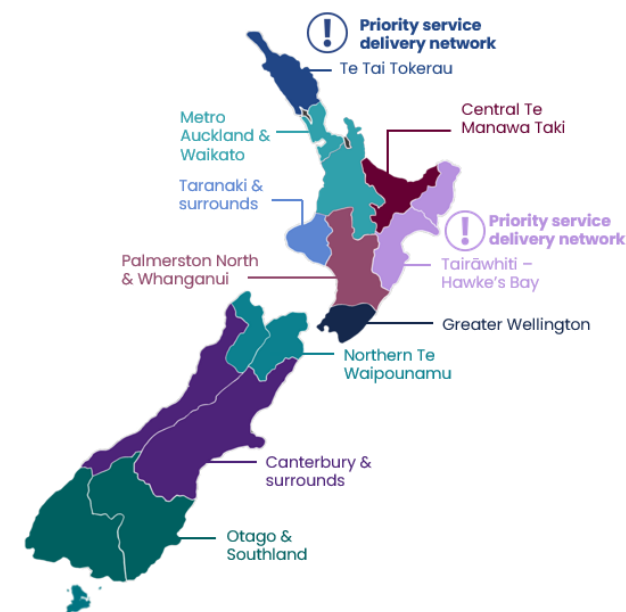
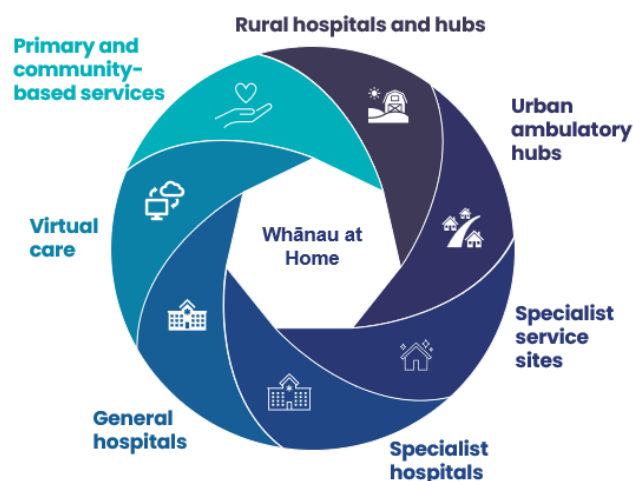
Across our four regions, ten **service delivery networks** have been created based on natural communities and populations. These will see service delivery planned to meet future population needs in the most clinically sustainable and affordable way.

Across these networks, we have established clear groupings of **settings of care** – the places and spaces that New Zealanders receive treatment. These inform our understanding of not only the *places* where we deliver services (and the infrastructure we need to do so), but the *way* we deliver care (e.g. virtual care, community-based rehabilitation, etc.).

Health NZ delivers or funds care across seven **models of care**, but primarily builds physical infrastructure in five:

- Rural hospitals and hubs.
- Urban ambulatory hubs.
- Specialist service sites.
- Specialist hospitals.
- General hospitals.

The Health Infrastructure Plan details the pipeline of investments in physical infrastructure over the next 10-years across these service delivery networks and models of care. It carefully considers the trade-offs between each network and setting of care, and the ways we could deliver care differently to respond to growing demand.



How we deliver care with existing infrastructure presents challenges

The health estate is widely dispersed and aged

The health estate is an extensive portfolio across the country. There is significant variance in terms of the scale and state of our assets, which have suffered from a deficit in expenditure on renewal and remediation.

- No. of campuses: 86
- No. of buildings: 1,274
- Average age of buildings: Approximately 47 years

The constraints on maintenance and remediation funding under the previous system have created an infrastructure deficit, with very limited visibility of risk in the portfolio. This is a focus of the National Asset Management Strategy which has been developed alongside the Health Infrastructure Plan.

Some emerging challenges limit our options for investment

A key challenge for the estate is the seismic status of some buildings. Importance Level (IL) three and four classifications are used to indicate the highest significance of clinical services.

- No. of IL3 & IL4 Buildings: 521
- Earthquake Prone Building Notices: 45
- Earthquake Prone Building Notices in IL3 & IL4 buildings: 31
- Number of IL3 & IL4 buildings not assessed through seismic programme: 107
- Most of the above buildings do not need to be assessed. Based on a risk-based criteria, 20 to 30 seismic assessments will be required.

We must shift to a new way of doing things

Health NZ is working to enhance the standard and performance of the delivery of projects to be commenced through a consistent and unified approach.

We need to balance the degraded state of infrastructure with growing demand to implement new and more efficient means of service delivery. Therefore, we are shifting models of delivery to enhance value from investments and reduce cost over time. This includes building hospitals better by:

- Nationally led programmes of low-cost, large-volume remediation activity, to gain supply chain and labour efficiencies
- Moving away from mega builds to more staggered, financially sustainable projects that develop hospital sites over the long term.

The Health Infrastructure Plan is the first of its kind in New Zealand's health system

The development of the Health Infrastructure Plan is the first time New Zealand has had a national long-term approach to health infrastructure planning. Set over ten years, the Health Infrastructure Plan will provide a long term, deliberate change to the physical health estate. It is intended to be refined as investments are made and further needs are identified.

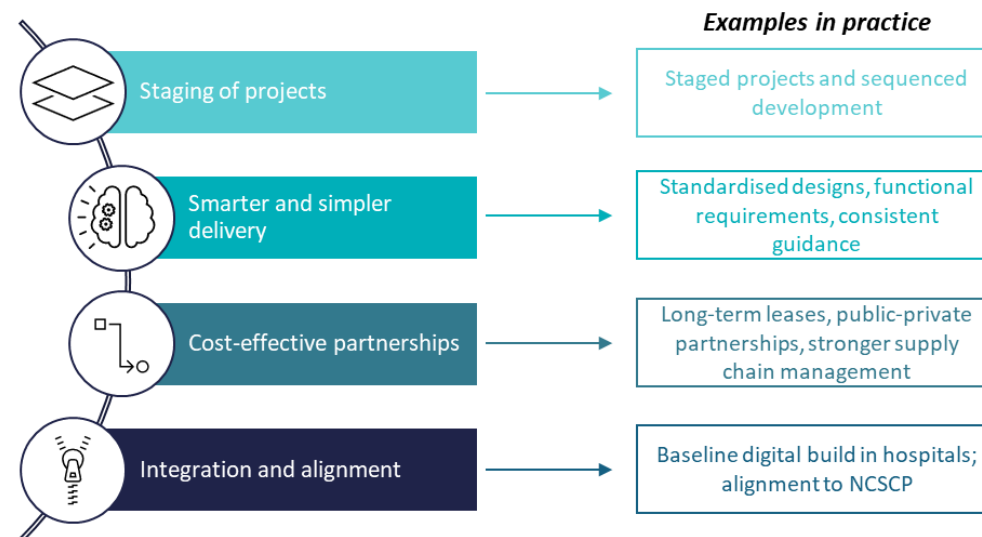
A National Asset Management Strategy has been developed alongside the Health Infrastructure Plan, which sets out how Health NZ will better manage the health estate and associated health and safety risks through improved asset management practices to meet Government expectations. Priority activities in the National Asset Management Strategy include the development of a national asset management policy, an asset “levels of service” framework, a condition assessment programme, an Asset Management Information System, and risk management and criticality frameworks.

The establishment of a long-term plan also supports the staged implementation of systemic changes to lift performance. System changes will enable greater efficiency to be found in hospital infrastructure, such as the movement of some non-acute services off hospital campuses and into the community, as well as digital models of care.

Design and delivery will look different under the Health Infrastructure Plan, using a new approach

The Health Infrastructure Plan requires moving towards a new approach to building hospitals in New Zealand - **Building Hospitals Better**. This approach considers lessons learned from the Dunedin and Christchurch Hospital redevelopments. Along with staged builds, this national approach to hospital development is occurring through:

- Improved early planning through clinical network plans and site master plans for all hospital campuses.
- National modelling of population demand to ensure a consistent approach to determining and managing the scale of builds.
- Greater control over hospital design through set functional requirements, standardised design, and nationally managed design for major hospital builds.
- Collaboration with the market to better match builds to market capacity and active responsibility and ownership of the supply chain.



Building Hospitals Better is about delivering infrastructure more effectively and finding innovative ways to support the future of healthcare in New Zealand. The Health Infrastructure Plan reflects this change in approach with staged and sequenced builds. Implementing Building Hospitals Better will:

- **Improve market capacity:** a sustainable market of suppliers with expertise in efficient hospital delivery will know Health NZ, know our facilities, and work to continually improve the way we do delivery by having a certain and clear pipeline of work.
- **Increase rapid and efficient procurement:** our ability to quickly move from planning to market will increase. This will be supported by long-term supplier arrangements that measure performance and ensure work is allocated to firms that deliver best value.
- **Increase innovation:** using pilots and scaled innovative approaches to infrastructure delivery, supported through the better sharing of risk and reward which will foster innovation.
- **Increase cost certainty:** projects will increasingly be delivered on time and on budget because we are delivering packages of work right-sized to the market and working from designs that have been successfully built before.

Building Hospitals Better: Staging of Investments

The Health Infrastructure Plan uses the Building Hospitals Better approach to stage and sequence significant infrastructure investments. For all sites, these are preceded with smaller scale stages and followed by larger more complex stages. Staged redevelopments reduce delivery risk by focusing on lower complexity designs, allowing for greater involvement of New Zealand's construction sector. It also allows for best use of the land and buildings already owned by the Crown. The success of this approach requires improved certainty of investment over the long term, allowing the construction market to plan for developments in advance.

Some of these stages will not see full investment within the 10-year period of the Health Infrastructure Plan, and construction will continue beyond 2035. However, it is essential investments are undertaken with a plan in place for each site. The table below outlines the indicative stages of significant builds across the infrastructure portfolio.

	Stage One	Stage Two	Stage Three	Stage Four
Whangārei Hospital	Acute Services Building	Ward Tower One Inpatient Capacity	Ward Tower Two Inpatient Capacity	-
Waitakere Hospital	Upgrade to site wide infrastructure	ED and theatre expansion	Inpatient unit	ICU upgrade
Middlemore and South Auckland	Targeted ED and inpatient upgrades	Planning of new site Land acquisition	Initial tranche of new site or Middlemore expansion	-
Waikato Hospital	Inpatient block one	Inpatient block two	Ambulatory Centre	Support Services Building
Tauranga Hospital	Seismic strengthening ED expansion	Energy Centre and enabling works	Inpatient unit	Acute Services Building
Gisborne Hospital	Outpatient Community Hub	Hospital Redevelopment	-	-
Hawke's Bay Hospital	Remedial investment in existing ED and ICU	Acute Services Building	Inpatient unit and ward tower	-
Palmerston North Hospital	Remediation of compliance and critical risk issues	Refurbishment of Acute Services Building	Redevelopment of Clinical Services Building	Inpatient Unit
Wellington Regional Hospital	ED and acute care refurbishment	Hybrid theatre	Major inpatient capacity uplift	-
Nelson Hospital	Design and enabling works	Inpatient Unit, Energy Centre, and George Manson Refurbishment	Seismic strengthening, expansion of ICU and Sterile Services	-

Note: indicative stages only.

We will undertake National Remediation Programmes to plan and group remediation investments

Programmes group similar projects to provide efficiencies and improve delivery where there is a specific and clearly defined scope of work. A National Remediation Programme would include projects where work is required to be carried out to improve facilities without increases in clinical services (for example, where essential utilities or building features need to be replaced or upgraded).

Through the implementation of the Health Infrastructure Plan, a range of remediation investments will be initiated by Health NZ. In comparison to capacity driven investments, remedial and deferred maintenance investment requires a lower level of planning. It also provides an opportunity to gain efficiencies in planning, procurement, design and delivery through shared resources and a reduction of repetitive bureaucratic processes.

The scale of the investment in remedial works required will be informed and supported by the condition assessment work planned to be undertaken within the National Asset Management Strategy. A consistent level of commitment of new capital is expected to maintain ongoing programmes of work.

Indicative investments within the National Remediation Programme include those in:

- Seismic remediation
- Passive fire protection
- Water and gas infrastructure
- HVAC systems
- Hazardous materials
- Electrical upgrades
- Site resilience and contingent capacity
- Mental health and addictions anti-ligature improvements
- Carparking

We are exploring how we provision carparking to ensure access to care

Providing carparking at hospital sites is essential in order for patients to access care. It is also important for the safety and support of our workforce, many of whom work irregular hours and night shifts and need safe and easy access to the workplace.

As our hospital sites have seen growing demand and provide additional services, carparking space has often remained static. In some cases, the expansion of a hospital building has reduced available carparking. We know that when patients are unable to park on site, they miss essential appointments. The further development of our hospital sites requires development of additional or relocated carparking to provide the necessary space for the proposed build of new clinical facilities.

Health NZ will approach the private sector to explore possible financing, development and operating arrangements to ensure effective market provided solutions. Carparking investments have not been included in the total planned investment of the Health Infrastructure Plan, as these will be pursued as an early initiative in private financing for the health estate.

Planned proposal	Hospital
1100 space multi-storey carparking building	Wellington Hospital
1200 space multi-storey carparking building	Manukau Health Park
New multi-storey carparking building	Middlemore Hospital
Nelson Hospital Redevelopment Carpark	Nelson Hospital
350 space carpark to accommodate increase in demand	Whangārei Hospital
Second multi-storey carpark	North Shore Hospital
Carpark to accommodate increase in demand	Tauranga Hospital
700 space carpark with hospital redevelopment	Hawke's Bay Hospital
700 space carpark with hospital redevelopment	Palmerston North Hospital
Mason Clinic carpark	Mason Clinic
Carpark to support new hospital site	New Dunedin Hospital

Planned Investments in Health Infrastructure

The investments outlined across the following pages are separated based on the five settings of care that non-primary/virtual treatment is provided from.

The five settings of care invested in as part of planned infrastructure investments are:

- Rural hospitals and hubs.
- Urban ambulatory hubs.
- Specialist service sites.
- Specialist hospitals.
- General hospitals.

The Health Infrastructure Plan has been developed based on project timeframes taken from real life project timeframes. It incorporates realistic pre-construction periods to allow for robust design, ensuring investments deliver the right infrastructure designed properly.

Major redevelopments are staged to allow for use of finite project delivery resources over time, including both internal health resources and the construction market. This, along with initiatives to increase delivery capacity, help to ensure the Health Infrastructure Plan is an achievable long-term plan.

Primary and community-based services

Sites with the highest volume settings of care, where Health NZ commissions or funds, with care provided within community.

Virtual care

Advice and care options accessible to people at home and in communities, ranging from general information to specialist services.

Rural hospitals and hubs

Sites in rural communities providing access to care closer to home, with services reflecting local population needs.

Urban ambulatory hubs

Ambulatory care offered at sufficient scale to be provided by hospital and specialist services, that also serve to decongest larger urban hospitals.

Specialist service sites

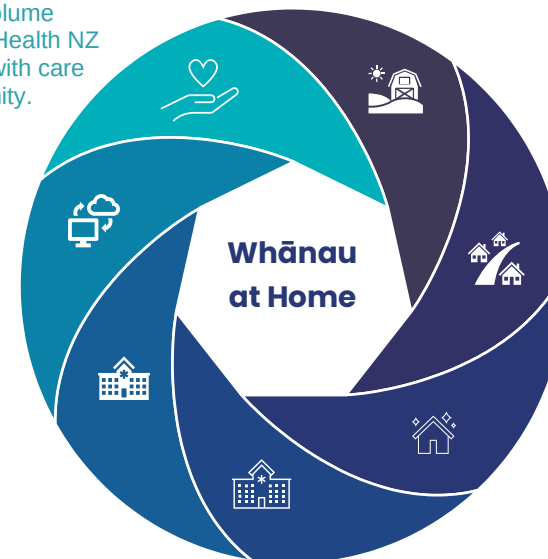
Provide a single specialised function where there is scale to support clinically sustainable setting.

General hospitals

Provide specialist services with complexity reflective of scale required by community and proximity to other hospitals.

Specialist hospitals

Provide highly complex specialist care and/or the care of people with complex needs.



Rural Hospitals and Hubs: Facilities in rural communities

Rural hospitals and hubs are facilities in rural communities which provide diagnostics, ambulatory treatment, birthing, acute and sub-acute care as part of the network of service delivery. This enables people to access ambulatory care closer to home and facilitates transfer to care in other settings as required.

Location	Investment focus
Planned investment between 2025-2029 in rural hospitals and hubs	
Bay of Islands	Ambulatory capacity
Kaitaia Hospital	Upgrade to site infrastructure and maternity
Northland	New rural hub
Tairāwhiti	New rural hub
Wairoa Health Centre	Wairoa rural hub
Planned investment between 2030-2034 in rural hospitals and hubs	
Bay of Islands Hospital	Continued redevelopment
Chatham Islands	Major facilities upgrade
Hāwera Hospital	Major facilities upgrade
Kaitaia Hospital	Replace ward & radiology
Southern	New rural hub

Urban Ambulatory Hubs: Provision of ambulatory care and treatments

Urban ambulatory hubs are facilities of sufficient scale to be operated by Health NZ for ambulatory care and treatments. This enables people to access care closer to home and decongests our hospital sites.

Location	Investment focus
Planned investment between 2025-2029 in urban ambulatory hubs	
Bay of Plenty	New Tauranga ambulatory hub
Counties Manukau Community Hub	Service expansion
Gisborne	New ambulatory hub
Greenlane Clinical Centre	Building renewal
Kāpiti Health Centre	Breast screening
Kerikeri	New facility
North Waikato	New facility
Rotorua	Dialysis capacity
Wellington	New facility
Whakatāne Hospital	Dialysis capacity
Planned investment between 2030-2034 in urban ambulatory hubs	
Warkworth	New facility

General Hospitals: Provision of core services

General hospitals are locations where we provide core services including diagnostics, assessment, and treatment for acute and planned care. The services available cover the spectrum of care: emergency care, diagnostics, inpatient care for planned and unplanned events across medical and surgical specialties, critical care capacity, maternity and neonatal care, complex ambulatory services, and oncology.

Location	Investment focus
Planned investment between 2025-2029 in general hospitals	
Hawke's Bay Hospital	Emergency Department uplift
	Intensive Care uplift
Nelson Hospital	Inpatient building
	Seismic strengthening
North Shore Hospital	Fit out and refurbishment
Rotorua Hospital	Endoscopy capacity investment
Tauranga Hospital	Hospital redevelopment
Timaru Hospital	Theatre capacity
Wairarapa	Seismic remediation
Waitākere Hospital	Site infrastructure
Whangārei Hospital	Dialysis capacity
	Inpatient Capacity expansion

General Hospitals cont.

Planned investment between 2030-2034 in general hospitals	
Gisborne Hospital	Hospital redevelopment
Hawke's Bay Hospital	Hospital redevelopment
Hutt Valley Hospital	Seismic replacement
South Auckland	New hospital site
Palmerston North Hospital	Hospital Development Tranche 1
	Hospital Development Tranche 2
Waitākere Hospital	Child and women's health services
Whangārei Hospital	Inpatient capacity expansion

Specialist Hospitals: Provision of highly complex care

Specialist hospitals are the sites for highly complex care for people with complex needs. They are few and spread across the nation. They are focused on providing complex diagnostics, planned and unplanned inpatient medical and surgical care, intensive care, complex maternity and neonatal care, complex ambulatory services, and cancer services.

Location	Investment focus
Planned investment between 2025-2030 in specialist hospitals	
Auckland City Hospital	Facilities remediation works
	Laboratory refurbishments
	Floor reconfigurations
Christchurch Hospital	Laboratory refurbishments
	Fit out and refurbishment
Waikato Hospital	Hospital redevelopment initial stage
	Facilities upgrade
Wellington Hospital	Emergency Department refurbishment
	Facilities upgrade
Planned investment between 2030-2034 in specialist hospitals	
Wellington Hospital	Additional capacity build
Planned investment post 2035 in specialist hospitals	
Middlemore Hospital	Inpatient capacity expansion
Waikato Hospital	Redevelopment

Mental health and addictions: Inpatient capacity and service provision

Mental health and addictions services are provided in inpatient, residential, outpatient and community settings across New Zealand. In this plan, investment in facilities for mental health and addictions services focus on inpatient capacity provided by Health NZ.

Location	Investment focus
Planned investment between 2025-2029 in mental health and addictions facilities	
Auckland City Hospital	Redevelopment
Hillmorton	Continued redevelopment
Kaitaia	Redevelopment
Mason Clinic	Continued redevelopment
Porirua	Redevelopment
Waikato Hospital	Capacity expansion
Waitematā	Refurbishment
Wakari Hospital	Redevelopment
Planned investment between 2030-2034 in mental health and addictions facilities	
Hillmorton	Continued redevelopment
Mason Clinic	Continued redevelopment
Matariki Hospital	Redevelopment
Whangārei Hospital	Expansion
Planned investment post 2035 in mental health and addictions facilities	
Mason Clinic	Continued redevelopment
Taranaki Hospital	New facility

Specialist service sites: Rehabilitation units/radiation oncology upgrades

Rehabilitation services are provided in a range of settings. Some are standalone services for specialist care, for example spinal rehabilitation at Burwood, whereas others are provided as part of the services on a general hospital site. This section focuses on the specialist service sites.

Location	Investment focus
Planned investment between 2025-2029 in specialist service sites	
Burwood Hospital	LINAC
Manukau Health Park	LINAC
	Higher acuity care upgrade
Hawke's Bay	Extension of cancer centre
Nelson Hospital	LINAC and bunker builds
Planned investment between 2030-2034 in specialist service sites	
Greater Wellington	LINAC
Waikato Hospital	LINAC and bunker builds
Planned investment post 2035 in specialist service sites	
Auckland	Regional cancer centre build
Burwood Hospital	Elective surgery expansion
Dunedin Hospital	LINAC replacements
Palmerston North Hospital	LINAC and bunker builds

