Health Research Council of New Zealand

Te Kaunihera Rangahau Hauora o Aotearoa

Briefing for the incoming Minister of Health and Minister of Science, Innovation and Technology

February 2025

Message from the Council Chair and Chief Executive

Following your appointments as Minister of Health and Minister of Science, Innovation and Technology, the Health Research Council (HRC) is committed to supporting you to deliver the government's vision for health research and the value and benefits it offers to all New Zealanders.

The HRC is the principal government funder of health research. Our role and our functions are determined by legislation, the HRC Act 1990. The landscape for health research in New Zealand is complex and we have an important strategic and stewardship role to bridge the health and the science, innovation and technology sectors. As the government's specialist health research commissioning agency, we utilise the knowledge, expertise and relationships we hold to identify priorities for health research; to make sound, independent investments to improve the health of New Zealanders; and to ensure public money is supporting the most excellent, innovative, impactful and relevant research, on behalf of the government.

Health research is one of the highest performing parts of the science, innovation and technology sector and an area of strength and specialisation both nationally and internationally, with government's investment in health research delivering excellent value for New Zealanders. HRC is proud to have a demonstrated track-record of funding research that maximises health, social and economic outcomes, with our funding underpinning some of the most significant advances in health, science and innovation over the last 34 years.

We work directly with you, the Minister of Health, to give effect to your aspirations for the health of New Zealanders and the health system, thus making a meaningful difference to health outcomes and the quality, safety, and efficiency of healthcare in New Zealand.

We work with you, the Minister of Science, Innovation and Technology, to contribute to a high-value and high-performing science, innovation and technology system that supports people to address our biggest challenges and opportunities, to innovate, and to grow New Zealand's productivity and economy.

By working together, we have an opportunity to focus the skills and expertise of New Zealand's excellent health researchers on the health needs of New Zealanders and the challenges facing our health system, while harnessing our significant potential for scientific discovery, innovation, productivity and economic growth.

As Chair and Chief Executive, we look forward to working closely with you and meeting at the earliest opportunity to create meaningful impact in areas of critical importance to New Zealand's health and prosperity.

Professor Lester Levy
CNZM, Chair

Professor Sunny Collings
Chief Executive

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Part 1: HRC overview

HRC's role and functions

As a Crown Agent we give effect to government policy, as directed by our responsible Minister, the Minister of Health. Our functions as set by the Health Research Council Act,1990 (in brief) include:

- advising the Minister of Health on national health research policy
- advising on health research priorities for New Zealand
- initiating and supporting health research
- fostering the recruitment, training, and retention of health researchers in New Zealand
- maintaining a safe and ethical health research environment, including ensuring the safety of large clinical trials.
    - HRC's Ethics Committee considers appeals on Health and Disability Ethics Committee (HDECs) decisions on behalf of the Minister of Health and makes recommendations to the Minister and Director General of Health on studies involving gene technology and applications involving clinical trials for the use of a new medicine.

Appendix 1 provides the full description of HRC's functions under the Act.

HRC at a glance

1. We are a Crown Agent and the government's principal funder of health research in New Zealand.
2. We were established by the Health Research Council Act, 1990 (the Act).
3. We are accountable to the Minister of Health (ownership) and the Minister of Science, Innovation and Technology (funding). A Memorandum of Understanding (MoU) governs the relationship (please see Appendix 2).
4. We receive a joint annual Letter of Expectations from our Ministers which sets out areas of focus for the coming year, in line with the HRC's annual Funding Letter from the Ministry of Health and the 5-yearly Crown Funding Agreement with MBIE (1 July 2024 – 30 June 2029).
5. Our annual Funding Letter with the Ministry of Health and the 5-yearly Crown Funding Agreement with MBIE outline what the HRC is responsible for delivering, the funds available to support it, and the requirements for accountability and reporting.
6. Our performance and accountability are actively monitored by both the Ministry of Health and MBIE. We produce several reports and statutory documents, and our Annual Report is audited by Audit New Zealand (please see Appendix 4 for a full description of the reporting and accountability documents produced).
7. We are governed by a 10-member Council (please see Appendix 3 for Council membership and terms). The Minister of Health, in consultation with the Minister of Science, Innovation and Technology, appoints members.
8. We have eight Statutory and Standing Committees (see Appendix 3 for committee membership and terms) that play a vital role in the assessment of research applications, advise on funding, and keep the research environment ethical and safe.
9. We invest approximately $120 million per year in health research on behalf of the government.
10. The HRC enables government to make robust, independent[1] funding decisions and invest in health research for the benefit of all New Zealanders.
11. We work across the health and science, innovation and technology sectors, domestically and internationally to provide leadership and establish a strong, connected, relevant and high-performing environment for health research in New Zealand.
    - The HRC engages directly with the Ministry of Health and Health New Zealand as agencies that use and apply HRC-funded research outcomes to improve policy, practice and service provision and to identify and fund research in areas of priority and need in the health system.
    - HRC contributes to international forums to advance best practice and increase the value of health research, such as: the World Health Organization (WHO); the Heads of International Research Organisations (HIROs) where leaders of international government and philanthropic funders of health research come together to address complex, global health research issues and opportunities; the Global Alliance for Chronic Diseases (GACD),

[1] Under the HRC Act 1990, HRC Council is empowered to "expend any of its funds in the exercise of its functions in such manner as, subject to the terms of any trust or endowment, the Council thinks fit, and make grants to any person, institution, or body of persons (whether incorporated or not) for the purposes of health research."

chaired by our CE; Asia-Pacific DORA's funder forum on fair and responsible research assessment; and the Ensuring Value in Research Funders' Forum (EViR) for international research standards, best practice and value for money.

12. In 2015, the Ministry of Health and MBIE undertook a review of the HRC. The Strategic Refresh report[2] concluded that the HRC plays a critical leadership role in supporting health research in New Zealand and that health research is crucial to delivering better health outcomes for New Zealanders and for economic prosperity by preventing poor health, improving the efficiency of the health system and generating high value, knowledge-intensive sectors.
13. We are a team of 37.9 fulltime equivalents with 40 full-and part-time staff, based in Auckland.

HRC funding

1. Parliament appropriates funding for the HRC through Vote Business, Science and Innovation, which is administered by the Minister of Science, Innovation and Technology.
2. Our appropriation is the Health Research Fund (approximately $120 million per annum with an additional $6 million to undertake our functions and deliver our services).
3. The Minister of Science, Innovation and Technology also devolves Vote funding to the HRC for international research initiatives (from the Catalyst Fund) and for furthering the goals of Vision Mātauranga (from the Vision Mātauranga Capability Fund). The HRC's investment of these devolved funds is subject to the investment policies developed by MBIE.
4. Vote Health provides $285,000 per annum for the ethics and regulatory functions that the HRC performs.
5. Under the HRC Act, the HRC is to negotiate, once every three years, the bulk-funding allocations that may be made to the Council by the government for the funding of health research.
6. HRC's last opportunity to participate in the budget bid process was in 2015 resulting in an increase in funding in 2016.

HRC investment

1. We invest up to $120 million each year across the full spectrum of health research including biomedical, clinical, public health, health services, Māori health and Pacific health research (please see Appendix 5 for a detailed breakdown of current investment allocation by focus area and research discipline).
2. We invest in excellent research and the people and skills needed for a high-performing, high-value health research system.
3. We partner nationally and internationally to identify strategic priorities and respond to research and evidence needs by commissioning research where there are critical evidence and capability gaps and opportunities.
4. In the year ending 30 June 2024, we supported 992 research contracts, developing the people we need, investing in excellent research and targeting our biggest priorities.
5. We currently support 2565 researchers across 4648 research positions, including 1134 clinically trained researchers (including 925 who are currently practicing).
6. We manage independent, robust, fair, and transparent assessment processes involving multiple committees and typically more than 1500 national and international reviewers a year.
7. We use negotiated processes where this is appropriate based upon the evidence need and the outcome sought.
8. HRC-funded research is well connected and contributing to the global research effort. Since 2020, we have run nine funding rounds with international partners and in the financial year 2023/24, 54% of our larger grant opportunities included at least one international collaboration (with 15 countries represented).
9. HRC funding has resulted in important breakthroughs in health over the last 33-years. Examples of the breadth of the research we support and the difference it has made are available on our website[3] and in our Investment Impact Reports (next report is due April 2025).

[2] Strategic Refresh of the Health Research Council (2015): Report to the Minister of Health and the Minister of Science and Innovation (https://www.hrc.govt.nz/resources/strategic-refresh-health-research-council).
[3] See https://hrc.govt.nz/making-difference/impact-stories and https://hrc.govt.nz/making-difference/30-years-hrc

Where HRC investment is focused

Research skills and expertise

We invest in the people who deliver excellent health research and develop the capability New Zealand needs, now and for the future: Our investment supports highly skilled researchers across a range of disciplines, with dedicated initiatives to boost recruitment and training in areas critical to improving health outcomes for New Zealanders and the effectiveness and efficiency of the health system, such as clinical and health delivery researchers[4], alongside specific opportunities to develop those who can engage with, and respond to, communities with highest health need, such as Māori and Pacific. HRC investment also funds researchers with deep discipline expertise, such as those who are applying AI to improve effectiveness and efficiency within healthcare settings, and those who have expertise in advanced bioengineering, biotechnology, molecular and cell biology, and genetic engineering.

Research, evidence and solutions

We invest in the most excellent investigator-initiated research and innovations, focused on improving health and health system outcomes: Seventy percent of our budget is currently focused on investigator-initiated research, supporting the best and most innovative research teams and ideas. National and international scientific peer review identifies the most excellent research opportunities to invest in across the entire spectrum of health issues and research disciplines. In 2023/4, 69% of funded research grants were focused on addressing the five priority non-communicable diseases and five modifiable risk factors in the Government's Policy Statement on Health.

Twenty percent of our budget is focused on research that can transform the health system and the quality of care: Last year, HRC-funded researchers reported 78 outputs supporting new or improved health technologies, tools treatments or medical devices; healthcare delivery methods; clinical guidelines or public health interventions.

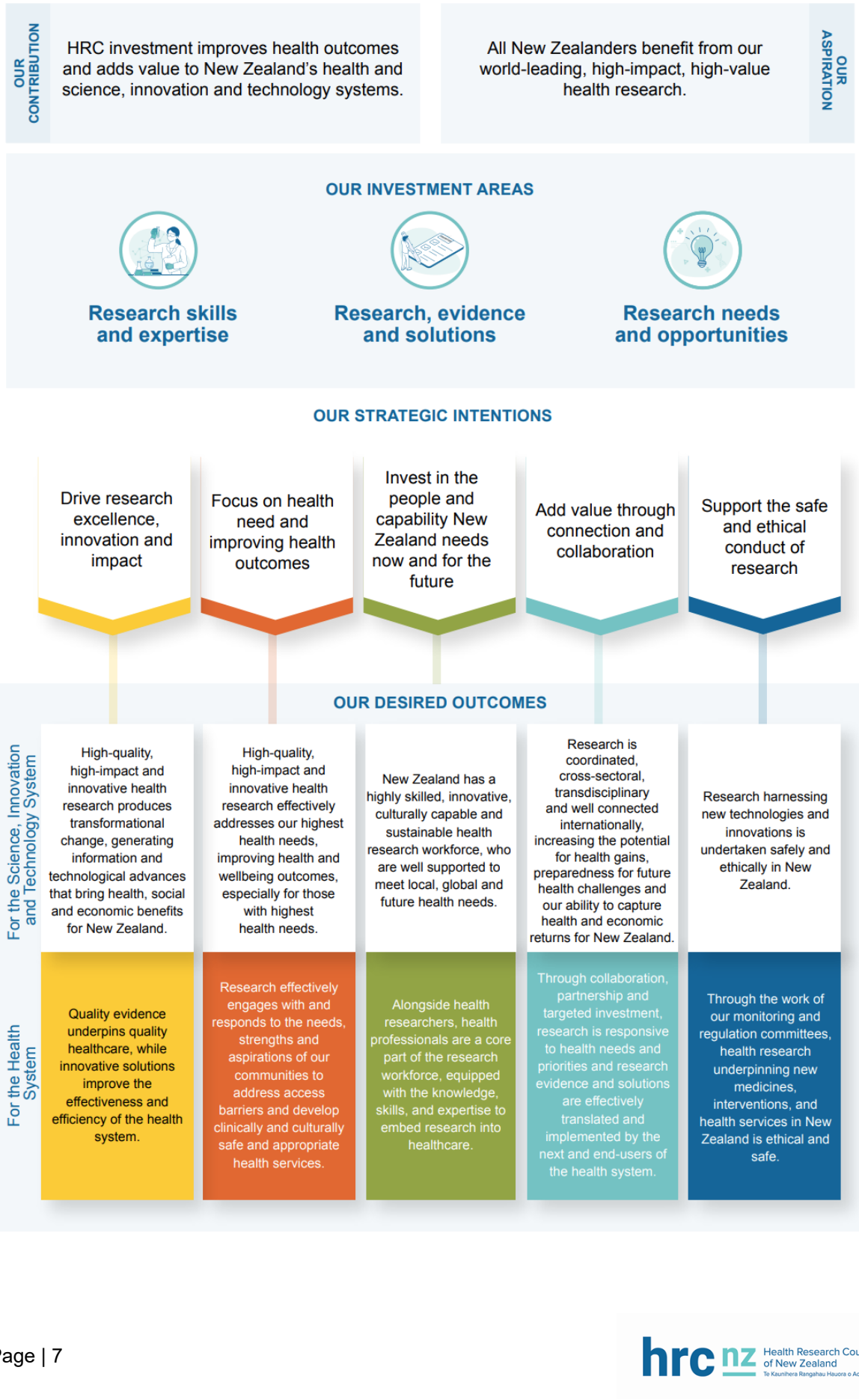
A smaller proportion of our budget is focused on innovation with the potential for transformation: Our Explorer Grants ask researchers to challenge boundaries of the known. HRC investment in early-stage research has led to several successful spin-out companies, including Kitea Health, Alimetry, BioOra, Pacific Edge and SapVax.

Research needs and opportunities

Where priority health issues, gaps and opportunities are identified we launch targeted investment opportunities to meet immediate evidence needs: In February 2025, the HRC will release a targeted request for proposals (RFP) to fund high quality artificial intelligence (AI) implementation research in healthcare. AI technology has significant potential to increase efficiency within the healthcare system and improve quality of care.

[4] Overall, 36% of all HRC workforce positions for researchers are held by practicing clinicians, of which 45% are held by those with clinical training. Building research capability in health professionals is a crucial part of accelerating the translation and uptake of research findings into clinical practice and healthcare services.

HRC's performance framework



Our structure

The Act established the HRC's structure: a 10-member Council with four supporting Statutory Committees (please see Appendix 3 for Council and Statutory Committee Membership). A Secretariat of 37.9 FTE based in Auckland, support the HRC's functions.

HRC Council

Council's core responsibility is making investment decisions which are influenced by the level of funds available, and the quality of applications received. Council governs the HRC's activities as outlined in the Act. The Minister of Health, in consultation with the Minister of Science, Innovation and Technology appoints members to the HRC Council. Membership consists of five persons who are or have been actively engaged in health research and five persons who have skills and experience in areas such as community affairs, health administration, law, commercial expertise, management, or knowledge of health issues from a consumer perspective.

Statutory and Standing Committees

The HRC has eight Statutory and Standing Committees.[5] Our Biomedical, Public Health, and Māori Health Statutory Committees (members of Council chair these committees), and the Pacific Health Research Committee play a vital role in the assessment process and advise the Council on the assignment of funds for health research within the remit of their respective Committees.

The Māori Health Committee has additional functions specified by the HRC Act 1990[6], which are to advise the Council on health research into health related issues that affect Māori people, including how information is gathered, verified and validated.

Our ethics and regulatory committees are integral to ensuring New Zealand's health research is ethical and safe. We advise the Minister of Health on the safe uptake of new health technologies and conduct of clinical trials.

- The **HRC Ethics Committee**: Responsible for approving all Health and Disability Ethics Committees (HDECs) and Institutional Ethics Committees (IECs) in New Zealand. The committee considers appeals on HDEC decisions, as authorised by the Minister of Health.
- The **Data Monitoring Core Committee**: Provides objective, independent monitoring of HRC-funded clinical trials in New Zealand.
- The **Gene Technology Advisory Committee**: Assesses the scientific merit of studies to transfer genes from one species to another and makes recommendations to the Director-General of Health.
- The **Standing Committee on Therapeutic Trials**: Assesses applications involving clinical trials for the use of a new medicine and makes recommendations to the Director-General of Health.

Part 2: Current issues to note

Public Equity Management

The HRC currently has an active public equity management approach in place with MBIE and the Ministry of Health. This is due to COVID-related disruptions and the ability of researchers to conduct and complete their research within contracted timeframes. Contract extensions were requested to allow for the completion of research projects, but this meant that committed funds have not been committed at the rate that was anticipated and have subsequently accumulated.

HRC Statutory Ethics and Regulatory role

HRC has a statutory role in ethics under the HRC Act 1990 (described above) and a regulatory function under Section 30 of the Medicines Act 1981 which requires the HRC to convene the Standing Committee on Therapeutic Trials (SCOTT) and the Gene Technology Advisory Committee (GTAC). Through the work of our ethics, monitoring and regulation committees, the HRC plays a pivotal role in ensuring New Zealand health research is ethical and safe. Vote Health provides $285,000 per annum for the ethics functions that the HRC performs. This amount has not increased since 2010 and no longer covers the direct costs associated with fulfilling our statutory requirement. At present, the shortfall is cross subsidised by the HRC's Research Contract Management (RCM) appropriation,

[5] **Statutory Committees:** Māori Health Committee; Biomedical Research Committee; Public Health Research Committee; Ethics Committee. **Standing Committees:** Pacific Health Research Committee; Data Monitoring Core Committee (DMCC); Standing Committee on Therapeutic Trials (SCOTT); Gene Technology Advisory Committee (GTAC).

funded by Vote Science, Innovation and Technology. The HRC has highlighted the issue and is in discussions with both the Ministry of Health and MBIE to manage the situation in a way that does not compromise the integrity of our role and the safety and quality of delivery.

New Zealand Health Research Strategy

Health research in New Zealand is fortunate to be in a position where there is a national New Zealand Health Research Strategy (NZHRS)[7] and a New Zealand Health Research Prioritisation Framework (NZHRPF). As a result, the health research ecosystem now has a much needed long-term strategic vision and oversight for health research in place.

In the HRC's 2024/25 Letter of Expectations (dated 7 May 2024) direction was given to further advance our work to progress the NZHRS, in partnership with the Ministry of Health and MBIE. The workplan and governance arrangements for the strategy are being refreshed to account for the new health system structures and emerging aspects of the health research landscape. Since July 2024, the Ministry of Health, MBIE and HRC have met fortnightly to:

- undertake a stocktake of the progress to date.
- review the effectiveness of the governance arrangements with a view to refreshing and reestablishing a new governance group in 2025 and supporting an implementation group.
- Identify priorities to inform a collaborative work programme for 2025.

The Minister of Health has requested a briefing on health research, the NZHRS and the clinical trials landscape from the Ministry of Health for mid-February 2025.

HRC await direction from you on where our efforts in relation to the strategy **are best focused**, once you have had an opportunity to consider the briefing.

Science System Advisory Group (SSAG) report

In March 2024, the Science System Advisory Group (SSAG) was established by the Ministry of Business, Innovation and Employment (MBIE) to provide advice to the Government on strengthening the SI&T system. The first SSAG report, released in January 2025, highlights the vital role of science and technology in enhancing our nation's productivity, and proposes changes to the architecture of the SI&T system that are needed to promote New Zealand's social, environmental and economic future. It highlights the impact of rapidly evolving science and technology advances, and the need for our SI&T system to fuel creative knowledge generation, strengthen innovation pathways and become more strategically aligned and internationally connected. A second SSAG report will focus more on the operational detail, including funding mechanisms and assessment processes.

HRC look forward to **working closely with the Minister of SI&T and MBIE to** feed into development of the second report as needed and to **implement Cabinet endorsed recommendations** so we can maximise the contribution science, innovation and technology can make for our current and future prosperity as a country,

Part 3: HRC contributes to health and science system performance

HRC is the conduit between the health and SI&T sectors and at present, there is significant change occurring in both.

HRC work with the Minister of Health, Ministry of Health and Health New Zealand to strengthen research and innovation to support an evidence-informed, effective, efficient health and disability system as the reforms are embedded. We contribute to the health sector by:

- providing evidence to address the priority health areas and health targets identified in the Government Policy Statement on Health 2024-2027.
- providing the evidence needed for the cost-effective and efficient delivery of health services.
- building a health system that has a culture of research, innovation and evaluation to enable a cycle of continuous improvement.

[7] The New Zealand Health Research Strategy (2017 – 2027) was published in 2017 and sets out the government's guiding principles, strategic priorities and actions towards building a world-leading health and innovation system that, through excellent research, improves the health and wellbeing of all New Zealanders. The strategy was developed following extensive consultation with more than 500 people attending regional consultation meetings and targeted focus groups, with 166 written submissions made in response to the public discussion document.

- developing innovative models of quality care that improve access and choice, and can be delivered close to home.
- identifying preventative approaches that work to keep people well, for longer.
- growing health research capacity and capability within the health system to improve translation and uptake of evidence and innovation.

HRC work with the Minister of SI&T, MBIE and research provider organisations to support a high-performing, high-value SI&T system that focuses people and investment to address our biggest challenges and opportunities, deliver value and create tangible benefit. We contribute to the SI&T system by:

- identifying excellence (broadly defined), incentivising innovation and balancing competition and collaboration.
- supporting national and international connectivity and collaboration.
- developing and retaining the health research workforce needed to meet our local, global and future health needs.
- facilitating knowledge translation and impact by requiring involvement of next-and-end-users in research.
- capturing economic benefits for New Zealand.

The value proposition of health research

Health research evidence and innovation are what underpin improvements in population-level health outcomes, increases in life-expectancy and the number of years individuals can expect to be productive and live in good health. This contribution to a healthier, more productive population reduces the financial burden of ill-health.

Health research also has a critical impact on how well a health system performs and delivers care and makes a significant contribution to the economy – both through cost savings generated and the development of treatments, tools, technologies and services.[8]

The HRC has good visibility of the effectiveness of our investment. HRC-funded research is effective at realising benefits for society:

- In the past 5 years HRC-funded research has contributed to over 70 clinical guidelines, 62 new technologies, treatments, or models of care, and 22 new or improved public health interventions.

HRC-funded research generates cost-savings:

- HRC investment of $18.7M over 20 years in the development of a cardiovascular disease prediction decision-making tool, generated a return of $300M per annum cost-savings to the health system.
- HRC-funding for the Australia and New Zealand Intensive Care Society Clinical Trials Group (ANZICS CTG) has changed ICU practice around the world, saved hundreds of lives and our health care system $150M every year.
- HRC investment of $18.9M over the past 25 years in research tackling the link between the health of our homes and respiratory and other illnesses has generated a return of $4 billion in cost-savings.
  Between 2010-2019, HRC invested $2.7M in research on shorter Emergency Department stays, for a return of $9.5M per annum cost-savings to the health system.

The return on investment in health research is well-documented:

- A 2017 evaluation of 25 New Zealand and Australian clinical trials demonstrated a return on investment of $51 for every $1 invested[9].
- The New Zealanders for Health Research[10] advocacy group commissioned the New Zealand Institute of Economic Research (NZIER) to run a feasibility study to establish the return on

[8] Twenty-two percent of our largest grants have a technology focus, including (but not limited to) artificial intelligence, bioengineering, computational modelling, genomics, implants/prosthetics, immunotherapy, medical technologies and devices, personalised medicine, pharmaceuticals and biologics.
[9] Economic evaluation of investigator-initiated clinical trials conducted by networks. Available from: https://clinicaltrialsalliance.org.au/latest-news/chart-topping-return-on-investment-from-clinical-trials-acta-report
[10] More information at: www.nz4healthresearch.org.nz

investment for health research in New Zealand.[11] NZIER's analysis estimated across public, private and philanthropic investment, an annual return on investment of 13-30%.[12] This is consistent with a 2021 analysis on the return on science investment in New Zealand that concluded that every $1 of research and development investment creates an average of $3.80 in economy-wide benefits for New Zealand, and a 11% average annual return[13].

- More recently, the Science System Advisory Group (SSAG)[14] reported the return on investment for science at 3 to 8 times the original investment in research over the entire lifecycle, which when calculated as an annual rate of return, ranges between 15-50%.

Health research is high performing:

The latest OECD review of New Zealand's innovation system in 2007 identified health research as one of only two areas of globally recognised research strength. In 2021, New Zealand outperformed other small-advanced economies in 15 areas of health research (based on average citation impact of publications[15]).

Health research is highly productive:

- A 2021 MBIE report[16] identified that medical and health science accounted for 30% of New Zealand publications across all fields of research, and that in the 10-years from 2010 to 2020 the influence of New Zealand health research has remained consistently high.
- In 2023/24, over 3773 research outputs were reported from HRC research, across a range of output types as diverse as publications, patents, policies and public health interventions. This included over 300 contributions to public discourse through media engagements or generation of resources to make research accessible to a layperson.

Health research is underfunded:

The recently released report of the Science System Advisory Group (SSAG)[17] noted that science and technology are core to enhancing productivity and growth in developed economies, that OECD data demonstrates a strong relationship between total government investment in R&D and economic growth, and that New Zealand has an underfunded SI&T system by international comparison. Current expenditure is about 1.45% of GDP, with about 60% of that being made by the private sector, meaning that the total Government spend is only ~0.6% of GDP. This is minimal by global standards. The stated goal in the European Union is that all member countries should have public expenditure of at least 1% GDP on R&D and 2% from the private sector, and countries such as Finland are now driving to a higher research intensity of 4% of GDP.

New Zealand's direct government investment in health research is low compared to other small, advanced economies and OECD countries, with government investment in health research typically between 0.6 and 0.8 percent of health care costs[18]. International evidence and comparisons indicate that to achieve significant population and health system gains, investment in health research needs to be 2.4 percent of health spend.

Direct government investment in health research through the HRC is also low as a proportion of the overall SI&T budget, receiving $120M of the government's estimated $1.2 billion[19] allocation. The demonstrated return on investment for HRC-funded research has the potential to be significantly higher with an uplift in funding.

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[11] NZIER. 2022. Valuing health research in New Zealand: Feasibility study. A report for New Zealanders for Health Research. Available at: https://nz4healthresearch.org.nz/wp-content/uploads/2022/12/Slides-for-Wellington-Workshop-NZIER.pdf

[12] New Zealanders for Health Research Budget-Policy-Statement-Submission 2023. Available at: https://nz4healthresearch.org.nz/wp-content/uploads/2023/01/NZHR-Budget-Policy-Statement-submission-270123.pdf

[13] CSIRO (2021) Available at: https://www.csiro.au/en/work-with-us/services/consultancy-strategic-advice-services/CSIRO-futures/Innovation-Business-Growth/Quantifying-Australias-returns-to-innovation

[14] Science System Advisory Group Report (2025): An Architecture for the future.

[15] MBIE (2021) The Research, Science and Innovation Report. Available at: https://mbienz.shinyapps.io/research-science-innovation-report/pdf/research-science-and-innovation-system-performance-report-2021.pdf

[16] MBIE (2021) The Research, Science and Innovation Report. Available at: https://mbienz.shinyapps.io/research-science-innovation-report/pdf/research-science-and-innovation-system-performance-report-2021.pdf

[17] Science System Advisory Group Report (2025): An Architecture for the future.

[18] New Zealanders for Health Research Budget-Policy-Statement-Submission 2023. Available at: https://nz4healthresearch.org.nz/wp-content/uploads/2023/01/NZHR-Budget-Policy-Statement-submission-270123.pdf

[19] MBIE (2025) Briefing to the Cabinet Economic Policy Committee.

Appendix 1: Health Research Council Act 1990 Functions

The Health Research Council Act 1990[20] sets out the functions of the HRC:

(a) to advise the Minister on national health research policy

(b) to administer funds granted to the Council to implement national health research policy

(c) to negotiate, once every 3 years, the bulk-funding allocations that may be made to the Council by the Government for the funding of health research

(d) to foster the recruitment, education, training, and retention of those engaged in health research in New Zealand

(e) to initiate and support health research,

(f) to encourage initiatives into health research by soliciting research proposals and applications, particularly in areas considered by the Council to have a high priority:

(g) to consult with the Minister of Health, the Ministry of Health, other persons who fund or produce research (public or private sector, and persons who have a knowledge of health issues from the consumer perspective - to establish priorities for health research,

(h) to promote and disseminate the results of health research in ways that will be most effective in encouraging their contribution to health science, health policy, and health care delivery

(i) to advertise actively for applications for grants to support proposals or personal awards in relation to health research:

(j) to appoint the members of the Biomedical, Public Health, Māori Health, and Ethics Committees

(k) to ensure the development and application of appropriate assessment standards by committees that assess health research proposals.

[20] New Zealand Government. 1990. Health Research Council Act. Wellington: NZ Government. Available at: http://www.legislation.govt.nz/act/public/1990/0068/latest/DLM213017.html. Accessed 17 October 2017.

Appendix 2: Memorandum of Understanding

Office of the Minister of Health

Office of the Minister of Science and Innovation

MEMORANDUM OF UNDERSTANDING: MINISTERIAL RESPONSIBILITIES FOR THE HEALTH RESEARCH COUNCIL OF NEW ZEALAND

Parties

The Minister of Health and the Minister of Science and Innovation

Purpose

The Minister of Science and Innovation and the Minister of Health are jointly responsible for the efficient and effective functioning of the Health Research Council of New Zealand.

This memorandum of understanding outlines each Minister's responsibilities for the Health Research Council. The memorandum sets the basis for the Ministers responsible for the health and science and innovation portfolios to work in partnership. Ministers expect the Health Research Council to be an efficient and effective organisation contributing to both health and economic outcomes.

This memorandum of understanding is supported by a memorandum of understanding between the Ministry of Business, Innovation and Employment and the Ministry of Health, the two government agencies supporting the health and science and innovation portfolios.

Roles

The Health Research Council

The Health Research Council has both a funding and strategic leadership role in health research. It is the government's primary funder for research funds specifically targeted at health research. This includes, but is not limited to, funding research in biomedical sciences, population and public health, Māori health, clinical care and health service delivery.

The Health Research Council is a crown entity established under the Health Research Council Act 1990 (the Act). Under this Act, the Minister of Health is the responsible Minister. Since 1997/8, the majority of Health Research Council funding has been appropriated through Vote Science and Innovation. This has enabled the full cost funding model for science to be implemented across the science system.

Dual responsibilities for health research and the Health Research Council

Ministers recognise that to achieve maximum benefit from health research, New Zealand needs a dynamic and well-connected health research and innovation system with strategic leadership and oversight from both Ministers. In particular, the Minister of Health and the Minister of Science and Innovation recognise that:

(i) health research contributes to both health and economic outcomes

(ii) health research underpins improvements in health outcomes and quality of care

(iii) knowledge and results from health research form the evidence base for many areas of health and social policy

(iv) knowledge and innovations resulting from health research can generate cost-efficient and cost-effective solutions for the health system

(v) the research process increases the skills and expertise of health practitioners

(vi) the ability to participate in research helps New Zealand recruit and retain excellence clinicians

(vii) health research constitutes a significant part of New Zealand's science and research system

(viii) health research is a science strength for New Zealand

(ix) health research results in broader benefits for the biological economy and manufacturing and food industries

(x) the most innovative health research can spin off high-value, knowledge-intensive firms.

Effective governance and leadership is needed from both the health and the research portfolios to ensure strong and enduring links between the health and science and innovation systems. This will enable health researchers and health sector agencies to work together to achieve better outcomes.

An effective and efficient Health Research Council is critical to achieving these goals.

Ministerial responsibilities

The Minister of Health has a responsibility to ensure that the Health Research Council is connected to the health sector and the research that it funds is responsive to the health needs of New Zealanders and the health system.

The Minister of Science and Innovation has a responsibility to ensure the Health Research Council is part of a cohesive science and innovation system, that Health Research Council funding aligns with other investments in the science system, and that the economic and scientific benefits of health research are captured.

Agreement

The two Ministers will work in partnership in carrying out their specified responsibilities for the Health Research Council.

These responsibilities cover:

- A. Strategic direction for health research and guidance to the Health Research Council
- B. Trusting and productive relationships with the Health Research Council
- C. Funding arrangements for the Health Research Council
- D. Appointments to the Health Research Council.

These responsibilities and arrangements are detailed below and summarised in Appendix 1.

A. Strategic direction for health research and guidance to the Health Research Council

(i) Health research strategy for New Zealand

The Minister of Health and the Minister of Science and Innovation are jointly responsible for developing and overseeing the implementation of a health research strategy for New Zealand. This strategy will provide high-level and long-term strategic direction for the health research and innovation system, in particular the Health Research Council.

(ii) Health Research Council's three yearly investment plan

The health research strategy will inform the three-yearly investment plans prepared by the Health Research Council for consideration by the Minister of Health and the Minister of Science and Innovation. These plans will articulate the Council's investment priorities and portfolio approach and how these contribute to the objectives of the health research strategy. The investment plan will be annexed to the Statement of Intent of the Health Research Council.

(iii) Health Research Council's Statement of Intent, Statement of Performance Expectation and Annual Report

Under the Crown Entities Act 2004, the Minister of Health is responsible for the oversight of the Health Research Council's Statement of Intent, annual Statement of Performance Expectation and Annual Report. This responsibility involves, where appropriate, commenting on these strategic documents and presenting the documents in Parliament. In carrying out these responsibilities, the Minister of Health will consult with the Minister of Science and Innovation.

The Health Research Council is monitored against the performance standards in the Statement of Intent and annual Statement of Performance Expectation.

(iv) Annual letter of expectation

Both Ministers will provide a joint annual letter of expectation to the Health Research Council, setting out their general expectations for the year ahead.

B. Trusting and productive relationships with the Health Research Council

(i) Building productive working relationships

The two Ministers will invest time in building a productive working relationship with the Health Research Council's Chair, board and senior management. As part of this, the two Ministers will meet at least annually with representatives of the Health Research Council to discuss the strategic direction and leadership of the Council.

(ii) Output Agreement(s) with the Health Research Council

The output agreement(s) between Ministers and the Health Research Council will include details of funding, performance and reporting requirements.

C. Funding arrangements for the Health Research Council

The Act contains a provision for the Health Research Council to renegotiate its funding every three years.

These three-yearly negotiations will include:

a) consideration of the research funding administered by the Health Research Council through Vote Business, Science and Innovation

b) consideration of the operational funding (research contract management funds) for the Health Research Council

c) funding agreements within Vote Health, such as for the provision of advice on ethics.

The Minister of Science and Innovation will consult with the Minister of Health in determining the level of funding provided to the Health Research Council through Vote Business, Science and Innovation.

In determining the level of funding to be provided to the Health Research Council, Ministers will recognise the Government's broader fiscal commitments and Budget processes.

Ministers will together agree on the level of operational funding (research contract management funds) provided to the Health Research Council. This will take into account the proportion of operational funding to research funding for other research funding agencies, the specific roles of the Health Research Council, and the level of research funding administered by the Health Research Council.

D. Appointments to the Health Research Council

Under the Health Research Act 1990, the Minister of Health is responsible for appointing the members and the Chair of the Health Research Council.

The Minister of Health will consult with the Minister of Science and Innovation on the names being considered for the membership and the Chair of the Health Research Council and seek the Minister of Science and Innovation's views on who to appoint.

Variation

This Memorandum of Understanding may be varied by the written agreement of both Ministers.

Review

This Memorandum of Understanding shall be reviewed by the respective Ministers as needed as New Zealand's health research and innovation system evolves.

Effective date

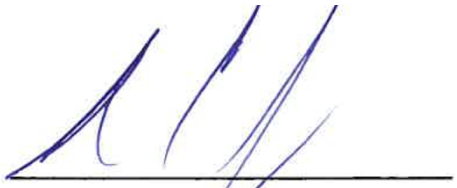
This Memorandum of Understanding will come into force on 1 July 2016.

This Memorandum replaces that signed by the Minister of Health and the Minister of Research, Science and Technology on 30 August 2001.

Term

This Memorandum of Understanding will continue in force until either a replacement Memorandum is put in place, or it is terminated by the written agreement of both Ministers.

Hon Dr Jonathan Coleman
Minister of Health
19/9/2016



Hon Steven Joyce
Minister of Science and Innovation
31/10/2016

Summary of Ministerial responsibilities and arrangements for the Health Research Council

Areas of responsibility	Components	Arrangements
A: Strategic direction for health research and guidance to the Health Research Council	Health research strategy for New Zealand	Both Ministers responsible for developing the strategy and overseeing its implementation
	Health Research Council's three yearly investment plan	Health Research Council will prepare these plans for consideration by both Ministers
	Statement of Intent Statement Performance Expectation Annual Report	Minister of Health will consult with Minister of Science and Innovation prior to commenting on, or tabling these document
	Annual letter of expectation	Joint letter from both Ministers
B: Trusting and productive relationships with the Health Research Council	Building and maintaining productive working relationships with the Chair, board and senior management	Both Ministers will meet at least annually with representatives of the Council to discuss strategic direction and leadership
	Output agreement(s) with the Health Research Council	Ministers are responsible for agreeing to and monitoring their output agreement(s)
C: Funding arrangements for the Health Research Council	Three yearly negotiations to determine funding level	Minister of Science and Innovation will consult the Minister of Health on the level of funding provided to the Council. Both Ministers will agree on the level of operational funding provided to the Council
D: Appointments to the Health Research Council	Appointing the Chair and Council members	Minister of Health is responsible and will seek the Minister of Science and Innovation's view on who to appoint

Appendix 3: Council and Statutory Committee Membership

Health Research Council

Council Member	Date of original appointment	Expiry date of present term
Professor Lester Levy (Chair)	01.2016	07.2026
Professor Jeroen Douwes	08. 2015	07.2025
Professor Emma Wyeth	07.2023	07.2026
Dr Lifeng Zhou	07.2023	07.2025
Baden Vertongen	07.2023	07.2025
Dr Frances Hughes	10.2024	10.2026
Associate Professor Riz Firestone	10.2024	10.2026
Professor Brett Cowan	10.2024	10.2027
Professor Cameron Grant	10.2024	10.2027
Professor James Maclaurin	10.2024	10.2027

Committee Secretary: Mel Phillips

Māori Health Committee

Committee Member	Date of original appointment	Expiry date of present term
Associate Professor Annabel Ahuriri-Driscoll	05.2022	05.2025
Dr Kimiora Henare	05.2022	05.2025
Dr Kendall Stevenson	10.2024	10.2026
Dr Logan Hamley	10.2024	10.2026
Associate Professor Paula King	09.2024	09.2027
Associate Professor Sarah-Jane Paine	08.2018	08.2025
Dr Naomi Simmonds	11.2022	11.2025
Associate Professor Isaac Warbrick	04.2023	04.2026
Professor Emma Wyeth (Chair & Council Member)	07.2023	07.2026

Committee Secretary: Le-Shan Pomana-Wesley

Biomedical Research Committee

Committee Member	Date of original appointment	Expiry date of present term
Associate Professor Dianne Sika-Paotonu	12.2022	12.2025
Dr Jade Tamatea (Acting Chair)	12.2020	12.2026
Professor Greg Jones	12.2020	12.2027
Associate Professor Sunia Foliaki	04.2023	04.2026
Dr Joanna Hikaka	12.2024	12.2027
Professor Andrew Hill	12.2023	12.2026

Professor Michelle Glass	02.2024	02.2027
Dr Melanie-Jane McConnell	12.2024	12.2026
Professor Lisa Stamp	12.2024	12.2026

Committee Secretary: Dr Katie Palastanga

Public Health Research Committee

Committee Member	Date of original appointment	Expiry date of present term
Professor Jeroen Douwes (Chair & Council Member)	08. 2015	07.2025
Associate Professor Jason Gurney	01.2024	01.2027
Dr Kirsten Smiler	01.2024	01.2027
Associate Professor Lisa Te Morenga	12. 2019	12. 2025
Professor Sarah Derrett	12. 2019	12. 2025
Associate Professor Polly Atatoa Carr	09. 2020	12. 2026
Dr Corina Grey	01. 2023	01. 2026

Committee Secretary (Acting): Dr Katie Palastanga

HRC Ethics Committee

Committee Member	Date of original appointment	Expiry date of present term
Associate Professor Donna Cormack	06.2021	06.2027
Ms Helen Davidson	08.2019	08.2025 (Resigned)
Dr Anna Ponnampalam	08.2023	08.2027
Dr Lindsey Te Ata O Tū MacDonald (Co-Chair)	08.2023	08.2027
Ms Josephine Johnston (Co-Chair)	10.2023	04.2027

The Committee currently has one vacancy due to members stepping down early and is pending two new Council appointees.

Committee Secretary: Hannah Neale

Appendix 4: Overview of reporting and accountability documents

Statutory documents

Statement of Intent: Produced and tabled in Parliament by the Minister of Health every 3 years, to cover a 4-year period. It charts our strategic direction and performance monitoring framework. We released a new Statement of Intent 2024 – 2028[21] in November 2024.

Statement of Performance Expectations:[22] Produced annually and tabled in Parliament by the Minister of Health at the beginning of the financial year. It details deliverables and how progress will be measured.

Annual Report:[23] Produced annually and tabled in Parliament by the Minister of Health. It sets out how funding was allocated and our performance in achieving the goals, indicators and targets in our Statement of Intent and Statement of Performance Expectations. Our financial and non-financial performance is reviewed by our appointed auditors, Audit New Zealand.

Accountability reporting

Six-monthly report: Provided to MBIE and the Ministry of Health, it reports on key activities and deliverables, progress against performance indicators and includes financial statements.

Quarterly financial statements: Provided to MBIE and the Ministry of Health, the statements cover the financials for the quarter,

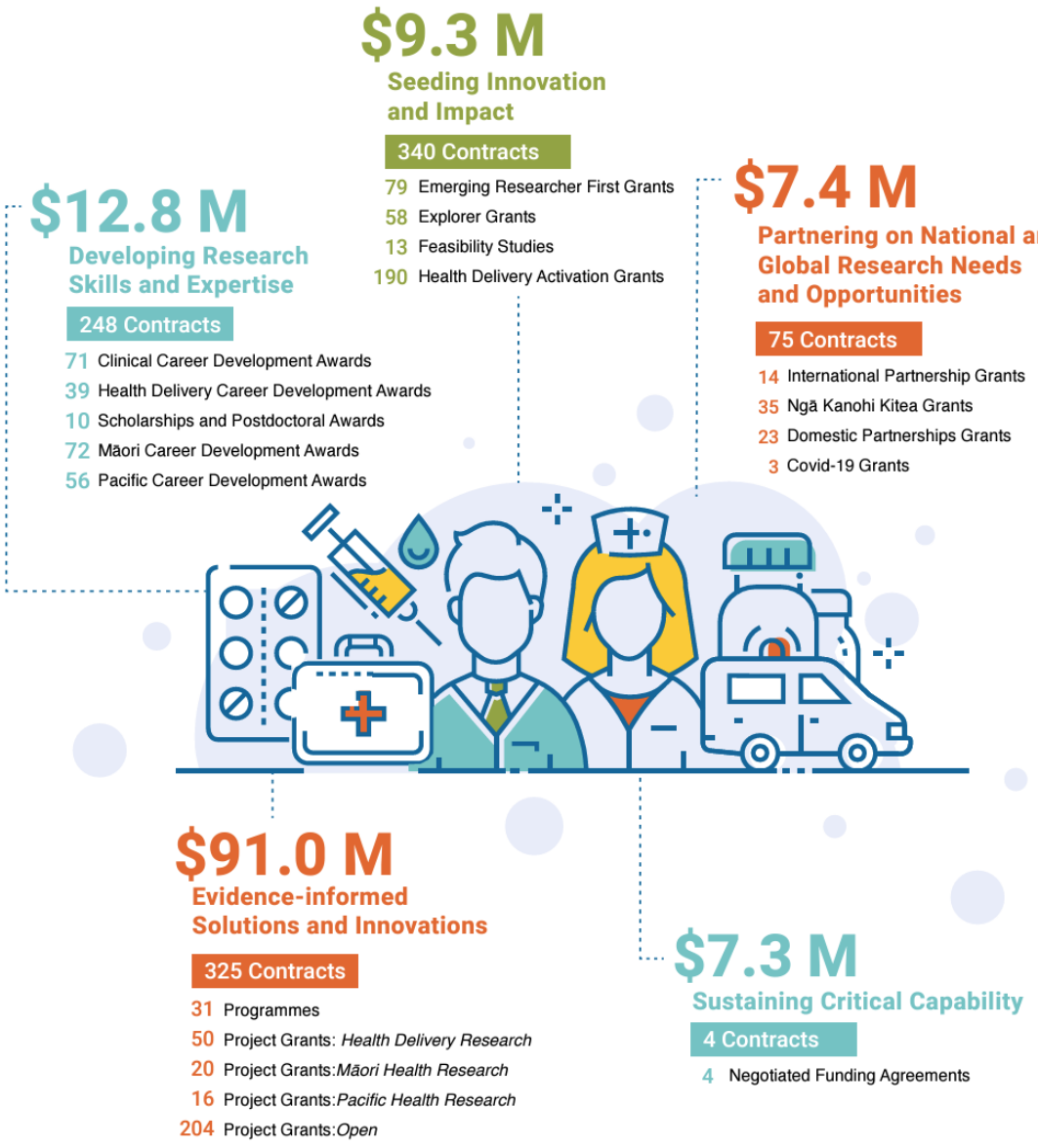
3-yearly Research Investment Plan: Outlines our investment framework for the next three financial years and gives researchers high-level guidance about the intended priorities for, and outcomes sought from, our funding. The current Plan was published on 1 July 2023 to cover the period 1 July 2023 to 30 June 2026.[24]

3-yearly Investment Impact Report:[25] It demonstrates the effectiveness of research investments made by the Council and describes future risks and opportunities. The next report is due on 1 April 2025.

[21] Available here: https://www.hrc.govt.nz/sites/default/files/2024-11/Statement_Intent_2024_WEB.pdf
[22] Available here: https://www.hrc.govt.nz/resources/statement-performance-expectations
[23] Available here: https://www.hrc.govt.nz/resources/hrc-annual-report
[24] Available here: https://www.hrc.govt.nz/sites/default/files/2023-07/HRC%20Investment%20Plan%202023-2026.pdf
[25] Available here: http://www.hrc.govt.nz/sites/default/files/2022-11/HRC%20IIR%202022_FINAL_signed.pdf

Appendix 5: Overview of current annual allocation

01 The HRC supported **992 active research contracts**, spending $127.8M on these, during the financial year to 30 June 2024.



02 We have supported a broad portfolio of research across all disciplines.