

Aide Memoire

Update on Health Capital Projects as at 31

December 2023

To:	Hon Dr Shane Reti, Minister of Health	Reference:	HNZ00036692
From:	Jeremy Holman, Chief, Infrastructure and Investment Officer, Infrastructure and Investment Group, Health New Zealand	Due Date:	26 February 2024
Copy to:	Hon Nicola Willis, Minister of Finance Hon Matt Doocey, Minister for Mental Health	Security level:	In Confidence

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Attachments
Annex 1: Update on Health Capital Projects as at 31 December 2023 including Appendices 1-3

Purpose

1. This Aide-Mémoire introduces our latest monthly report (attached).

Performance Reporting

2. The monthly report covers the performance of the 73 in-flight health sector capital projects that require Crown funding or exceed \$10 million. These 73 projects have a combined value of \$6.6 billion as at 31 December 2023.
3. The report includes updates on:
 - a. Infrastructure and Investment Portfolio Performance

Aide Memoire: HNZ00036692: Update on Health Capital Projects as at 31 December 2023

- b. Projects with significant risks
- c. Health Capital Envelope Allocation
- d. Upcoming Ministerial decisions
- e. Key programmes overview
 - i. Mental Health Infrastructure Programme (MHIP)
 - ii. Regional Hospital Redevelopment Programme (RHRP)
 - iii. New Dunedin Hospital (NDH)
- f. Project photos
- g. Project summary

4. The table below shows the RAG status for the 73 in-flight projects as at 31 December 2023.

	Green rated projects	Amber rated projects	Red rated projects	Total
Number of projects	37	20	16	73
\$ value	\$2,811m	\$1,791m	\$1,956m	\$6,557m

5. The table below provides a summary of projects that have a Red RAG status. Further detail is provided in the monthly report attached at Annex 1.

Project name (and ID)	Reason for Red rating
Project Whakatuputupu New Dunedin Hospital (10025)	<ul style="list-style-type: none"> • s 9(2)(b)(ii), s 9(2)(f)(iv) • s 9(2)(b)(ii) • Signalled programme delays
E Tū Wairua Hinengaro – Forensic Psychiatric Services Facilities Replacement, Mason Clinic, Auckland (10050)	<ul style="list-style-type: none"> • Cost escalation due to progressive trade letting and necessary piling methodology change requiring \$28.4 million additional funding
Te Rau Kawakawa Buller Integrated Family Health Centre, Westport (10112)	<ul style="list-style-type: none"> • s 9(2)(b)(ii), s 9(2)(j)
Hawke's Bay Hospital Radiology Facilities Redevelopment (10208)	<ul style="list-style-type: none"> • 9(2)(b)(ii), 9(2)(f)(iv) •
Starship Paediatric Intensive Care Unit (PICU) Bed Expansion and Atrium Redevelopment (30002)	<ul style="list-style-type: none"> • s 9(2)(b)(ii), s 9(2)(f)(iv)
Gisborne Hospital New Child and Youth Health Community Hub (30032)	<ul style="list-style-type: none"> • s 9(2)(b)(ii), s 9(2)(f)(iv)
Hawke's Bay Hospital Procedure Rooms Upgrade (30013)	<ul style="list-style-type: none"> • s 9(2)(b)(ii), s 9(2)(f)(iv)

Aide Memoire: HN200036692: Update on Health Capital Projects as at 31 December 2023

Project name (and ID)	Reason for Red rating
Manaia House – Community Mental Health – Whangārei (30025)	<ul style="list-style-type: none"> Significant water damage occurred just before practical completion Extensive remediation will delay the project by at least 10 months Budget risk remains until insurance claim has been completed
Rural Primary Birthing Unit Construction, Wanaka and Clyde (30030)	<ul style="list-style-type: none"> s 9(2)(b)(ii), s 9(2)(f)(iv) s 9(2)(b)(ii), s 9(2)(f)(iv)
Wairarapa Hospital Outpatients Refurbishment (30037)	<ul style="list-style-type: none"> s 9(2)(b)(ii), s 9(2)(f)(iv)
Mental Health Inpatient Facility Replacement, Grey Base Hospital (30041)	<ul style="list-style-type: none"> s 9(2)(b)(ii), s 9(2)(f)(iv) Revised programme has been issued with 13 weeks delay
Waimarino Health Centre Extension (30045)	<ul style="list-style-type: none"> s 9(2)(b)(ii), s 9(2)(f)(iv)
Linear Accelerators Replacement, Auckland City Hospital (102115)	<ul style="list-style-type: none"> s 9(2)(b)(ii), s 9(2)(f)(iv) Formalise scope change to the IT system Extend the schedule by four months
Hawke’s Bay Hospital Linear Accelerators (102118)	<ul style="list-style-type: none"> Scope increased to include medical oncology chemotherapy and haematology s 9(2)(b)(ii), s 9(2)(f)(iv) s 9(2)(b)(ii), s 9(2)(f)(iv)
Parkside Building Refurbishment, Christchurch Hospital (30006)	<ul style="list-style-type: none"> Scope increased after issues were identified when wall linings were removed including slab penetrations made over time that did not meet IL4 in the building impacting time and budget
Woman, Child and Family Facility Upgrade at Rotorua Hospital (30017)	<ul style="list-style-type: none"> Significant delays with joinery and air handling unit and funding constraints A change request will be submitted to request a 6 months’ extension

Key Upcoming Construction Dates

- The table below provides a list of upcoming construction starts or completion over the next three months. This is additional information to what is in the monthly report.
- The dates below are as at 21 February 2024, based on latest available information. (The report itself is compiled as at 31 December 2023 so some information differs).

Project	Type	Description	Planned Date
Waitematā Infrastructure Services Programme (ISP) Tranche 1A (10049)	Practical Completion & Go Live	Mitigation of risks in relation to critical assets and building resilience, focused on demolition of facilities, and relocation and provision of new infrastructure at the North Shore Hospital campus to support Tōtara Haumarū.	29 February 2024 This date relates to the last package of works being undertaken by the ISP team. The final works are to be completed as part of the Tōtara Haumarū project

Aide Memoire: HNZ00036692: Update on Health Capital Projects as at 31 December 2023

Project	Type	Description	Planned Date
Tokoroa ED Reconfiguration (30048)	Practical Completion	Reconfiguration of Tokoroa Hospital to improve infectious disease management, enlarge front of house, provide flexible space, and repurpose a consultation room as a plaster room.	February 2024 Now in use but operation manuals are still pending before Practical Completion certificate can be issued.
Christchurch Hospital, Parkside Enhancements - Tranche One (30006)	Practical Completion & Go Live	Refurbishment of the wards in Parkside building at Christchurch Hospital.	Practical Completion 28 February 2024 Go-Live April 2024
Radiation Oncology Project (102116) Whangarei Hospital	Construction Start	New radiation oncology facility and redevelopment of the Jim Carney Cancer Centre	February 2024
Wellington Hospital, Front of Whare (10256)	Construction Start of Enabling Works	Addresses seismic, configuration and capacity issues. Significant planning required so this will deliver first phase only.	March 2024
Radiology Relocation to Harley Gray at Middlemore Hospital (10045)	Construction Start	Relocation of existing radiology department from earthquake prone Galbraith building to Harley Gray building.	March 2024
Hawke's Bay Hospital Seismic Remediation Works (10148)	Practical Completion of the Theatre Building	Seismic strengthening remediation works on theatres, and acute assessment unit.	March 2024
Te Kotuku Redevelopment, Whangārei Hospital (Critical Works - Package 2) (10047)	Practical Completion	Addressing capacity constraints and provide relief until the new hospital is commissioned, including: Special Care Baby Unit, Acute Assessment Unit, Ambulatory Care/Outpatients and Laboratory	March 2024
Building For The Future - Fit-out of shelled theatres, inpatient wards and procedure rooms, Tōtara Haumarū, North Shore Hospital (10222)	Practical Completion	Increasing capacity in Northern region with the fit-out of four surgical theatres, one 30-bed ward and two endoscopy procedure rooms within Tōtara Haumarū.	April 2024
Boiler Replacement, Wairau Hospital, Blenheim (30024)	Practical Completion	Replacement of boilers with an energy efficient, sustainable option.	April 2024
Construction of Waitākere Primary Birthing Unit (10238)	Construction Start	Construction of a 970sqm primary birthing facility, which includes six birthing/postnatal suites, to meet the urgent demand for maternity services in the West Auckland area.	May 2024 s 9(2)(j)

Project	Type	Description	Planned Date
Surgical Services Expansion Project (SSEP), Hawke's Bay Hospital (10218)	Practical Completion	Bringing the previously shelled theatre eight online, expanding the post anaesthesia care unit (PACU), and minor modifications to the central sterile services department (CSSD).	May 2024

Next steps

8. The next Update on Health Capital Projects Report, based on 31 January 2024 assurance reports, will be provided to you in March 2024.
9. We will be updating our reporting, based on review and feedback from our ELT, Capital and Infrastructure Committee, Board and yourself. The changes will start to come into effect in next month's report.

Lead Author: Aaron Matthews, Head of Infrastructure Planning and Investment, Infrastructure and Investment Group.

Responsible Manager: Jeremy Holman, Chief Infrastructure and Investment Officer, Infrastructure and Investment Group.

Update on Health Capital Projects

as at 31 December 2023

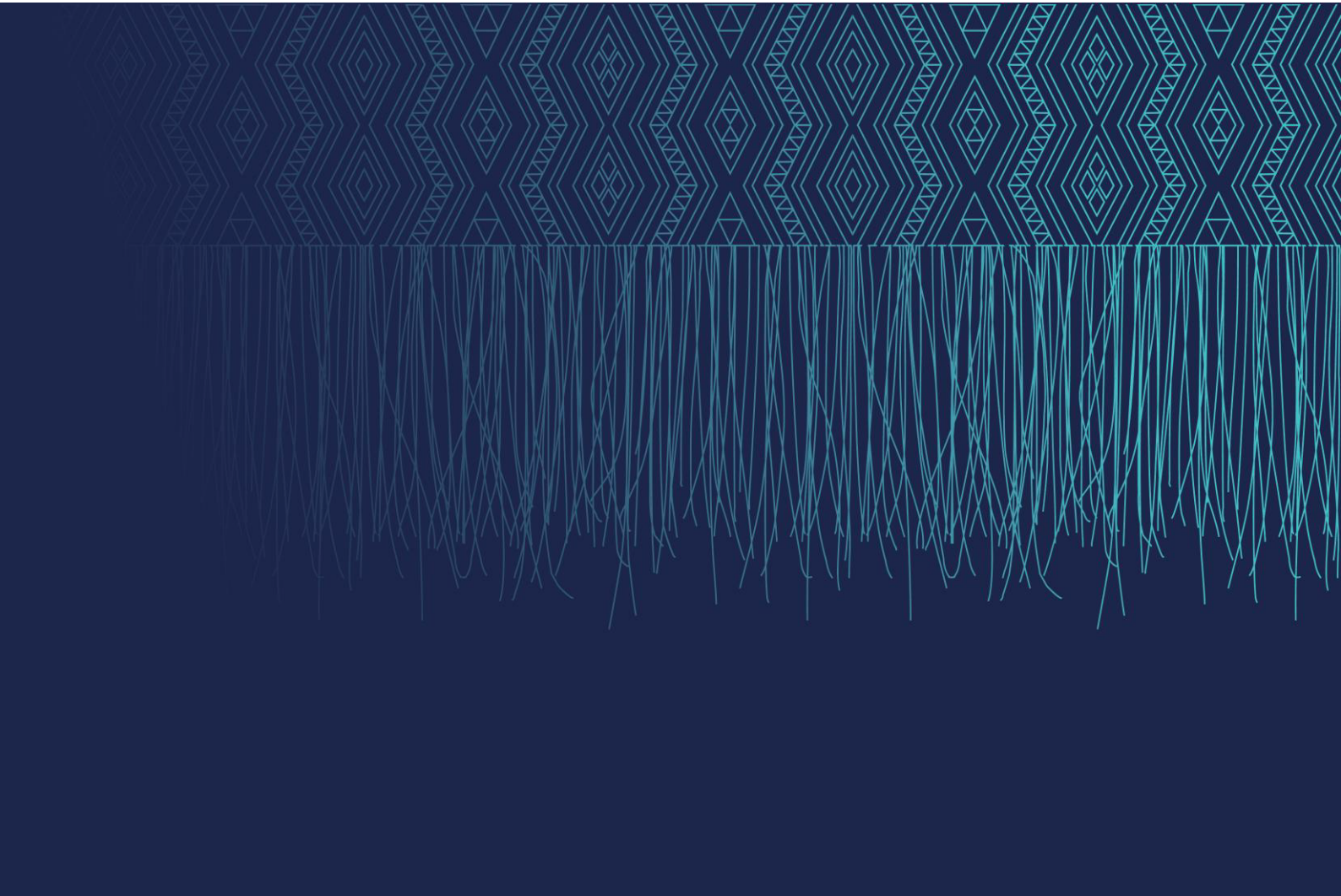


Table of Contents

Executive Summary	3
Health Portfolio Overview	4
Infrastructure and Investment Portfolio Summary	4
Infrastructure and Investment Portfolio Performance	5
Projects with Significant Risks	7
Health Capital Envelope Allocation	12
Upcoming Ministerial decisions	13
Key Programmes Overview	15
Mental Health Infrastructure Programme (MHIP)	15
Regional Hospital Redevelopment Programme (RHRP)	16
New Dunedin Hospital	18
Project Photos	20
Appendices	37

Executive Summary

1. Most projects in the Infrastructure and Investment Health Capital Envelope portfolio are progressing well and are rated Green or Amber as at 31 December 2023.

Table 1 Current RAG ratings (excl. RHIP) as at 31 December 2023

	Green rated projects	Amber rated projects	Red rated projects	Total
Number of projects	37	20	16	73
\$ value	\$2,811m	\$1,791m	\$1,956m	\$6,557m

2. Three projects improved their RAG rating from Amber to Green following the resolution of a funding issue and two re-baselined project schedules with approval of their governance groups.
3. Two projects moved from Amber to Red due to pending change requests for cost escalations.

Progress

4. Three projects reached practical completion in November and December. These are outlined below in paragraph 13 below.
5. The Nelson ED Refurbishment (30020) has progressed from the Define phase to Design.
6. The Palmerston North Hospital Critical Interim Works (10257) started procurement of the Main Contractor and moved from Design to Deliver.

Health Capital Envelope (HCE)

7. s 9(2)(b)(ii) of the HCE has been approved to date. There has been no change since the last report.
8. There is a forecast net funding deficit of s 9(2)(b)(ii). If all the proposed s 9(2)(b)(ii) reallocation options are approved, the HCE will have a balance of s 9(2)(b)(ii) available to be allocated. Further explanation can be found in paragraphs 27 and 28.

Table 2: Summary of HCE Allocation

Health Capital Envelope	s 9(2)(b)(ii)
Allocated and approved to date	
Allocated to new projects yet to be approved	
Projects in delivery seeking additional funding	
Remaining HCE Available for Allocation	
s 9(2)(b)(ii), s 9(2)(f)(iv)	
Potential Capital Returns	
Proposed Funding Reallocations	
Projected surplus of funds	

Health Portfolio Overview

Infrastructure and Investment Portfolio Summary

9. The Infrastructure and Investment Group (IIG) oversees a portfolio of 73 in-flight projects with a combined value of \$6.6 billion across the range of phases in the project life cycle.
10. The previous Update on Health Capital Projects submitted was for the period ending 31 October 2023. This report provides an update of project performance for the period ending 31 December 2023, showing movements for November and December 2023.
11. Eight projects have been completed so far in this Financial Year. Another 16 projects are scheduled to complete before July 2024.
12. The projects have spent a total of § 9(2)(b)(ii) was spent in November and § 9(2)(b)(ii) in December.

Table 3: Project phases as at 31 December 2023

	Define	Design	Deliver	Total
Number of projects	4	22	47	73
\$ value	\$88 m	\$1,556 m	\$4,913 m	\$6,557 m
Movement In (November)		1		
Movement Out (November)			4	3
Movement In (December)		1	1	
Movement Out (December)	1	1		

13. Three projects reached practical completion in the period and have moved from Delivery to Debrief:
 - a. Whanganui Infusion Therapy Unit (30044)
 - b. MidCentral Surgical Procedural Interventional Recovery Expansion (SPIRE) (30019)
 - c. Scott Building (Clinical Block) Recladding, Middlemore Hospital (10015)
14. The Nelson ED Refurbishment (30020) has progressed from the Define phase to Design.
15. The Palmerston North Hospital Critical Interim Works (10257) started procurement of the Main Contractor and moved from Design to Deliver.
16. Procurement of the below three projects was concluded in December:
 - a. Radiation Oncology Project, Whangārei Hospital (102116)
 - b. Mauri Ora - Mental Health and Addictions Inpatient Facility Replacement (10075) at Rotorua Hospital
 - c. Wairarapa Hospital Outpatients Refurbishment (30037)
17. The Lower Hutt Special Care Baby Unit and Maternity Facilities Upgrade (30016) has returned to Detailed Design from Delivery due to the 12-month period in which the project was stood down and subsequently re-established.

Infrastructure and Investment Portfolio Performance

18. Project performance is measured using a Red/Amber/Green (RAG) assessment rating system, which broadly covers project risk against time, budget, and scope.

Overall programme status rating	GREEN	AMBER	RED
	No significant risks and issues are impacting the overall project.	Some risks and issues could impact the overall project. These are being actively managed by the IIG.	Ministers should be aware of one or more significant risks and issues that require decisions from the Committee, Board and potentially Ministers.

19. Based on the December 2023 assurance reports, Table 4 below shows the number and value of projects in each of the risk categories.

Table 4: Current RAG ratings (excl. RHIP) as at 31 December 2023

	Green rated projects	Amber rated projects	Red rated projects	Total
Number of projects	37	20	16	73
\$ value	\$2,811 m	\$1,791 m	\$1,956 m	\$6,557 m
Movement In (November)	1		1	
Movement Out (November)	2	3		3
Movement In (December)	2		1	
Movement Out (December)		3		

20. Three projects improved and have moved from Amber to Green:

- a. The Christchurch Energy Centre and Services Tunnel (10005) received approval in November of an In-Principle Expense and Capital Transfer (IPECT) to use Opex funding, including the sale of the old boilers, to perform close-out work.
- b. The Hawke's Bay Hospital Seismic Remediation Works (10148) revised the project schedule after steering group approval for the contractor's request to extend the completion date.
- c. Te Pae Tawhiti Adult Mental Health at Waikato hospital (10073) re-baselined the project schedule with the awarding of the main contractor.

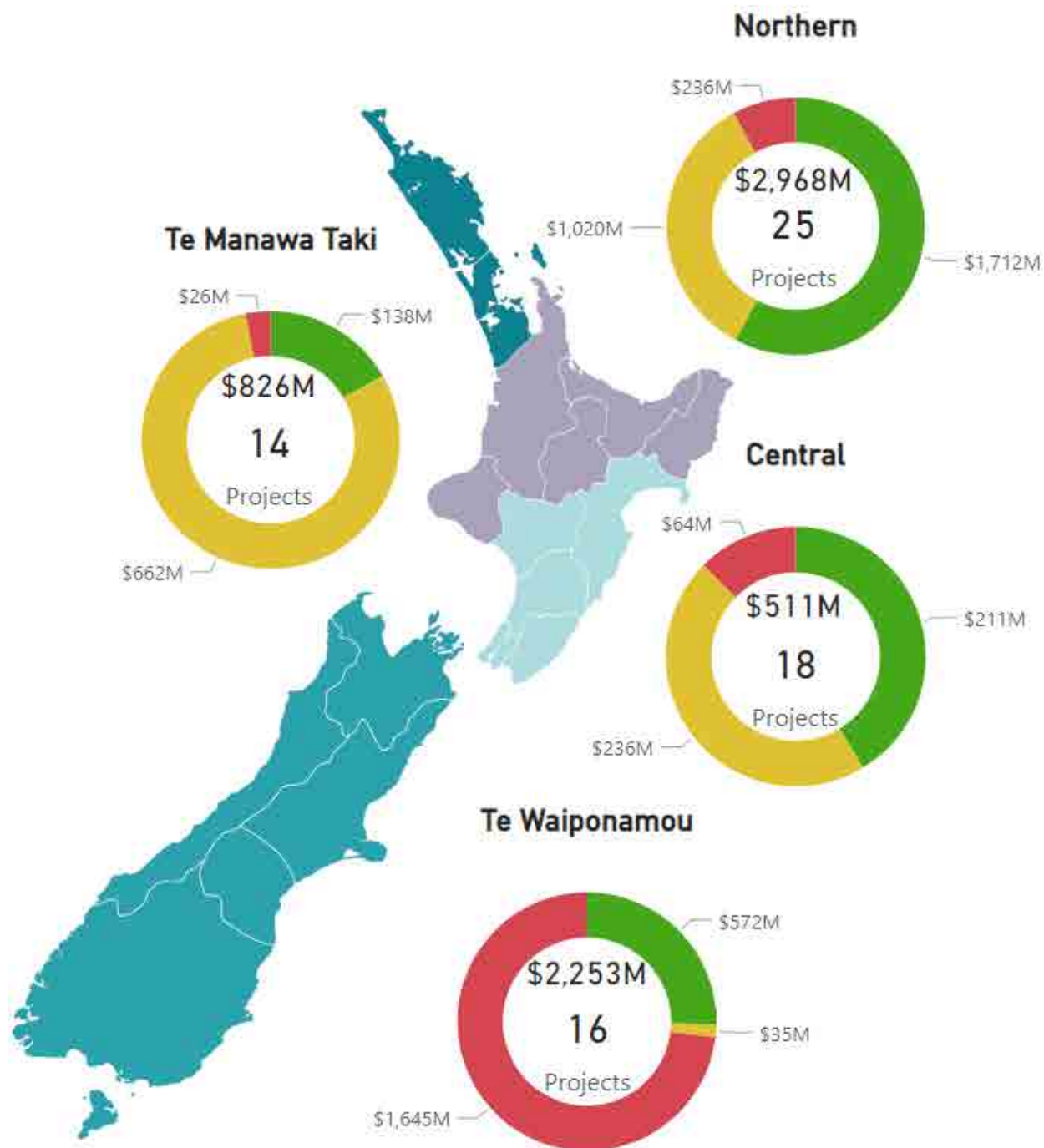
21. Two projects moved from Amber to Red. This is due to change requests for additional funding or material changes to project schedules that will require a decision from the Board or Ministers to resolve. These are

- a. Parkside Building Refurbishment, Christchurch Hospital (30006)
- b. Woman, Child and Family Facility Upgrade at Rotorua Hospital (30017)

22. Further details on Red-rated projects, with total costs over \$10 million, are provided in Table 5 and Table 6 below.

23. Figure 1 below shows the value of active projects in each of the risk categories by region.

Figure 1: Portfolio risk for active projects by region as at 31 December 2023



Projects with Significant Risks

24. Table 5 and Table 6 below provide commentary on progress and mitigations for **Red-rated projects with total costs over \$10 million as at 31 December 2023**. A list of all projects (excluding RHIP), their stage and RAG rating is provided in Appendices 1 and 2.

Table 5: Commentary on Red-rated projects with total costs over \$10 million (excludes MHIP)

Project Details	Background	Progress Update	IIG mitigation actions
<p>Hawke's Bay Hospital - Linear Accelerators 102118</p> <p>This project includes building a one-storey facility with two bunkers and one LINAC machine that delivers radiation oncology only as part of regional services.</p> <ul style="list-style-type: none"> • Total project funding of \$33.2 million • Define Phase • Rated Red since 30 June 2022 	<p>In November 2021, Joint Ministers approved the original business case of \$33 million subject to an independent check of the preferred site location and the future planning of the Regional Hospital Redevelopment Programme (RHRP).</p> <p>In December 2021, a new site was selected. The possible relocation of relevant clinical services (medical oncology, chemotherapy, and haematology) to make more efficient use of staff, space, and the future layout of the hospital grounds was assessed.</p> <p>In March 2022, the Health Infrastructure Unit endorsed the site change and the testing of scope through the business case process.</p> <p>The updated business case was approved by both the Capital and Infrastructure Committee (Committee) and the Health New Zealand Te Whatu Ora Board (Board). It was submitted for Ministerial consideration in August 2023.</p>	<p>The project remains at Red due to the need for approval of the updated business case.</p> <p>This business case addresses the change of location and a scope increase to include chemotherapy and haematology.</p> <p>s 9(2)(f)(iv), s 9(2)(g)(i)</p> <p>[Redacted text]</p>	<p>We have worked with the project team on the business case options and the need to focus on the original scope.</p> <p>Once Ministers approve the business case, the project will move out of Red.</p>

Project Details	Background	Progress Update	IIG mitigation actions
<p>Te Matau a Māui Hawke’s Bay Radiology Facilities Redevelopment – 10208</p> <p>This project proposes the refurbishment of the existing Radiology unit to address accreditation issues.</p> <ul style="list-style-type: none"> • Total project funding of \$25.1 million • Design Phase • Rated Red since 30 June 2023 	<p>Joint Ministers have previously approved \$10 million of Crown funding and \$15.1 million of local funding for this project.</p> <p>The project was placed on hold from July 2021 due to an unfavourable seismic assessment.</p> <p>The (then DHB) internally approved a rescope of the project in May 2022 and proceeded with design work. This has not been approved by the Board, the Ministry of Health, or Ministers.</p> <p>In August 2022, we requested that the region submit an updated business case to outline a range of proposed options.</p>	<p>This project remains at Red as an updated business case has not yet been provided.</p> <p>s 9(2)(b)(ii), s 9(2)(f)(iv)</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>	<p>A new project manager was appointed in May 2023.</p> <p>We are providing additional resources to support the development of the business case.</p> <p>Further advice on the business case is expected to be presented to the Board in March 2024.</p>
<p>Project Whakatuputupu - New Dunedin Hospital – 10025</p> <p>This project provides for a new campus built across the ex-Cadbury and Wilson blocks in central Dunedin to replace hospital services currently provided in the Clinical Services Block, Ward Block, and an Energy Centre.</p> <ul style="list-style-type: none"> • Total project funding: \$1,591 million • Construction phase • Rated Red since 31 August 2023 	<p>On 15 April 2021, Cabinet approved in principle the Final Detailed Business Case for the New Dunedin Hospital (NDH) Project at a total budget of \$1,407 million.</p> <p>On 1 November 2022, Ministers approved an additional \$110 million to manage market cost escalation. This resulted from a \$200 million cost increase identified during a review of the cost of all health infrastructure projects. A design update was then implemented to reduce the cost increase by \$90 million.</p> <p>On 10 April 2023, Ministers agreed to further funding of \$10 million from the Day One Health System Capital – Contingency.</p>	<p>s 9(2)(b)(ii), s 9(2)(f)(iv)</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>s 9(2)(j)</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>s 9(2)(b)(ii)</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>	<p>Advice on options for Ministers to consider has been developed. Once a decision is made as to the option selected, the appropriate actions can be taken.</p>

Project Details	Background	Progress Update	IIG mitigation actions
<p>Te Rau Kawakawa Buller Integrated Family Health Centre (IFHC) – 10112</p> <p>Development and expansion of the IFHC in Westport on the West Coast, including an adult dental service and two additional medical beds.</p> <ul style="list-style-type: none"> • Total project funding \$21 million • Practical completion phase • Red rated since 31 October 2023 	<p>In November 2018, Ministers approved \$20 million to redevelop the Buller Integrated Family Health Centre (IFHC), including adult dental services, on the current Buller Hospital location.</p> <p>In July 2020, Ministers approved a further \$1 million for asbestos removal from buildings and remediation of soil with asbestos containing material for Stage One of the project (enabling works). Assessment of costs for asbestos management for Stage Two and any additional Crown funding was to be addressed later.</p> <p>The IFHC reached practical completion in April 2023 and became operational in May 2023.</p>	<p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p> <p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p>	<p>Once Joint Ministers approve this change request, the project will move out of Red.</p>
<p>Te Toka Tumai Auckland - Starship Paediatric Intensive Care Unit (PICU) Bed Expansion and Atrium Redevelopment – 30002</p> <p>Expansion of PICU to create 10 additional beds and the development of atrium and public spaces at Starship Hospital to accommodate new public spaces, medical day stay and displaced PICU staff.</p> <ul style="list-style-type: none"> • Total project funding \$40 million • Construction phase • Red rated since 31 October 2023 	<p>In December 2020, Joint Ministers approved the Paediatric Intensive Care Unit Bed Expansion and Atrium Redevelopment at Starship Hospital at a cost of \$40 million with \$15 million funded by the Starship Foundation and \$25 million Crown equity contribution.</p>	<p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p>	<p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p> <p>It also seeks an extension to project schedule by 20 months with a new go-live date for the facility in January 2026.</p> <p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p>

Project Details	Background	Progress Update	IIG mitigation actions
<p>Te Toka Tumai Auckland - Linear Accelerators Replacement, Auckland City Hospital – 102115</p> <p>Purchase and installation of two replacement Linear Accelerators.</p> <ul style="list-style-type: none"> • Total project funding \$11.3 million • Construction phase • Red rated since 31 October 2023 	<p>In March 2021, Joint Ministers approved a project budget of \$11.3 million, inclusive of \$10 million Crown contribution.</p> <p>The scope of the project included a like-for-like update of the oncology IT system.</p> <p>During 2023, the project encountered multiple issues that required \$1.3 million drawn down from contingency.</p>	<p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p> <p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p> <p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p>	<p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p> <p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p>

Table 6: Commentary on Red rated projects in the Mental Health Infrastructure Programme (MHIP) with total costs over \$10 million

Project Details	Background	Progress Update	IIG mitigation actions
<p>Te Tai Tokerau Northland - Manaia House - Community Mental Health, Whangārei - 30025</p> <ul style="list-style-type: none"> • Total project funding of \$21.6 million • Construction Phase • Red rated since 31 October 2023 	<p>Joint Ministers approved a \$12.1 million budget, of which were \$8.4 million Crown funding, for the Northland Community Mental Health Hub Project on 27 August 2020 to purchase and fit-out Manaia House in central Whangārei to better integrate with community health services in a centralised community hub.</p> <p>On 19 November 2021, additional \$11.1 million Crown funding were approved to cover necessary re-design (\$7.4 million) and Northland DHB's original self-funding contribution (\$3.7 million) as it was unlikely to be able to contribute.</p>	<p>The project is rated Red due to pressure on budget and schedule.</p> <p>Significant water damage has occurred due to a pipe bursting within the facility.</p> <p>Early assessments indicate scoping will take up to 3 months and repairs at least 10 months. The repairs are expected to be covered by insurance.</p> <p>Following the flooding event, the main construction contractor and its holding company went into liquidation. A procurement exemption has been granted to engage a new main contractor. The fiscal impact on the project is being determined.</p>	<p>We are working with insurers, loss adjusters and the new main contractor to establish the remediation scope, programme and the insurance claim.</p> <p>Tenancy agreements for the facilities that currently provide mental health and addiction services to the community are being extended.</p> <p>Our legal team are working through the ramifications of the liquidation.</p>

Project Details	Background	Progress Update	IIG mitigation actions
<p>West Coast - Grey Base Hospital - Mental Health and Addictions Facility replacement - 30041</p> <ul style="list-style-type: none"> • Total project funding of \$21.6 million • Design Phase • Rated Red since 30 September 2023 	<p>On 20 December 2021, Ministers approved \$20 million in Crown funding for the replacement of the Acute Mental Health Facility at Grey Base Hospital with a six-inpatient bed/six ensuites facility on the current site.</p> <p>An Infrastructure and Investment Group project director was appointed to this project.</p> <p>Cost pressures were signalled in June when projected costing of design indicated an excess above the business case budget.</p>	<p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p> <p>Developed Design is complete, and a revised programme has been issued.</p> <p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p>	<p>Based on the Change Request, a briefing is being prepared for the Capital and Infrastructure Committee in March.</p>
<p>Waitematā - E Tū Wairua Hinengaro - Forensic Psychiatric Services Facilities Replacement, Mason Clinic, Auckland – 10050</p> <ul style="list-style-type: none"> • Total project funding of \$162.8 million • Construction Phase • Red rated since 31 October 2023 	<p>Joint Ministers approved \$60 million on 20 February 2020 for Tranche 1A of the Mason Clinic Redevelopment to construct: a 30-bed inpatient building containing 15-bed units on two floors, and plant and administrative spaces on a third floor; a small amount of share activity and support spaces adjacent; and a temporary secure building entry and temporary internal road extension.</p> <p>Additional funding of \$86.8 million was approved on 22 April 2022 for Tranche 1B to complete the Adult Forensic Mental Health Building with a new three storey inpatient wing and a new three storey support wing and further \$16 million for the delivery of a Tier 1 high security unit.</p>	<p>The project is rated Red due to a cost escalation estimate of \$28.4 million.</p> <p>The additional costs are a result of progressive trade letting which is substantively higher than budget estimates and variations due to asbestos, earthworks, and ground conditions which required piling methodology changes.</p> <p>§ 9(2)(b)(ii), § 9(2)(f)(iv)</p>	<p>The project team has committed to an agreed target of \$5.5 million in value management combining commercial gains, design and scope reduction, and potential budget realignment.</p> <p>A change request seeking \$28.4 million additional funding will be submitted to Joint Ministers.</p> <p>The project will move out of Red once the cost pressures are addressed.</p>

Health Capital Envelope (HCE) Allocation

25. The s 9(2)(b)(ii) HCE is almost fully allocated to projects as summarised below. A more detailed report on the allocation of the HCE is attached at Appendix 3.

Table 7: Summary of HCE Allocation

Health Capital Envelope	s 9(2)(b)(ii)
Allocated and approved to date	
Allocated to new projects yet to be approved	
Projects in delivery seeking additional funding	
Remaining HCE Available for Allocation	
s 9(2)(b)(ii), s 9(2)(f)(iv)	
Potential Capital Returns	
Proposed Funding Reallocations	
Projected surplus of funds	

26. s 9(2)(b)(ii) of the HCE has been approved to date. There has been no change since the last report.

27. s 9(2)(b)(ii), s 9(2)(f)(iv)

[Redacted]

[Redacted]

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

[Redacted]

[Redacted]

[Redacted]

Upcoming Ministerial decisions

30. Table 8 below shows projects with near-term submission dates for Ministerial business case approvals.

Table 8: Upcoming Business Case Approvals

Area	Project Name	Prioritised Crown Funding	Expected Total Funding Request	Indicative Date to Te Whatu Ora Board	Estimated Date to Ministers
Bay of Plenty	Whakatāne Mental Health Inpatient Unit Replacement	\$15.0 m	9(2)(b)(ii)	Q2 2024	Q2 2024
Hawke's Bay	Hawke's Bay Hospital Radiology Facilities Redevelopment	\$10.0 m		April 2024	May 2024
Hawke's Bay	Hawke's Bay LINAC	\$33.2 m		April 2024	May 2024

s 9(2)(b)(ii), s 9(2)(f)(iv)

s 9(2)(b)(ii), s 9(2)(f)(iv)

32. s 9(2)(b)(ii), s 9(2)(f)(iv)

Table 10 below show projects with pending Ministerial decisions.

Table 10: Pending Decisions

Area	Project Name	Decision Type	Funding Request	Endorsed by Te Whatu Ora Board
Capital, Coast and Hutt Valley	Remedial Works (Copper Pipes Tranche 2)	s 9(2)(b)(ii), s 9(2)(f)(iv)	s 9(2)(b)(ii)	July 2023

¹ s 9(2)(b)(ii)

Area	Project Name	Decision Type	Funding Request	Endorsed by Te Whatu Ora Board
West Coast	Te Nīkau Grey Hospital	s 9(2)(b)(ii), s 9(2)(f)(iv)	s 9(2)(b)(ii)	July 2023
West Coast	Te Rau Kawakawa Buller Integrated Family Health Centre (IFHC)			July 2023
Hawke's Bay	Procedure Rooms Upgrade			July 2023
Northland	New Community Mental Health Facility, Manaia House			July 2023
Southern	Urgent Interim Works – Deferred Main, Gastroenterology, Audiology, and ICU			October 2023

⁴s 9(2)(b)(ii)

Key Programmes Overview

Mental Health Infrastructure Programme (MHIP)

Roof completion at Gisborne Hospital

33. The roof of the building that will house the new acute mental health and addictions facility at Gisborne Hospital is complete. The building has been wrapped and building installation began in December.

Milestone for the mental health project at Rotorua Hospital

34. In November 2023, the construction contract to build Rotorua Hospital's mental health and addictions inpatient facility replacement was awarded to McMillan & Lockwood.
35. Enabling works began in October 2022 and have included significant earthworks and the removal of several buildings. Construction is expected to be complete late in 2025.

Waikato project appoints Main Contractor

36. In December 2023, Naylor Love was appointed to build the new mental health facility at Waikato Hospital. Enabling works have been underway since mid-2023 and main construction works are due to begin mid-2024.

Regional Hospital Redevelopment Programme (RHRP)

Overview of programme

37. The RHRP programme is comprised of two tranches. Tranche 1 is in the delivery phase and Tranche 2 is in the planning phase.
38. All projects within the programme are of significant capital value (\$500+ million), with a dedicated project director allocated from planning to construction completion.

Project Pihī Kaha – Whangārei Hospital Redevelopment

39. The Whangārei Whānau House has continued with positive progress with the burial of the Mauri stone and ceremony completed. Foundation work has been completed with the facility's floor slab milestone being poured on 21 December 2023.
40. The Child Health Centre has completed another milestone with Developed Design delivered on 13 December 2023. The Developed Design, along with the facility design assurance package, has been circulated to the Facility Design Assurance team. The intention is to complete the review and hold a feedback session in early January 2024. An updated cost estimate will also be developed based on the Developed Design and will be reported back to the Project Steering Group in February 2024.
41. Onboarding of the project management consultancy Turner and Townsend (T&T) and Cost Consultant Rider Levett Bucknell (RLB) continues with further workshops to bring the team up to speed along with continued planning on the Early Contractor Involvement and design team procurement.
42. Drafting of the ward tower business case continues along with the single stage business case for additional car parking.

Project Whakatapuranga – Nelson Hospital Redevelopment

43. Procurement activities have been completed for a town planner, health planner and cost consultant.
44. This team will start the critical Test to Fit phase in early 2024 which will define the size and location of the new facility and proposed reuse of the existing buildings.
45. To inform the Test to Fit works, we are reviewing the bed modelling produced in 2018 to ensure the population and bed modelling outputs are up to date and accurate in order to inform the design brief.
46. The project is working closely with the Pihī Kaha team to develop the detailed procurement plans for the main contractor and design team procurements that are planned for early 2024. A consistent approach and concurrent procurement timeframe are planned.
47. Concept Design is scheduled to be complete by January 2025, Preliminary Design by July 2025, and Developed Design for Phase One by October 2025.
48. Design works to address the strengthening works required following the Earthquake Prone Building notice are being priced by a contractor with a view to some works commencing early in 2024. A seismic report will be developed by our Seismic advisors, Kestral.

Tauranga Hospital Redevelopment

49. Recent project activities include the development of a Clinical Services Plan, detailed seismic assessments of key buildings, an existing site feasibility study, and work on an early site master plan/options analysis.
50. A programme approach is being taken in the procurement of the resource required to develop and deliver the RHRP Tranche 2 business cases.
51. A preferred supplier for the business case development is expected to be identified in February 2024.
52. In August 2023, the Board approved the development of a Programme Business Case for the project.

Hawke's Bay Fallen Soldier's Memorial Hospital Redevelopment

53. The draft Local Clinical Services Plan (including demand and capacity modelling), future model of care planning, asset management planning, and Site Master Plans for Hawke's Bay Hospital and Wairoa Health have been completed.
54. The Māori health equity plan, cultural narrative and cultural impact assessment will be developed in the first half of 2024.
55. Work on the Programme Business Case for the project is expected to start in the second half of 2024.

Palmerston North Hospital Redevelopment

56. The local Clinical Services Plan is being reviewed and is expected to be completed by January 2024.
57. Site Master planning for Palmerston North Hospital is on hold until the clinical service plan is completed. This is expected to be restarted in early 2024.
58. Work on the Programme Business Case for the project is expected to start in the first quarter of 2025.

New Dunedin Hospital

Current Costs

Table 11: Estimates for New Dunedin Hospital Buildings and Contingency (31 December 2023)

Description	Current Budget	Current Estimated Final Cost
Outpatients Building	s 9(2)(b)(ii)	s 9(2)(b)(ii)
Inpatients Building		
Sitewide & Project Contingency		
Total	\$1,590,801,960	

59. 9(2)(b)(ii), 9(2)(j)
60. 9(2)(b)(ii), 9(2)(j)
61. 9(2)(b)(ii), 9(2)(j)

Outpatient Building

62. There is progress on site with around 50% of the steel structure now erected with the tray floor now being laid out.

63. 9(2)(b)(ii), 9(2)(j)

Table 12: Forecast completion dates for Outpatient Building milestones.

Milestone	Forecast Completion Date
Construction – Substructure	19 December 2023
Construction – Main Build	31 July 2026
Go Live (operationally in use)	September 2026

Inpatient Building

64. Work on the slab removal works on the ex-Cadbury Inpatient Building site is complete and piling is underway with approximately 32 piles driven.

65. 9(2)(b)(ii), 9(2)(j)

66. s 9(2)(b)(ii), s 9(2)(f)(iv)

Table 13: Forecast completion dates for Inpatient Building milestones.

Milestone	Forecast Completion Date
Procurement –Substructure, including Base Isolator	13 February 2024
Developed Design	26 February 2024
Detailed Design	17 December 2024
Construction – Early Works	10 June 2023
Construction – Main Build	s 9(2)(b)(ii)
Go-Live (operationally in use)	

Project Photos

10056 – Facilities Infrastructure Remediation Programme - Tranche 2, Te Toka Tumai Auckland

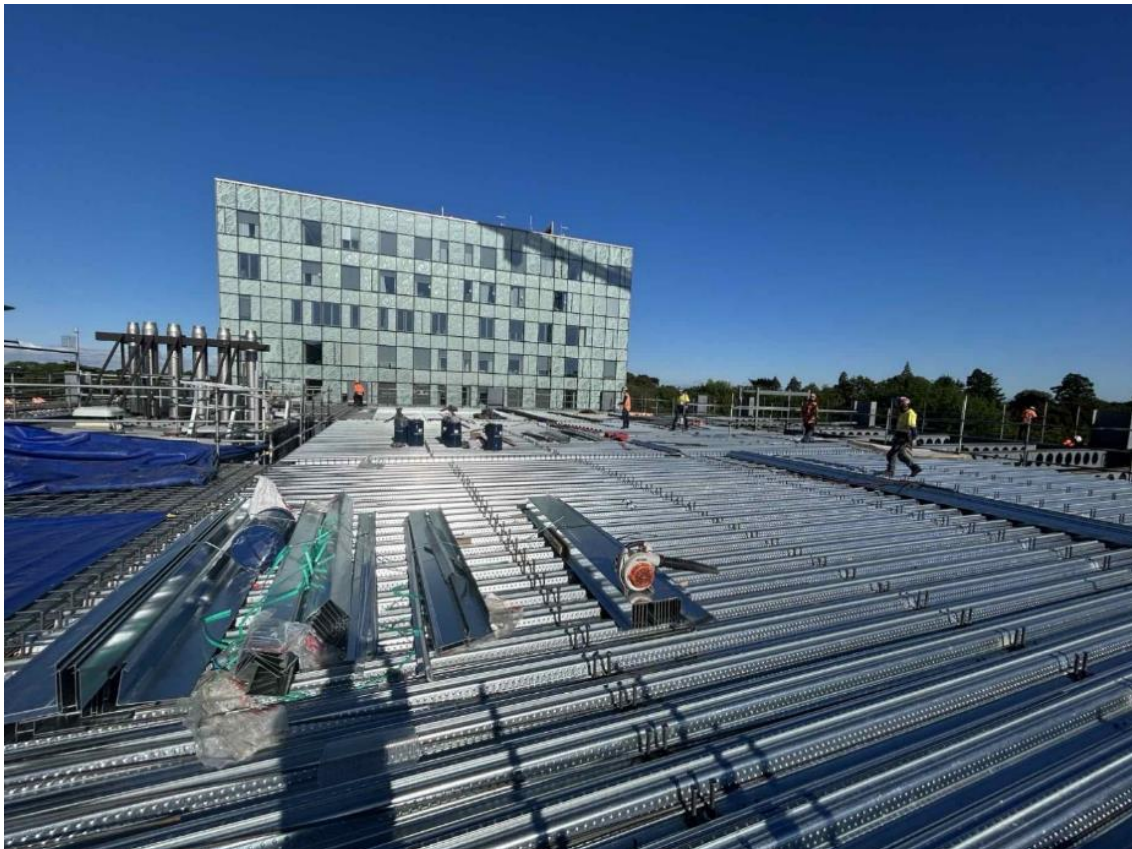
Site view with building A40 Level 2 in the centre



View of Central Plant Tunnel



10007 – Christchurch Hospital Redevelopment, Tower 3, Waitaha Canterbury



102116 Radiation Oncology Project, Whangārei Hospital

Central stores demolition



Te Kotuku Redevelopment, Whangārei Hospital (Critical Works - Package 2)

Front entrance



10079 – Taranaki Base Hospital Redevelopment - Project Maunga - Stage 2

New East Wing Building entrance skylight steel



Facade



30002 – PICU/ICU Child Health Expansion (Starship), Auckland

Atrium



10209 – Manukau Superclinic expansion and planned care capacity increase, Manukau Health Park

West



North



East



10073 – Adult Mental Health Facility - Tranche 1, Waikato

First concrete pour



Second concrete pour



10036 – Construction building, Tōtara Haumaru North Shore Hospital, Waitematā
Totara Haumaru site view



Atrium



10050 – E Tū Wairua Hinegaro - Forensic Psychiatric Services Facilities Replacement, Mason Clinic, Auckland, Waitemātā

Zone 1 concrete pour



Zone 2 ground beams



10023 Bay of Islands Hospital - Phase 2 (Primary Care)

s 9(2)(a) , first person to cross the threshold into the new building at the blessing ceremony



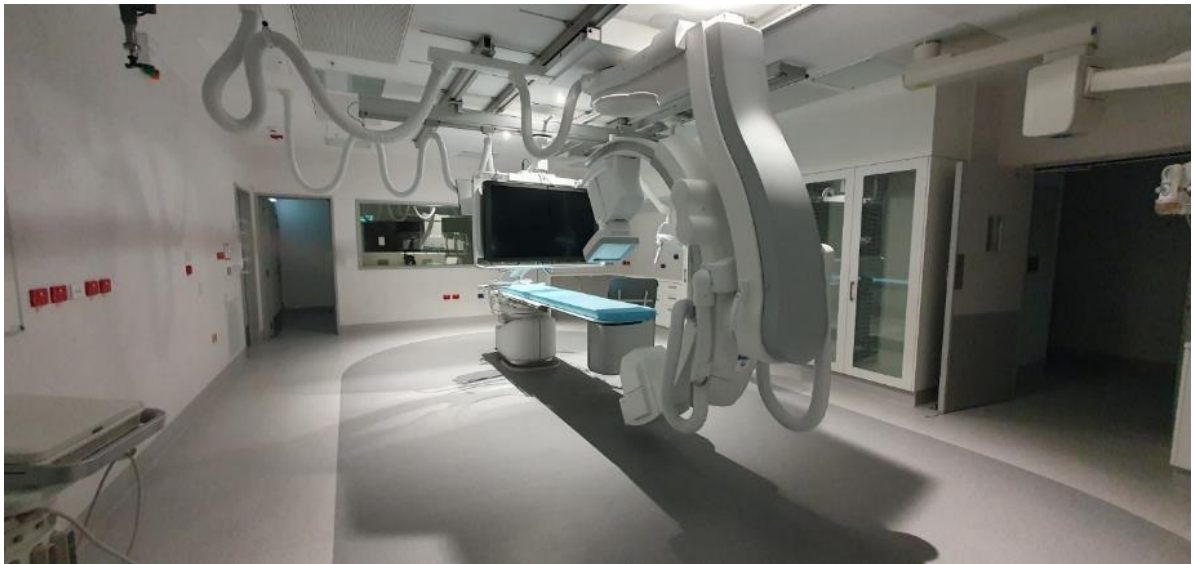
Completed Oncology ready for Blessing



30019 – Surgical Procedural Interventional Recovery Expansion (SPIRE) Programme, MidCentral



Cath Lab Azurion



10207 – Acute Mental Health and Addictions Facility (Te Whare Awhiora), Tairāwhiti

Last roof going on



10027 – Urgent Interim Works, Dunedin Hospital, Southern

Day surgery theatre 2, HEPA filters and housing replacement



30008 – Copper Pipe, Capital & Coast

Level 4 South Bed Bay



Level 4 South Corridor



30015 Te Whare Ahuru Acute Mental Health Unit, Hutt Hospital
Pilmuir House Mid Wing Demolition



30048 Tokoroa ED Reconfiguration



10020 – Acute Adult Mental Health Facility, Palmerston North Hospital



30044 – Whanganui Hospital Infusion Therapy Unit



102117 – Taranaki Linear Accelerators

Piling Crane



10025 – New Dunedin Hospital, Southern
Outpatients Building, northwest corner



Inpatients Building, a triple pile cluster installed



Appendices

Appendix 1: Project Performance Summary Period ending 31 December 2023

Appendix 2: Mental Health Project Performance Summary Period ending 31 December 2023

Appendix 3: Health Capital Envelope – Allocation Summary December 2023

Appendix 3 withheld in full under section 9(2)(b)(ii) of the Act.

Appendix 1 Health Capital Project Update

Reporting Period: Period ending 31 December 2023

	ID	REGION	LOCATION/ CAMPUS	BUSINESS CASE NAME	DESCRIPTION	BUSINESS CASE STAGE	FORECAST BUSINESS CASE COMPLETION	TOTAL FUNDING ALLOCATED	INDICATIVE TOTAL COST	PREVIOUS MONTH RISK RATING	CURRENT MONTH RISK RATING
DEFINE	10239	2 - Te Manawa Taki	Hauora a Toi Bay of Plenty	Tauranga Hospital Redevelopment	Redevelopment of Tauranga Hospital	Programme Business Case	Dec-24	TBD	9(2)(b)(ii)	Green	Green
	10255	3 - Central	Capital, Coast & Hutt Valley	Copper Pipes (Tranche 2)	Lifts, copper pipes, seismic and other remediation. Programme exceeds this amount. Phasing to be determined. Programme business case has been completed for lifts element but further work required to scope the remaining remediation elements. Funding is for first tranche only.	Single Stage Business Case	TBC	\$40.0 m		Amber	Amber
	102118	3 - Central	Te Matau a Māui Hawke's Bay	Linear Accelerator & Bunker Installation, Hawke's Bay Hospital	Installation of linear accelerator machine and construction of bunker to expand regional cancer services.	Detailed Business Case	Mar-24	\$33.2 m		Red	Red
								\$73.2 m			

ID	REGION	LOCATION/ CAMPUS	PROJECT NAME	PROJECT DESCRIPTION	FORECAST DESIGN COMPLETION	FORECAST CONSTRUCTION COMPLETION	TOTAL FUNDING ALLOCATED	INDICATIVE TOTAL COST	PREVIOUS MONTH OVERALL RISK RATING	CURRENT MONTH OVERALL RISK RATING	CURRENT MONTH SCHEDULE RATING	CURRENT MONTH BUDGET RATING	CURRENT MONTH SCOPE RATING
30026	1 - Northern	Te Tai Tokerau Northland	Kaitiā Hospital Weather-tightness Remediation	Weatherproofing to extend building lifespan.	Mar-25	May-26	\$12.9 m	9(2)(b)(ii)	Green	Green	Green	Green	Green
10252	2 - Te Manawa Taki	Hauora a Toi Bay of Plenty	Bay of Plenty Seismic Strengthening (Building 20 and Kitchen Refurbishment)	Structural upgrade of building to protect IL4 services (includes relocation of kitchen).	May-24	Aug-25	\$24.8 m		Green	Green	Green	Green	Green
10246	4 - Te Waipounamu	Waitaha Canterbury	Christchurch Hospital Endoscopy Expansion	Fit out of four new procedure rooms, construction of two new procedure rooms, and the refurbishment of two existing procedure rooms to provide additional capacity within the endoscopy unit at Christchurch Hospital.	Mar-24	Mar-25	\$9(2)(b)(ii)		Green	Green	Green	Green	Green
10059	1 - Northern	Counties Manukau	Core Infrastructure Upgrade	Phased upgrade of essential infrastructure at Middlemore Hospital, e.g., power, lifts, air-conditioning, medical gases, water, etc.	Dec-24	Nov-26	\$33.8 m		Amber	Amber	Amber	Amber	Green
10225	1 - Northern	Counties Manukau	New Specialised Rehabilitation Centre (SRC)	Relocation of the Auckland Regional Spinal Unit from Counties Manukau's Ōtara campus at Middlemore Hospital to a new purpose built facility.	May-24	Jun-27	\$136.0 m		Amber	Amber	Amber	Amber	Amber
10208	3 - Central	Te Matau a Māui Hawke's Bay	Radiology Facilities Redevelopment, Hawke's Bay Hospital	Refurbishment of Radiology Buildings.	Jan-24	Oct-26	\$25.1 m		Red	Red	Red	Red	Amber
10230	1 - Northern	Te Tai Tokerau Northland	Project Pihī Kaha - Whangārei Hospital Redevelopment	Replacement of a large section of the main hospital block to address building issues and increase capacity	Oct-26	Aug-31	\$759.0 m		Amber	Amber	Amber	Amber	Green
30032	2 - Te Manawa Taki	Tairāwhiti	New Child and Youth Health Community Hub	Centralised location for a one stop shop providing services for children and youth.	TBC	Feb-25	\$5.0 m		Red	Red	Amber	Red	Amber
10241	1 - Northern	Waitematā	Waitākere – Electrical Infrastructure Upgrade	Upgrade to critical elements of electrical infrastructure at Waitākere Hospital	May-24	May-24	\$7.2 m		Amber	Amber	Amber	Amber	Green
30045	3 - Central	Whanganui	Waimarino Health Centre Extension	Health Centre redevelopment to co-locate primary and community services.	Aug-24	Sep-25	\$2.1 m		Red	Red	Red	Red	Red
10256	3 - Central	Capital, Coast & Hutt Valley	Front of Whare	Addresses seismic, configuration and capacity issues. Significant planning required so this will deliver first phase only	May-25	Aug-27	\$100.0 m		Green	Green	Green	Green	Green
10247	1 - Northern	Waitematā	Waitematā Infrastructure Services Programme (ISP) Tranche 1B	Programme of remediation projects of critical plant and equipment to ensure compliance with relevant standards and legislation, and projects enabling and supporting campus resilience.	Sep-24	May-26	\$40.9 m		Green	Green	Green	Green	Green
10226	3 - Central	Capital, Coast & Hutt Valley	Nga Puna Waiora High Voltage Infrastructure Upgrades, Wellington Regional Hospital	Electrical upgrade, including supply to site and replacement of ageing generators.	Jun-25	Jun-27	\$25.0 m		Amber	Amber	Red	Amber	Amber
10258	2 - Te Manawa Taki	Tairāwhiti	Generator and Electrical Upgrade and Electrical Supply to Site	Electrical upgrade, including supply to site and replacement of ageing generators, replacement of coal boilers	TBC	Mar-25	\$25.0 m		Green	Green	Green	Green	Green
10238	1 - Northern	Waitematā	Construction of Waitākere Primary Birthing Unit	Construction of a 970sqm primary birthing facility, which includes six birthing/postnatal suites, to meet the urgent demand for maternity services in the West Auckland area.	Jan-24	Mar-25	\$12.3 m		Green	Green	Green	Green	Green
10243	4 - Te Waipounamu	Nelson Marlborough	Project Whakatapuranga (Nelson Hospital Redevelopment)	Design and construction of a new Acute Services Building and refurbishment of existing clinical buildings across the campus to address seismic issues and critical services infrastructure.	TBC	TBC	\$73.0 m		Green	Green	Green	Green	Green
30016	3 - Central	Capital, Coast & Hutt Valley	Maternity Ward and Neonatal Unit Upgrade	Facility redevelopment to improve care and outcomes for hapu mama, pepe and whanau.	Feb-24	TBC	\$9.5 m		Amber	Amber	Red	Amber	Green
30020	4 - Central	Nelson Marlborough	Nelson Hospital ED Reconfiguration	An extension to Nelson ED to support the current and increasing ED attendances until a new ED is completed as part of the broader hospital redevelopment.	TBC	TBC	\$0.8 m	Green	Green	Amber	Green	Green	

s 9(2)(b)(ii)

ID	REGION	LOCATION/ CAMPUS	PROJECT NAME	PROJECT DESCRIPTION	FORECAST CONSTRUCTION COMPLETION	SPEND TO DATE	TOTAL FUNDING APPROVED	INDICATIVE TOTAL COST	PREVIOUS MONTH RISK RATING	CURRENT MONTH RISK RATING	CURRENT MONTH SCHEDULE RATING	CURRENT MONTH BUDGET RATING	CURRENT MONTH SCOPE RATING
10001	1 - Northern	Te Toka Tumai Auckland	Facilities Infrastructure Remediation Programme - Tranche 1	Remediation of urgent infrastructure at Auckland City Hospital and Greenlane Clinical Centre	Jun-25	\$167.2 m	\$315.0 m	9(2)(b) (ii)	Green	Green	Green	Green	Green
10056	1 - Northern	Te Toka Tumai Auckland	Facilities Infrastructure Remediation Programme - Tranche 2	Building Resilience - New central plant, tunnels and future integration at Auckland City Hospital and Greenlane	Dec-25	\$154.6 m	\$355.9 m		Green	Green	Amber	Green	Green
102115	1 - Northern	Te Toka Tumai Auckland	Linear Accelerators Replacement, Auckland City Hospital	Linear Accelerator cancer radiation machines	Jun-24	\$5.5 m	\$11.3 m		Red	Red	Green	Red	Green
30002	1 - Northern	Te Toka Tumai Auckland	Starship Paediatric Intensive Care Unit (PICU) Bed Expansion and Atrium Redevelopment	Expansion of PICU to create an additional 10 beds in the current non-clinical area, and the development of atrium and public spaces on levels two and three in Starship Hospital to accommodate new public spaces, medical day stay and displaced PICU staff.	Jan-26	\$16.6 m	\$40.0 m		Red	Red	Red	Amber	Green
10007	4 - Te Waipounamu	Waitaha Canterbury	Christchurch Hospital Redevelopment, Tower 3	The objective of the project is to provide a new ward tower to the existing IL4 Waipapa building (formerly Acute Services Building) to provide provision for 160 bed spaces across five ward (32 bed wards). The project has approval to fit out two of the wards currently to provide 64 beds, with the remaining three to be constructed as shell floors.	Oct-25	\$35.7 m	\$183.5 m		Green	Green	Amber	Green	Green
10220	4 - Te Waipounamu	Waitaha Canterbury	Compliance Works	Compliance works for the Christchurch Hospital Main Campus. This includes structural strengthening, passive fire compliance works, structural upgrades.	Jun-26	\$31.7 m	\$76.9 m		Green	Green	Green	Green	Green
30006	4 - Te Waipounamu	Waitaha Canterbury	Parkside Enhancements - Tranche One	Upgrade aims to address many facility issues that hinder staff's ability to provide an adequate level of care for their patients. The proposed investment will support the refurbishment of the wards in Parkside building at Christchurch Hospital.	Feb-24	\$6.9 m	\$7.1 m		Red	Red	Amber	Red	Green
30008	3 - Central	Capital, Coast & Hutt Valley	Copper Pipes	Replacement of corroding hot-water pipes in Wellington Hospital.	Aug-26	\$66.2 m	\$50.4 m		Amber	Amber	Red	Amber	Green
10209	1 - Northern	Counties Manukau	Manukau Superclinic Expansion	Critical expansion of capacity at Manukau Health Park with supporting infrastructure, including outpatients, theatres, renal, radiology, integrated breast care and more.	Nov-25	\$94.4 m	\$316.8 m		Green	Green	Green	Green	Green
30014	3 - Central	Te Matau a Māui Hawke's Bay	Main Electrical Supply Upgrade	Replacement the DHB's aging main electrical switchboards in hospital buildings.	Jun-24	\$3.4 m	\$4.0 m		Amber	Amber	Red	Green	Green
30013	3 - Central	Te Matau a Māui Hawke's Bay	Procedure Rooms Upgrade, Hawke's Bay Hospital	Fitout of two procedure rooms in the Ruakopito (Endoscopy) building to enable ophthalmological procedures to be undertaken whilst maintaining endoscopy procedures.	TBC	\$1.6 m	\$3.0 m		Red	Red	Red	Green	Red
10148	3 - Central	Te Matau a Māui Hawke's Bay	Hawke's Bay Hospital Seismic Remediation Works	Seismic strengthening remediation works on theatres, and acute assessment unit.	Mar-24	\$7.1 m	\$8.8 m		Amber	Green	Green	Amber	Green
10218	3 - Central	Te Matau a Māui Hawke's Bay	Surgical Services Expansion Project (SSEP), Hawke's Bay Hospital	Bringing the previously shelled theatre eight online, expanding the post anaesthesia care unit (PACU), and minor modifications to the central sterile services department (CSSD).	Feb-24	\$14.5 m	\$18.8 m		Amber	Amber	Green	Amber	Green
30017	2 - Te Manawa Taki	Lakes	Women, Child and Family Facility Upgrade	Women, Child and Family Facility upgrade incorporates the Birthing Unit, Perinatal Unit, Childrens Unit, Special Care Baby Unit and a 24 bed general ward that is used currently for decanting. These units were in need for substantial investment to bring them standard meeting the needs for both patients and staff.	Jul-24	\$5.3 m	\$6.0 m		Amber	Red	Red	Red	Amber
30048	2 - Te Manawa Taki	Waikato	Tokoroa ED Reconfiguration	Reconfiguration of Tokoroa Hospital to improve infectious disease management, enlarge front of house, provide flexible space, and repurpose a consultation room as a plaster room.	Feb-24	\$1.4 m	\$1.4 m		Green	Green	Green	Amber	Green
10025	4 - Te Waipounamu	Southern	Project Whakatuputupu - New Dunedin Hospital	New Dunedin Hospital campus built across the ex Cadbury and Wilson blocks in central Dunedin to replace hospital services currently provided in the Clinical Services Block, Ward Block (acute clinical services, birthing, inpatient units, clinical and non-clinical support services and ambulatory services) and an Energy Centre.	Mar-29	\$286.6 m	\$1590.0 m		Red	Red	Amber	Red	Green
10222	1 - Northern	Waitematā	Building For The Future - Fit-out of shelled theatres, inpatient wards and procedure rooms, Tōtara Haumaru, North Shore Hospital.	Increasing capacity in Northern region with the fit-out of four surgical theatres, one 30-bed ward and two endoscopy procedure rooms within Tōtara Haumaru. Funding of this project has been spent and forecast as part of 10036.	Apr-24	\$0.0 m	\$41.4 m		Green	Green	Green	Green	Green
10036	1 - Northern	Waitematā	Construction of new building, Tōtara Haumaru North Shore Hospital	Increasing capacity across the Northern region with a new build comprising eight surgical theatres, an endoscopy suite with four procedure rooms, five 30-bed wards for post-surgical care and to support acute and elective inpatient bed requirements, and associated clinical support services. Funding from project 10222 has been spent and forecast as part of this project.	Jan-24	\$272.8 m	\$268.2 m		Green	Green	Green	Amber	Green
30030	4 - Te Waipounamu	Southern	Rural Primary Birthing Units in Central Otago	Additional facility required due to rapid and sustained population growth in Central Otago.	Oct-25	\$3.2 m	\$7.0 m		Red	Red	Red	Red	Amber
10047	1 - Northern	Te Tai Tokerau Northland	Te Kotuku Redevelopment, Whangārei Hospital (Critical Works - Package 2)	Addressing capacity constraints and provide relief until the new hospital is commissioned, including: Special Care Baby Unit, Acute Assessment Unit, Ambulatory Care/Outpatients and Laboratory	Mar-24	\$43.5 m	\$49.5 m		Green	Green	Green	Green	Green
10026	4 - Te Waipounamu	Southern	Keeping the Lights on - Stage 2 (Dunedin Hospital Transition Programme - Maintenance) (Critical Infrastructure Works)	Essential maintenance projects to maintain services until completion of the new Dunedin Hospital development.	Dec-25	\$2.6 m	\$23.6 m	Green	Green	Green	Green	Green	
10027	4 - Te Waipounamu	Southern	Urgent Interim Works - Deferred Main, Gastroenterology, Audiology, ICU	Redevelopment of gastroenterology, audiology and ICU facilities, and a deferred maintenance programme at Dunedin Hospital.	Feb-25	\$30.3 m	\$29.7 m	Amber	Amber	Red	Amber	Amber	
10079	2 - Te Manawa Taki	Taranaki	Taranaki Base Hospital Redevelopment - Project Maunga - Stage 2	This is Stage 2 of a 3 Stage inpatient building programme. Stage 1 completed in 2014. Recent seismic assessment informed the DHB had 5 EPB buildings (IL4 <34%) + 4 tunnels carrying essential services - all currently housing key clinical services (ED, ICU/HDU/CCU, Radiology, Renal, Pathology Lab, Maternity services). Further the buildings are aged and not fit for purpose - a few exceeding > 55 years. New building housing core clinical services including ED, radiology, laboratory, maternity services, neonatal and ICU (incorporating High Dependency Unit).	Mar-25	\$232.7 m	\$403.5 m	Amber	Amber	Green	Red	Green	
10227	2 - Northern	Northern Region	Regional Network Remediation	Replacement of 826 end-of-life network devices.	May-24	\$8.1 m	\$12.4 m	Green	Green	Amber	Green	Green	
10049	1 - Northern	Waitematā	Waitematā Infrastructure Services Programme (ISP) Tranche 1A	Mitigation of risks in relation to critical assets and building resilience, focused on demolition of facilities, and relocation and provision of new infrastructure at the North Shore Hospital campus to support Tōtara Haumaru.	Feb-24	\$29.2 m	\$37.6 m	Green	Green	Green	Green	Green	
30024	4 - Te Waipounamu	Nelson Marlborough	Wairau Boilers	Replacement of boilers with an energy efficient, sustainable option.	Apr-24	\$2.1 m	\$8.1 m	Green	Green	Green	Green	Green	
10068	1 - Northern	Te Tai Tokerau Northland	Regional IT System Platform Implementation, Northern Region	Implement a new regional platform to support an integrated network of primary, community and hospital-based care.	Oct-24	\$6.5 m	\$17.1 m	Amber	Amber	Amber	Green	Green	
10069	1 - Northern	Te Toka Tumai Auckland	Tū Pono Āroha - Hospital Administration Replacement Project	Delivery of a replacement Patient Administration System (PAS) for Auckland to secure business continuity and integrate with other current Northern Region PAS solutions	Jan-24	\$24.3 m	\$55.0 m	Green	Green	Amber	Green	Green	
10045	1 - Northern	Counties Manukau	Acute Radiology Unit Relocation, Middlemore Hospital	Relocate existing radiology department from earthquake-prone Galbraith Building to Harley Gray Building.	Oct-25	\$2.3 m	\$44.5 m	Green	Green	Amber	Green	Green	
10240	3 - Central	Capital, Coast & Hutt Valley	Renewal of Vertical Transport (Lifts) - Tranche 2	Renewal of failing lifts in seven buildings across Wellington Regional Hospital.	Dec-25	\$2.0 m	\$5.8 m	Green	Green	Green	Green	Green	

DELIVER

ID	REGION	LOCATION/ CAMPUS	PROJECT NAME	PROJECT DESCRIPTION	FORECAST CONSTRUCTION COMPLETION	SPEND TO DATE	TOTAL FUNDING APPROVED	INDICATIVE TOTAL COST	PREVIOUS MONTH RISK RATING	CURRENT MONTH RISK RATING	CURRENT MONTH SCHEDULE RATING	CURRENT MONTH BUDGET RATING	CURRENT MONTH SCOPE RATING
10210	1 - Northern	Counties Manukau	Building Recladding, Middlemore Hospital & Manukau Health Park	Year 2 of Stage 2 of the recladding programme to address leaky building and cladding issues.	May-26	\$3.3 m	\$67.0 m	9(2)(b) (ii)	Amber	Amber	Amber	Amber	Amber
102117	2 - Te Manawa Taki	Taranaki	Linear Accelerators	Replacement of Linac and Bunker as part of regional services.	Jul-25	\$12.4 m	\$56.1 m		Green	Green	Green	Green	Green
102116	1 - Northern	Te Tai Tokerau Northland	Radiation Oncology Project	New radiation oncology facility and redevelopment of the Jim Carney Cancer Centre	Feb-26	\$4.7 m	\$60.9 m		Green	Green	Green	Green	Green
30037	3 - Central	Wairarapa	Outpatients Refurbishment	This funding will enable the outpatients' area to be re-fitted for a triaging area, new office and clinic space which will better position the DHB for future models of care including virtual consultations.	Jun-24	\$0.2 m	\$0.9 m		Red	Red	Red	Red	Amber
10204	1 - Northern	Waitematā	Manaaki Hōhonu - Construction of inpatient ward and ICU, Waitākere Hospital	Increasing capacity at Waitākere Hospital with a new build comprising a 30-bed inpatient ward and an 8-bed ICU (with 6 ICU beds initially fitted out), with future-proofing for additional clinical space.	Feb-26	\$7.9 m	\$88.9 m		Green	Green	Green	Green	Green
10112	4 - Te Waipounamu	Te Tai o Poutini West Coast	Te Rau Kawakawa Buller Integrated Family Health Centre (IFHC)	Development of Buller Integrated Family Health Centre in Westport.	Sep-24	\$20.8 m	\$21.0 m		Red	Red	Green	Red	Green
10005	4 - Te Waipounamu	Waitaha Canterbury	Energy Centre and Services Tunnel	Redevelopment of Energy Centre and Services Tunnel post 2011 Canterbury Earthquakes.	Jun-24	\$63.7 m	\$65.6 m		Green	Green	Amber	Green	Green
10257	5 - Te Waipounamu	Te Pae Hauora o Ruahine o Taranaki MidCentral	Critical Infrastructure Interim Works, Palmerston North Hospital	This is Phase 2 of the Electrical Systems Strategy and comprises the replacement of the Low Voltage Substation 1 together with the associated essential services cables and installation of a new high voltage and LV substation 6 to support both the Acute Mental Health Unit and other site developments.	Dec-25	\$1.9 m	\$30.2 m		Green	Green	Green	Green	Green
							\$4,382.9 m						

Appendix 2 Health Capital Project Update

Reporting Period: Period ending 31 December 2023

PHASE	ID	LOCATION	PROJECT NAME	INTER-VENTION LEVEL	PREVIOUS MONTH RATING	CURRENT MONTH OVERALL RATING	CURRENT MONTH SCHEDULE RATING	CURRENT MONTH BUDGET RATING	CURRENT MONTH SCOPE RATING	SPEND TO DATE	TOTAL FUNDING APPROVED OR ALLOCATED	INDICATIVE TOTAL COST	COMPLETION CALENDAR YEAR (PRACTICAL COMPLETION)	NEXT MILESTONE
DEFINE	30004	Hauora a Toi Bay of Plenty	Whakatāne Hospital - Te Toki Maurere - Mental Health and Addictions Acute Inpatient Unit redevelopment	3	Amber	Amber	Red	Amber	Green	\$0.0 m	\$15.0 m	9(2)(b)(ii)	TBA	Investment decision
DESIGN	30003	Hauora a Toi Bay of Plenty	Tauranga Hospital - Te Whare Maiangiangi - Mental Health and Addictions Acute Inpatient Unit redevelopment*	3	Green	Green	Amber	Green	Green	\$0.0 m	\$23.1 m		Q4 2026	Completion of extension design
	10232	Waitaha Canterbury	Hillmorton Hospital - Masterplan Redevelopment Tranche 1	2	Green	Green	Green	Green	Green	\$3.6 m	\$129.3 m		2028	Completion of developed design
	30041	Te Tai o Poutini West Coast	Grey Base Hospital - Mental Health and Addictions Facility replacement	3	Red	Red	Red	Red	Green	\$1.3 m	\$20.0 m		Q3 2026	Completion of detailed design
	300151	Hutt Valley	Hutt Hospital – Tranche 2 - Mark Dunajtschik Mental Health Centre**	3D	Amber	Amber	Red	Amber	Green	\$0.0 m	\$80.0 m		Q4 2026	Completion of developed design
DELIVER	10073	Waikato	Waikato Hospital - Te Pae Tawhiti - Mental Health Adult Acute Inpatient Facility replacement	2	Amber	Green	Green	Green	Green	\$18.2 m	\$175.6 m		Q3 2026	Completion of civil works (mental health facility)
	30033	Taranaki	Taranaki Base Hospital - Tukapa House and Te Puna Waiora - Acute Inpatient Mental Health Facility upgrade	0	Green	Green	Amber	Green	Green	\$3.5 m	\$9.0 m		Q1 2024 - Te Puna Waiora Q4 2024 - Tukapa House	1. Completion of safety upgrades 2. Procurement Contract Award
	10075	Lakes	Rotorua Hospital - Mauri Ora - Mental Health and Addictions Inpatient Facility redevelopment	3	Amber	Amber	Amber	Amber	Amber	\$6.1 m	\$50.0 m		Q3 2025	Completion of foundation work
	30015	Hutt Valley	Hutt Hospital Acute Mental Health Unit Tranche 1 - Enabling Works**	0	Amber	Amber	Red	Green	Amber	\$4.1 m	\$8.0 m		Q2 2024	Completion of enabling works
	30021	Nelson Marlborough	Nelson Hospital - Wāhi Oranga Mental Health Inpatient Unit refurbishment	0	Amber	Amber	Amber	Amber	Amber	\$1.4 m	\$5.5 m		Q3 2024	Practical completion
	10207	Tairāwhiti	Gisborne Hospital - Te Whare Awhiora - Acute Mental Health and Addictions Facility	3	Amber	Amber	Amber	Amber	Green	\$11.1 m	\$31.1 m		Q4 2024	Weather tight structure
	10050	Waitematā	Mason Clinic - E Tū Wairua Hinengaro - Tranche 1	1	Red	Red	Amber	Red	Green	\$35.7 m	\$162.8 m		Q3 2025	Completion of sub-structure
	10020	Te Pae Hauora o Ruahine o Taranaki MidCentral	Palmerston North Hospital - Acute Mental Health Unit replacement	2	Green	Green	Green	Green	Green	\$14.7 m	\$66.6 m		Q2 2025	Weather tight structure
	30025	Northland	Whangarei - Community Mental Health Hub at Manaia House	0	Red	Red	Red	Amber	Green	\$20.7 m	\$21.6 m	Q4 2024	Confirm remediation scope	
DEBRIEF	10010	Waitaha Canterbury	Specialist Mental Health Services Relocation from The Princess Margaret Hospital (TPMH) to Hillmorton Hospital	0						\$81.8 m	\$81.8 m		Post Implementation Review	
	10012	Capital & Coast	Rātonga-Rua-O-Porirua campus - Manawai - Individualised Service Units	0						\$13.3 m	\$13.3 m		Post-occupancy evaluation	
	10014	Counties Manukau	Middlemore Hospital - Tiaho Mai - Mental Health Inpatient Unit	0						\$66.2 m	\$67.5 m		Not applicable	
											\$960.3 m			

The IIG refer to estimated practical completion rather than ‘go live’ dates. Practical completion refers to the infrastructure component of the project, when the building and fit out is complete. ‘Go live’ incorporates operational decision-making including service change management and staffing. Actual cost and practical completion are only confirmed once a project is completed. There are key stage gates where accuracy of an estimate is enhanced, these are generally at business case decision, at the end of each design phase and main contract award. For this reason, IIG recommends that project information is updated (rebaselined) at key stage gates.

*\$30 million was allocated through Budget 2022. The use of \$23.1 million is approved for this project with the remaining \$6.9 million placed in reserve.

** From June 2023, the Mark Dunajtschik Mental Health Centre project at Hutt Hospital was separated into two projects (enabling and main build) for reporting purposes.