

23 July 2024

s 9(2)(a)

Tēnā koe s 9(2)(a)

Your request for official information, reference: **HNZ00047448**

This is our second response to your request, received on 10 May 2024, asking Health New Zealand | Te Whatu Ora for the following under the Official Information Act 1982 (the Act):

“Under the Official Information Act 1982 I request copies of the briefings to the Minister of Health listed below:

- *HNZ00038574 9(2)(f)(iv) 1/03/2024*
- *HNZ00039139 Aide Memoire - Information on Community Pharmacy 7/03/2024*
- *HNZ00039029 Aide Memoire: PHO Funding 8/03/2024*
- *HNZ00039526 Aide Memoire - Critical Care beds 13/03/2024*
- *HNZ00039572 Aide Memoire - Cybersecurity Update 14/03/2024*
- *HNZ00038631 Aide Memoire - Q2 Performance Report 15/03/2024*
- *HNZ00039805 Aide Memoire - Commissioning Pacific Provider Services 15/03/2024*
- *HNZ00040417 Meeting Briefing - Central Lakes Proposal 18/03/2024*
- *HNZ00032347 Briefing - Mason Clinic Request for Additional HCE Funding for Immediate Cost Pressures 18/03/2024*
- *HNZ00038905 Meeting Briefing - Hira Programme Update 19/03/2024*
- *HNZ00040218 Aide Memoire - Cleanliness of Hospitals 20/03/2024*
- *HNZ00041624 Briefing - 23/24 Revised Budget Target and Financial Pressures 21/03/2024*
- *HNZ00039093 Aide Memoire - Follow up to your 19 February meeting with GenPro 22/03/2024*
- *HNZ00040306 Aide Memoire - Response to OAG Audit of HNZ for the Year Ended 30 June 2023 22/03/2024*
- *HNZ00041107 Event Briefing - Connect 24 22/03/2024*
- *HNZ00041342 Aide Memoire - HWIP December 2023 Workforce Data 22/03/2024*
- *HNZ00041829 9(2)(f)(iv) 23/03/2024*
- *HNZ00041210 Briefing - B22 Data and Digital Foundations and Innovation Contingency Extensions Required 25/03/2024*
- *HNZ00041204 Aide Memoire - Hospital and Specialist Services - Hotspots 25/03/2024*
- *HNZ00039244 Aide Memoire - Winter Plan Review 27/03/2024*
- *HNZ00040256 Aide Memoire - Māori Health Pipeline: An Evidenced Based Approach to Reducing the Life Expectancy Gap for Māori 27/03/2024*
- *HNZ00034260 Briefing - Copper Pipes Tranche Two (10255) 27/03/2024*
- *HNZ00032350 Joint Briefing - Seeking Approval for Budget Uplift for Infrastructure Projects from Baseline Depreciation Cash 27/03/2024*
- *HNZ00041914 Event Briefing -Flu Immunisation Launch Event 27/03/2024*
- *HNZ00038968 Aide Memoire - Update on Health Capital Projects as at 31 January 2024 28/03/2024”*

Response

This response addresses the remaining documents identified in your request.

Please find attached the documents listed in the table below. These are released to you subject to information being withheld under the grounds identified in the table.

No.	Date	Title	Decision on release
1.	15 March 2024	Aide Mémoire - Q2 Performance Report HNZ00038631 Appendix 1 Appendix 2: Te Pae Tata Milestone Table	9(2)(a) protect the privacy of natural persons, including that of deceased natural persons Appendix 1 is refused under section 18(d) as is publicly available - https://www.tewhatauora.govt.nz/publications/quarterly-performance-report-oct-dec-2023/ Note: Appendix 3 of the published Q2 report is withheld in full under section 9(2)(f)(iv) as it is under active consideration, and its release would harm the orderly and effective conduct of executive government decision making processes. Note: The content provided in these tables is used for internal management/reporting purposes, which means that it hasn't been through the level of review/scrutiny/auditing that would occur with published material.
2.	18 March 2024	Briefing - Mason Clinic Request for Additional HCE Funding for Immediate Cost Pressures HNZ00032347	9(2)(a) protect the privacy of natural persons, including that of deceased natural persons 9(2)(g)(i) to protect the effective conduct of public affairs through the free and frank expression of opinions 9(2)(j) to enable Health NZ to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
3.	25 March 2024	Briefing - B22 Data and Digital Foundations and Innovation Contingency Extensions Required HNZ00041210	9(2)(a) protect the privacy of natural persons, including that of deceased natural persons
4.	27 March 2024	Joint Briefing - Seeking Approval for Budget Uplift for Infrastructure Projects from Baseline Depreciation Cash HNZ00032350	9(2)(a) protect the privacy of natural persons, including that of deceased natural persons 9(2)(j) to enable Health NZ to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
5.	27 March 2024	Briefing - Copper Pipes Tranche Two HNZ00034260	9(2)(a) protect the privacy of natural persons, including that of deceased natural persons
6.	28 March 2024	Aide Mémoire - Update on Health	9(2)(a) protect the privacy of natural persons, including that of deceased natural persons

		<p>Capital Projects as at 31 January HNZ00038968</p>	<p>9(2)(b)(ii) as if released, it would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>9(2)(j) to enable Health NZ to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p> <p>Appendix 3 withheld in full under section 9(2)(b)(ii) as if released, it would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p>
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How to get in touch

If you have any questions, you can contact us at hnzOIA@tewhaturora.govt.nz.

If you are not happy with this response, you have the right to make a complaint to the Ombudsman. Information about how to do this is available at www.ombudsman.parliament.nz or by phoning 0800 802 602.

As this information may be of interest to other members of the public, Health NZ may proactively release a copy of this response on our website. All requester data, including your name and contact details, will be removed prior to release.

Nāku iti noa, nā



Danielle Coe
 Manager (OIA) Government Services
 Health New Zealand | Te Whatu Ora

Aide Memoire

Quarter 2 Performance Report

To:	Hon Dr Shane Reti, Minister of Health	Reference:	HNZ00038631
From:	Peter Alsop, Chief of Staff	Due Date:	14 March 2024
Copy to:	Hon Matt Doocey, Minister for Mental Health Hon Casey Costello, Associate Minister of Health	Security level:	In Confidence

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Peter Alsop	Chief of Staff	3 9(2)(a)	x
Lisa Williams	Head Strategy Planning and Performance		

The following departments/agencies have been consulted
Manatu Hauora and Te Aka Whai Ora in their monitoring capacity, have reviewed and written companion reports in relation to the Quarter 2 Report

Attachments
Appendix 1: Quarter Two Performance Report Appendix 2: Te Pae Tata Milestone Table

Purpose

1. This Aide Memoire introduces our Quarter 2 Report (1 Oct – 31 Dec). Publication is planned for the week commencing 25 March. We welcome any feedback you would like to provide on the report by **22 March 2024**.
2. As previously discussed with you, this report also contains reporting against the clinical performance metrics (previously published separately but now embedded in the report).

Background / context

3. Our monthly and quarterly reports are provided to our monitoring agencies – Ministry of Health | Manatū Hauora, Te Aka Whai Ora | Māori Health Authority. We have

substantively addressed their feedback on the Q2 report. Alongside this briefing, you are also receiving companion monitoring reports from those agencies.

Discussion

4. Publication is planned for the week commencing 25 March. We welcome any pre-publishing feedback by 22 March 2024. Key issues that may attract attention are:
 - i. Results for several metrics are presented in the report, including the 5 metrics that have been chosen as the health targets (section 6). We note that targets set by Health New Zealand in our 2023/34 Statement of Performance Expectations and Estimates (and reflected in our graphs) are different to the targets coming into effect from 1 July. We have explained this in the report.
 - a. Planned care Waitlists (ESPI5): This quarter there was an increase in waitlists across all regions and ethnicities. We review performance weekly with regions, ensuring that long-waiting patients have treatment plans and confirmed dates for treatment. This includes providing targeted support where specific local areas are outliers in the size of their long-waiting treatment waitlist.
 - b. First Specialist assessment (ESPI2): There was an increase in the proportion of people waiting longer than four months for their first specialist assessment (FSA). Communication with FSA waitlist patients, to mirror the approach taken with the Planned Care waitlist, is our approach to improve outcomes.
 - ii. Mental health wait times: Data shows mental health wait times are improving. While this is positive, it is too early to say if this represents a trend.
 - iii. Workforce: As part of the Government's 100-Day Plan and to keep emergency departments safe, an additional 200 (93 FTE) security staff were placed in 32 emergency departments (EDs) across the country.
5. We note that a separate AM, "Preparing to publish health target data" (HNZ00038883) is being prepared to support discussions with you on future publication and communications of the health targets.

Next steps

6. We welcome your feedback on the Q2 Report by 22 March to enable changes to be considered ahead of publication in the week of 25 March.
7. We will keep in close contact with your office regarding publication timing.

Business Unit	Section	Action Number	Te Aka Whai Ora Role	Action Description	Action point Status	Biggest Risk category (fill in if action status is Amber or Red)	Risks and risk mitigations	Programme Delivery to date - what has been delivered? - Is the programme complete?	On track to achieve action by Jun 24	Action Delivered	Quarter Two milestone	Delivery update of Quarter Two milestone	Q2 Status	Biggest Risk category (fill in if action status is Amber or Red)	Risks and risk mitigations
C&E	Priority populations	4.3.1b	3 - Monitor	Establish baseline accessibility and usability requirements for the production and publication of all public facing health information, including accessible language, accessible channels to find and use information, and alternative formats for health information.				Accessible, usable content is developed as standard practice for content published on national Te Whatu Ora channels. Review completed by Access Advisors. While there is no active plan to roll this approach out to non-national channels, it will be considered at the next review.		Yes	Review Progress on the Accessibility Charter	Currently being reviewed with Head of Disability			
Com	Improving health outcomes and equity	2.1.10	3 - Monitor	Implement the National Hepatitis C Action Plan for Aotearoa New Zealand.			There are delays to progressing the hepatitis C surveillance system and registry work. This work will be rephased to 2023/24.	The National Hepatitis C HealthPathway has been completed and promoted in primary care. A review of the National Hepatitis C Oversight Group has been completed and the refreshed group has commenced. Good progress is being made to widen prescribing of hepatitis C treatments to include nurses and pharmacists. There are delays to progressing the hepatitis C surveillance system and registry work as highlighted in the risk section.			Needle Exchange Programme upscale the distribution of free injecting equipment to people who inject drugs	The New Zealand's Medicines Classification Committee supported reclassification of Maviret to allow appropriately trained nurses and pharmacists to provide hepatitis C treatment without a prescription. Reclassification has now been approved and gazetted by Medsafe. A series of regionally led initiatives took place in July to promote World Hepatitis Day.		No Risk	
Com	Improving health outcomes and equity	2.1.11	3 - Monitor	Ensure national consistency in early support for people and whānau experiencing family harm and violence by connecting them to community providers – Budget 22.				Explored approach with partners and key stakeholders.			Commence implementation.	Continued to explore approach with partners and key stakeholders.		No Risk	
Com	Improving health outcomes and equity	2.1.2	3 - Monitor	Working with the Mental Health and Wellbeing Commission Locality Plans will support improved mental health and wellbeing and reduced harm from alcohol and drugs in local communities.				Te Whatu Ora has received whānau and community priorities from 11 of the 12 locality prototypes to inform ongoing locality planning and identify areas where there could be the greatest improvement for mental health and wellbeing and reduced harm from alcohol and drugs in local communities.			Continue to work with the Mental Health and Wellbeing Commission, share information, and refine guidance on local approaches to improve mental health and wellbeing.	Priorities identified through engagements with whānau and communities in the locality prototypes are shaping a thematic analysis to determine areas for improvement.		No Risk	No risk identified.
Com	Improving health outcomes and equity	2.1.3	2 - Partner	Engage with HUD, Kainga Ora and MSD on options to ensure people with enduring mental illness and addiction problems are prioritised to access social housing.				We are actively involved in supporting the emergency housing review process (and the development of services in Hamilton and Wellington). There are several workstreams linked to the EHR. The Mentally Well team is engaged across the workstreams including the Rotorua Housing Accord and providing feedback into the HUD policy documents alongside Te Aka Whai Ora and Manatū Hauora. We have successfully engaged with Kainga Ora and are in the process of progressing a MOU between our organisations.			Depending on funding mechanisms available to HUD and Kainga Ora for initiatives, planning to commence for implementation of health-led funding/services	The funding application to support a service review for the Rotorua Housing Accord was approved. Planning the commissioning approach is underway and it is anticipated that a procurement with the All of Government Panel (AOG) will be most effective in order to appoint a provider to complete the service review process.			HUD and MSD are leading a process to ensure delivery of the funded service. Mental health services will work alongside our agency partners to ensure service criteria are clearly defined and an action plan focused on implementation will be agreed by all parties.
Com	Improving health outcomes and equity	2.1.4	3 - Monitor	Commission approaches to support greater health and wellbeing making the healthy choices the easy choice for people at risk of chronic conditions and for families raising small children.				Specific work on this to commence later in 2023/24 however more generalised work to support people making healthy choices continues.			Adapt locality plan from learning from first localities	Priorities identified through engagements with whānau and communities in the locality prototypes are shaping a thematic analysis to determine areas for improvement.		No Risk	
Com	Improving health outcomes and equity	2.1.6	3 - Monitor	Implement the HIV Action Plan Budget 22.				All of the 2022/23 HIV funding is in place. A contract has been set up with a new kaupapa Māori peerled organisation to connect and empower Māori living with HIV.			HIV Action Plan monitoring plan completed	Providers commenced preparations to scale up innovative HIV testing services; deliver workforce training, and develop guidance and resources on combination prevention. Presentation to stakeholders at the HIV Forum on implementation progress and future priorities.		No Risk	
Com	Improving health outcomes and equity	2.1.8	3 - Monitor	Implement the Budget 21 expansion of the Healthy Homes initiative.				Work continues on re-designing the national settings for the service components of Kahu Taurima to be delivered to all whānau including regional co-commissioning.			NO MILESTONE		No Milestone		
Com	Improving health outcomes and equity	2.2.1	3 - Monitor	Redesign the universal model of care working with LMCs and Well Child Tamariki Ora providers to implement a more flexible and responsive model.				The Oranga Tamariki Action Plan work is progressing to plan including a review of Gateway and undertaking needs assessments of how well the health system is doing for the care population.			Develop new commissioning models that reflect the new service development models for all First 2000 Days programmes and services.	The Oranga Tamariki Action Plan work is progressing to plan including a review of Gateway and undertaking needs assessments of how well the health system is doing for the care population.		No Risk	
Com	Improving health outcomes and equity	2.2.10	2 - Partner	Implement health sector agreements in the Oranga Tamariki Action Plan to improve outcomes for children in their care.		People	Limited capacity to initiate this action due to lack of people resource, once Commissioning recruitment is complete, this should be able to progress.	Te Whatu Ora and Te Aka Whai Ora Boards have endorsed the National Oral Health Equity Programme (NOHEP). This includes delivery on this action, Budget 22 mobile dental clinic investment, oral health promotion, planned care, workforce and data and digital actions.			NO MILESTONE		No Milestone		
Com	Improving health outcomes and equity	2.2.3	3 - Monitor	Redesign community-based oral health services for children so they are responsive to Māori whānau and Pacific aiga to reduce the inequity of access and outcomes.		People	If resource capacity issues continue then there will be a risk to deliver learning resources and support to the First 2,000 Days workforce. The funding for this Financial Year (2022/23) (\$1.5mil) has yet to be committed	Engagement plans have been developed to engage with clinicians and providers. This is to collate their advice on the resources providers require, that will ensure the best possible care that aligns with Enabling Good Lives Principles.			NO MILESTONE		No Milestone		
Com	Improving health outcomes and equity	2.2.5	3 - Monitor	Provide education and resources to providers for the care of disabled parents and parents welcoming babies with impairments, aligned with the principles of Enabling Good Lives.				Maternal Mental Health update SLAs have been signed off across all 10 regional sites to fund additional FTEs as well as packages of care to provide more intensive community supports to whānau with higher needs. SLAs have been signed off across all four regional areas for the environmental scan, with 3/4 areas expected to deliver their reports in December 2023. The Mentally Well team is meeting with Kahu Taurima leads within Te Whatu Ora and Te Aka Whai Ora on a monthly basis to confirm the mental health and addiction focus areas.			Deliver learning resources and support to the First 2,000 Days workforce	Work on the environmental scan re existing pathways issues and potential solutions has commenced in all 4 Regions.		No Risk	
Com	Improving health outcomes and equity	2.2.6	3 - Monitor	Establish maternal mental health and wellbeing pathways of care, including pathways for bereavement and access to specialist mental health services – Budget 22.				Lakes and Tairāwhiti continue to provide ESP services and Counties Manukau provider (Turuki Healthcare) will commence their contract on 1 July 2023.			Phased delivery of new service establishment	All pilot sites are actively delivering enhanced support to whānau.		No Risk	
Com	Improving health outcomes and equity	2.2.8	3 - Monitor	Extend the Well Child Tamariki Ora Enhanced Support Pilots as part of these integrated care models – Budget 22.				The place-based initiatives (PBIs) are a cross-agency work programme supported by the Ministry of Social Development. The local districts in Counties Manukau and Tairāwhiti continue to participate and support locally led initiatives (eg. Start Well programme and Enhanced Support Pilots).			NO MILESTONE		No Milestone		
Com	Improving health outcomes and equity	2.2.9	2 - Partner	Support Place based initiatives, including South Auckland and Manaaki Tairāwhiti. Extend the capacity of the health sector, including providers, to participate in place-based, integrated health and social sector services – Budget 22.				A self-management support project has been commissioned by Te Whatu Ora. This is led by Healthify who continue to meet with a range of Māori and Pacific providers to continue to understand the challenges they experience in supporting whānau to self-manage, to ensure these challenges are addressed in project design.			NO MILESTONE		No Milestone		

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Com	Improving health outcomes and equity	2.4.2	2 - Partner	Identify and support Māori and Pacific NGOs to work with whānau with chronic conditions to support self-management of their conditions				A stocktake of current approaches across the country has been completed and the draft report on this work has been drafted and is under review.			Track progress.	The stocktake is complete and the draft report is in the process of being completed. The information to date highlights inconsistencies in approaches nationally, with some areas noting limited support to GPs. In areas that function with an 'advice line' or consult-liaison approach for GPs, this seems to be well received, and in some areas the ability to support 'real-time' advice. In addition, where speciality services provide a 'talk therapy' service, or 'primary care liaison service', this is well received. Rural communities tend to not have the same support compared to the urban areas. There are some limitations to the outcomes received due to the small sample size.		No Risk	
Com	Improving health outcomes and equity	2.5.1	3 - Monitor	REWORD Implement a nationally consistent approach which will see specialist mental health and addiction services providing advice and support to GP and primary mental health services with regards to supporting people with mental health and addiction issues		Time	Note: changed the status from Green to Amber. Services in larger areas have taken longer to scale up, due to a number of factors including complexities associated with stakeholder engagement; this is being mitigated by working closely with regions to set realistic timelines and starting at a smaller scale in these areas. Workforce availability is a risk; mitigations include troubleshooting with providers MHA workforce contracting with Whāraurau (Infant, child and adolescent workforce development center) to provide workforce development and support.	Service delivery continues in Canterbury, Kaikōura, West Coast and in Lakes/Bay of Plenty at a small scale. Northland has recruited a clinical team lead role and started building relationships and promoting the services across schools. Larger scale service delivery will commence in schools in Q2 23/24 once NGO providers have recruited and onboarded larger numbers of FTE. Counties Manukau continue to face challenges with the recruitment of their clinical and cultural liaison roles and the procurement processes for NGO providers has taken longer than anticipated due to a high number of responses to the RFP. Service delivery in Counties will not commence until later in the calendar year, once NGO providers have been contracted and can start recruiting and onboarding FTE.			Start engagement and consultation with key stakeholders	The programme is well established across Canterbury and Kaikōura where it is operating in 219 schools at full capacity, and the FTE sits steadily between 90-100% filled. Service delivery continues in the West Coast with 14 schools receiving services so far. In Lakes/Bay of Plenty 31 schools have received services. In Northland all seven NGO contracts are now in place and phased service delivery continues with the four clinical team leads and some NGO providers delivering sessions to teachers and school staff. A total of 38 schools have been engaged so far. Counties Manukau continue to face recruitment challenges for their cultural and clinical lead roles and are revisiting the recruitment plan for these positions. The procurement process has been largely completed and the recommended providers have been notified. Due diligence processes are still being finalised and contract negotiation meetings are scheduled for October.			Services in areas with complex needs may take longer to scale up, this is being mitigated by working closely with regions to set realistic timelines and starting on a smaller scale. This is a particular risk in Counties Manukau where we are having regular meetings and working to re-clarify timeframes, and ensure robust processes and plans are in place. Workforce availability is a risk; mitigations include troubleshooting with providers and Workforce contracting with Whāraurau to provide workforce development to the six Mana Ake areas.
Com	Improving health outcomes and equity	2.5.10	3 - Monitor	Continue and expand Mana Ake, a school-based mental health and wellbeing initiative, for primary and intermediate aged children – Budget 22.				Piki has been in place since 2019, and funding from Budget 22 has supported ongoing service delivery. Provider negotiations were held in late 2022, and a signed variation to the contract with Tū Ora Compass Health for the delivery of the Piki programme was completed in December 2022. The contract variation commits all funding available through to 30 June 2026. Service delivery continues.			Ongoing phased roll out of services	Service delivery continues and as of 30 September 2023 Piki has provided over 12,000 sessions to roughly 3,000 clients since 1 January 2023.			Wait times to see a Piki counsellor for some of the Piki providers remains a challenge, though a triaging system is in place to ensure rangatahi are contacted and offered interim supports while they wait. An improvement project is also due to commence in the coming months, which will take a closer look at waitlists, and other opportunities for improvement. Workforce availability remains a risk, mitigated by exploring recruitment processes with provider, as well as using non-clinical roles (peer support, cultural workers) where appropriate.
Com	Improving health outcomes and equity	2.5.11	3 - Monitor	Ensure the continuity of Piki, an integrated mental health support initiative for rangatahi – Budget 22.				Our work with HUD and MSD continues to focus on service delivery of the two Rapua Te Āhuru Mōwai services (based in Hamilton and Auckland). We are actively engaging with HUD to explore opportunities to obtain funding for a further 2-3 years to maintain the service delivery via the Homelessness Action plan contingency funding. The service evaluation with Awa Associates is underway.			Ongoing Service Delivery	Service delivery is ongoing. The funding application to continue the Rapua Te Āhuru Mōwai services (via the HAP contingency fund) was approved. Work is underway to re-contract the Rapua Te Āhuru Mōwai services in Waikato and Auckland for a further 2 years.		No Risk	
Com	Improving health outcomes and equity	2.5.5	3 - Monitor	Work with HUD and MSD in developing solutions with Kainga Ora, housing providers to improve access to quality, safe and affordable housing with support services, to transition people from inpatient mental health units into the community.				Northland Te Ara Oranga continues to deliver services. The expansion to the Eastern Bay of Plenty continues. Te Ahi Maui in Murupā continues to scale up. The service delivery contract is signed for Pōu Oranga Whai Ora which will cover the rest of the Eastern BOP. Please note there has been no announcement about the contract being signed.			Ongoing delivery of the mental health transitions pilot in Auckland and Waikato, funded by HUD through the Homelessness Action Plan (funded through Budget 20)	Most staff recruited for community services, soft launch planned.		People	Workforce challenges in hiring. Provider working actively on flexible solutions, eg, telehealth.
Com	Improving health outcomes and equity	2.5.6	3 - Monitor	Continue the Te Ara Oranga partnership between police, mental health and addiction services, community groups and iwi service-providers giving methamphetamine-users the opportunity to get therapeutic help and employment support			Recruitment proves to be challenging as there is a sector wide workforce shortage for skilled AOD practitioners. The provider in Waikato is undertaking a joint recruitment process with their sub contracted partner and there has been some success in hosting career evenings to attract potential staff.	Recruitment processes underway.			Soft launch of community services in Eastern Bay of Plenty, confirmed purchase of facility.	No Milestone for Quarter Five		No Risk	
Com	Improving health outcomes and equity	2.5.7	3 - Monitor	Continue the alcohol and other drug treatment courts in Auckland, Waitākere and Waikato – Budget 22.			There are workforce challenges for mental health and addictions nationally so staff appointment processes are taking longer than anticipated in some areas. We are working closely with our workforce team and local teams to address these issues.	IPMHA services continue to scale up and services are available in 512 general practices throughout Aotearoa up to 30 June 2023. The enrolled population coverage of IPMHA services is 3.1 million people. From 1 July 2022 to 30 June 2023, 224,569 people have been seen by IPMHA services, with 385,400 sessions delivered There are a total of 22 contracted youth services across the country, covering all areas. Between 1 July 2022 and 30 June 2023, 21,892 people were seen by the youth PMHA services, with 47,568 sessions delivered.			Residential facility purchase confirmed	2023/24 is the final year of the five year roll out of Access and Choice services, and all additional funding for IPMHA was committed into contract from 1 July 2023. Providers are continuing to recruit and onboard additional FTE. As at 30 September 2023, there are 886 contracted FTE and 529 number of general practices delivering IPMHA services across the country. Additional funding was committed into contract for Youth Access and Choice providers from 1 July 2023. Providers are continuing to recruit and onboard additional FTE. As at 30 September 2023, there are 208.8 contracted FTE and 22 services across the country. Ongoing training and workforce development to new and existing staff for Youth Access and Choice service providers.		People	There are workforce challenges for mental health and addictions nationally so staff appointment processes are taking longer than anticipated in some areas. We are working closely with our workforce team and local teams to address these issues.

Business Unit	Section	Action Number	Te Aka Whai Ora Role	Action Description	Action point Status	Biggest Risk category (fill in if action status is Amber or Red)	Risks and risk mitigations	Programme Delivery to date - what has been delivered? - Is the programme complete?	On track to achieve action by Jun 24	Action Delivered	Quarter Two milestone	Delivery update of Quarter Two milestone	Q2 Status	Biggest Risk category (fill in if action status is Amber or Red)	Risks and risk mitigations
Com	Improving health outcomes and equity	2.5.8	3 - Monitor	Continue the rollout of integrated mental health and addiction services in primary care and for young people.			There are workforce challenges for mental health and addictions nationally so staff appointment processes are taking longer than anticipated in some areas. We are working closely with our workforce team and district sites.	Workforce Development: 1. Advanced National Training Framework Matauranga Māori development in contract for Specialist Eating Disorders Services workforce. 3. Maternal MH - Parent Child Interactive Therapy Training delivered with ongoing supervision in place. Workforce assessment and training needs identified and a training plan established. Child and adolescent mental health services: SLAs have been signed off for the two key areas receiving additional funding (Northland and Mid Central). A further SLA is being finalised for the Hawkes Bay District. Taranaki DHB has signed off an SLA for one off project funding to review ICAMHs waitlists. Dedicated funding for children in the care of Oranga Tamariki has been allocated to support two initiatives (linked to the Oranga Tamariki Action plan). The first is focused on co-funding a dedicated Oranga Tamariki FTE in each of the regional child and youth mental health inpatient units in Auckland, Wellington and Christchurch (3 x FTE total). The second initiative involves specific investment of mental health clinical FTE into Oranga Tamariki residences at two district sites Wellington (2 x FTE) and Dunedin (1 x FTE). SLAs have been signed off for all of these initiatives. A SLA for the Southern District is being finalised. Eating disorders: All SLAs are now signed and recruitment of FTE has begun in all four regions. Some areas are experiencing challenges with recruitment. Its anticipated that phased service delivery will commence in Q4 (once appointments have been made). Te Manawa Taki have made some appointments. Central have an offer underway and they have scoped an additional role. Te Waipounamu are in the process of making an appointment.			Ongoing phased roll out of services	Child and adolescent mental health services MidCentral have successfully recruited 2/2 FTE and Northland 2/8.6 FTE. Hawkes Bay has commenced recruitment (after delays due to the Cyclone). The Oranga Tamariki co funded role for the child and youth inpatient service in Auckland is in place. Oranga Tamariki are engaging with ICAMHs teams in Wellington and Christchurch for the dedicated roles in child and youth inpatient units in those Regions. An NGO has been contracted to provide additional mental health clinical support to the Oranga Tamariki Epuni residence in the interim until permanent FTE are recruited. The Southern District are recruiting for their role and are liaising with Oranga Tamariki to confirm implementation plans. Eating disorders Recruitment continues in all regions. Appointments have been made across all sites with 4.6 FTE appointed (of a total of 6.6 funded). These appointments are in Northern 0.8 FTE, Waikato 2.8 FTE, Central 0.8 FTE and Southern 0.2 FTE. Community-based crisis services Agreements have been finalised for the 6 sites (Bay of Plenty, West Coast, Lakes, MidCentral, Southern and Wellington). Lakes has appointed 2/5.4 FTE to support service delivery. Recruitment processes are underway for all other roles. The Mid Central respite service began operating in October. The crisis services in Bay of Plenty, West Coast, and Southern are planning their procurement processes. Workforce EDS Supervision and training needs identified for Eating Disorders Specialist Services staff nationally. There is currently the development of a plan for the delivery of supervision, training and support for staff across Specialist ED/EI Services.		People	Recruitment remains a challenge for mental health and addictions nationally as staff appointment processes are taking longer than anticipated in some areas. We are working closely with our workforce team and local teams to address these issues.
Com	Improving health outcomes and equity	2.5.9	3 - Monitor	Expand the availability and trial new models of specialist mental health and addiction services for Budget 22, to support the following services: • Child and adolescent mental health and addiction. • Eating disorders • Taurite specialist Māori. 1. Workforce Development Eating Disorder Services - Advanced National Training initiative for ED/EI staff 2. Workforce Development: Child and Adolescent MH&A services workforce training and support to address specific needs of children and young people.				Workstreams and tools are operational: - Localities Communities of Practice (CoP) - Localities Collaborative Hub (online digital platform) - Prototype Localities Learning and insights (L&I) Programme - Learning and Development (L&D) programme			Ongoing Service Delivery	Strategic design complete of the learning and development programme to identify what capability and skills are required to support and enable localities. Resource has onboarded to support the redesign and expansion of the digital collaborative hub in preparation for national roll out.		No Risk	No risk identified
Com	A unified health system	3.1.2a	2 - Partner	Establish a Localities Learning Collaborative to facilitate learning, including understanding whānau and community experience.			Regional teams to support the future localities that are not currently yet in place. Mitigation options is in discussion between National and Regional Commissioning teams.	The 12 locality prototypes have been established. Next 22 provisional localities boundaries are in process to be agreed to. Consultation is underway to determine the remaining localities.			Localities Learning Collaborative extended to all localities	Consultation with Iwi-Māori Partnership Boards and local authorities to determine remaining localities continues. Options for localities model other than locality partnership groups are under consideration.		People	Regional teams to support future localities not yet in place. Mitigation options in discussion between National and Regional Commissioning teams.
Com	A unified health system	3.1.2b	2 - Partner	Implement the localities model across Aotearoa with locality partnership groups and provider networks to ensure all New Zealanders are part of a locality with published plans agreed with Iwi Māori Partnership Boards - Budget 22.				WAS BLANK Teams currently being established within Commissioning as part of change process - work across the sector to commence early 2024 that will include equity of access in the key priority areas. Strategic Networks are also being developed to support this work.			NO MILESTONE		No Milestone		
Com	A unified health system	3.1.3a	2 - Partner	REWORD Establish cross sector teams to design improved health outcomes and address equity of access in our key priority areas: • Pae ora Better health in our communities • Kahu Taurima Maternity and early years • Māuiuitanga taumaha People living with chronic health conditions • Oranga hinengaro People living with mental distress, illness and addictions				Commissioning has strong links to ACC as a co-funder of services. Work continues on improving service delivery across ambulance services.			NO MILESTONE		No Milestone		
Com	A unified health system	3.1.5b	3 - Monitor	Partner with ACC to improve road and air ambulance services, increase modification safety and support work in injury prevention including falls				Ongoing relationship with ACC as co-purchasers of emergency ambulance services	Yes		Commence pro-equity regional and national service planning.	Ambulance Governance Group (incl ACC) met in October 2023. TOR for the group will be finalised in February 2024 when new leadership in place.		No Risk	
Com	A unified health system	3.1.6a	2 - Partner	Implement a commissioning policy that embeds excellent commissioning practice across Te Whatu Ora and Te Aka Whai Ora.			The establishment of the Comprehensive Primary and Community Care Teams requires local tailoring and does required additional time to complete. While this has added time in the establishment, implementation is underway and will deliver Budget 22.	The commissioning of primary and community care teams as per action 3.3.4 is being prioritised for Māori, in partnership with Te Aka Whai Ora.			Monitor implementation.	Early localities were prioritised in phase one.		No Risk	
Com	A unified health system	3.3.10	2 - Partner	Commission comprehensive primary and community care models in high Māori populations that address the needs of the community - Budget 22.			The establishment of the Comprehensive Primary and Community Care Teams requires local tailoring and does required additional time to complete. While this has added time in the establishment, implementation is underway and will deliver Budget 22.	The commissioning of primary and community care teams as per action 3.3.6 is being prioritised for Māori, in partnership with Te Aka Whai Ora.	No		Initiate change implementation in phases across the motu	Regional implementation of the first phase of CPCT is underway. RWF are working with localities and primary partners to progress local tailoring. For the kaiāwhina roles, Te Aka Whai Regional Directors are in the process of confirming the Māori Hauora partners and the Pacific Group has completed contracting with partners who will be employing the roles as part of the CPCT. Planning for the regional implementation of Phase 2 CPCT has been initiated.		No Risk	
Com	A unified health system	3.3.11	2 - Partner	Expand School Based Health Services into activity centres and increase service delivery levels in kura kaupapa for high need students - Budget 22.			Some long-standing providers of dementia services were not successful in the RFP process for the Trials. We have provided all applicants the opportunity to debrief regarding the process and their application.	All \$12m Budget 22 funding has been allocated to seven providers over four years. Contracts have been signed. Announcements planned mid-July 23.			NO MILESTONE		No Milestone		
Com	A unified health system	3.3.12	3 - Monitor	Implement the Dementia Mate Wareware Action Plan - Budget 22.				Services are continuing. Reporting templates have been sent out - will be returned 16 February 2024.			Establish four dementia service pilots and dementia navigators in early 2023	Services are continuing. Reporting templates have been sent out - will be returned 16 February 2024.		No Risk	
Com	A unified health system	3.3.13	3 - Monitor	Improve access to primary healthcare services for Transgender Peoples - Budget 22.				An interim project structure is in place to support this work and procurement plans have been signed off by Te Whatu Ora and Te Aka Whai Ora.			ongoing phased roll out of services	A notice of Future Procurement Opportunity was issued and communicated to key stakeholders.		No Risk	

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Com	A unified health system	3.3.14	3 - Monitor	Implement services to support health practitioners to provide best practice healthcare to intersex children and young people and to empower intersex children and young people and their whānau to make informed decisions about medical interventions – Budget 22.				This work is co-sponsored by Te Whatu Ora and Te Aka Whai Ora. The draft programme plan for palliative care has been confirmed and expressions of interest have been advertised for sector partners to work with us on development and delivery.			Rollout in progress	A national palliative care steering group has been established. This group of sector and community leaders will provide oversight and guidance for the national palliative care work programme. Co-sponsored by Te Aka Whai Ora and Te Whatu Ora, the work programme will span approximately two years. The first two working groups are being established: models of care - paediatric and equity. Expressions of interest for the paediatric working group have closed, and the steering group will finalise membership by 16/10/2023. Expressions of interest for the equity working group will open late October 2023, with membership finalised by 30/11/2023. Working in partnership with whānau and communities, the initial focus of the steering group will be overseeing the following key deliverables: <ul style="list-style-type: none"> •providing recommendations on achieving equitable access to, and outcomes from, palliative care services for all New Zealanders •identifying and recommending core palliative care services that will be publicly funded •developing a national model for paediatric and adult palliative care •proposing national adult specialist palliative care service specifications and costings •providing recommendations to sustain a clinically and culturally competent, diverse workforce that represents the community it is serving and meets service demands •developing a national outcomes and reporting framework. 		No Risk	
Com	A unified health system	3.3.2	3 - Monitor	Develop a nationally consistent model for paediatric and adult palliative and end of life care that is integrated across primary and community health and strengthens the equitable provision of palliative care across Aotearoa.			Risk register is under development	Work to reimagine palliative care services in Aotearoa began with the establishment of the National Palliative Care Steering Group in August 2023. This group will oversee the national work programme (which is co-sponsored by Te Aka Whai Ora), for the next 2 years. The first 2 (of 6) fixed-term working groups have also been established; Paediatric and Equity. These groups will investigate services for infants, children and adolescents, and underserved populations respectively. This first phase of the work programme is due to be completed 30 June 2025 and we are currently on track with key deliverables. Alongside the national work programme, work has also been completed on pay disparities funding for nurses in the hospice sector. Furthermore, a detailed analysis of population trends and projections for deaths in Aotearoa has been delivered. This work culminated in a sector wide webinar. Other contracts have been awarded and are in progress; to undertake quality improvement work across the hospice sector (Hospice New Zealand) and to investigate the inequities of palliative care provision, especially focussed on underserved communities (Te Ara, University of Auckland).		No	• Future project and programme milestones TBC	The Steering Group approved the TOR for the first two working groups and a sector wide EOI process has been completed for both the Paediatric, and Equity working groups. The Paediatric group met for the first time on 6 December 2023. Membership for the Equity group has been finalised and a meeting is scheduled for 8 February 2024.		No Risk	
Com	A unified health system	3.3.3	3 - Monitor	Negotiate a (new) community pharmacy services agreement to enable improved integration of clinical services, improvements to access and outcomes, and drive equity gains.				Work on the new pharmacy agreement is due to commence from February 2024.		No	Initiate change implementation in phases Future project and programme milestones TBC			No Risk	
Com	A unified health system	3.3.4	3 - Monitor	Prototype admission avoidance, early discharge and home based care, including remote monitoring pilots; and refocus community nursing, allied health and the Needs Assessment and Service Coordination services to be part of comprehensive primary and community care teams.		Scope	The current scope for this action relates to the development of the Comprehensive Primary and Community Care Teams framework and enabling the refocus process with the associated change management. While this will have a stronger focus on implementing the core Comprehensive Primary and Community Care Team, there will still be opportunity for the refocusing of other services as teams mature.	The framework to support the implementation of the Comprehensive Primary and Community Care Teams has been developed. Change support to enable the refocus has been planned, aligned with Comprehensive Care Team implementation.		Yes	Initiate change implementation in phases across the motu	The framework to support the implementation of the Comprehensive Primary and Community Care Teams has been developed. Change support to enable the refocus has been planned, aligned with Comprehensive Care Team implementation.		People	Resourcing beyond 30 Nov 2023 is being worked through.
Com	A unified health system	3.3.5	3 - Monitor	Review the aged care, home and community support services models to improve the sustainability of services and ensure equity of access and outcome.		Time		Final report for Workstream One has been received - Sapere report a review of aged care funding and service models.		Yes	Aged care strategic assessment complete (Workstream One of the review).	Final report for Workstream One has been received - Sapere report a review of aged care funding and service models. Workstream Two (Service and Funding Model redesign) will take place Jan - Jun 2024.		Time	The regional team capacity and the mitigation is that the EAP team continues to provide support where required and fortnightly monitoring
Com	A unified health system	3.3.6	3 - Monitor	Establish comprehensive primary and community care teams within locality provider networks. These will combine traditional primary care services with physiotherapists, pharmacists, care coordinators, advanced paramedics (rural focus), registered social workers and kaiāwhina – Budget 22.		Time	The establishment of the Comprehensive Primary and Community Care Teams requires local tailoring and does require additional time to complete. While this has added time in the establishment, implementation is underway and will deliver Budget 22.	Regional implementation of the first phase of CPCT is underway. RWF are working with localities and primary partners to progress local tailoring. For the kaiāwhina roles, Te Aka Whai Regional Directors are in the process of confirming the Māori Hauora partners and the Pacific Group has completed contracting with partners who will be employing the roles as part of the CPCT. Planning for the regional implementation of Phase 2 CPCT has been initiated.		No	Initiate change implementation in phases across the motu	Regional implementation is underway for the first and second phase of the comprehensive primary and community care teams (CPCT). Phase 1 targets resource to the locality prototypes. Phase 2 resources additional areas across the motu prioritized based on Māori, Pacific and rural populations. This activity is being led at a regional level, facilitating the final make-up of CPCT through discussion with locality prototypes and local partners for both phases. All kaiāwhina resource is now committed to Hauora Māori or Pacific partners. Overall \$41m of the \$102m funds (covering approximately 232 FTE) is now committed with the balance of local tailoring close to completion. Regional areas are progressing implementation and change management planning to develop these roles into tightly integrated teams.		No Risk	

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Com	A unified health system	3.3.7	2 - Partner	Implement a revised general practice funding model that is responsive to health need and equitable outcomes for Māori and Pacific – Budget 22.			The current scope for this action relates to the Equity Adjustment to Capitation. While this is a limited scope, there is other work underway for the planning of the update to the primary and community care funding model.	The Budget 22 equity adjustment to capitation has been implemented in the sector.		Yes	Initiate change implementation in phases	In progress until June 2024.		No Risk	
Com	A unified health system	3.3.8	3 - Monitor	Commission comprehensive primary care models in high Pacific populations that address the needs of the community – Budget 22.			Low uptake to date because family members need to be employed by HCSS providers. It is expected that most family caregivers want to be employed through individualised funding.				Initiate change implementation in phases across the motu	Policy in place and being offered as an option. Process to monitor uptake more closely being planned.		No Risk	
Com	A unified health system	3.3.9	3 - Monitor	Implement the Payment to Family Members for Support Services for those who choose this option – Budget 22.			Work was paused while rescoping of the wider national review of unscheduled care was initiated. Re-initiation of the rural review including PRIME is underway, with the establishment of an Expert Advisory Group.	Increases in the uptake of the Carer Support Subsidy and the use of Paid Family Carers have been reported during the last quarter. In the 3 months from September to November 2023, a total of 7792 Carer Support Subsidy invoices were approved to a value of \$6,132,134.05. This is a 35% increase in invoices and a 41% increase in total value approved compared to the same period last year (5765 invoices and \$4,363,563.61 total value approved for September to November 2022). Analysis from Paid Family Carer (PFC) data from the latest available data showed: •during the first quarter of the 2023/2024 reporting year, there was a 14.4% increase in clients employing paid family carers (PFCs) compared to the start of the quarter •the ethnic group with the highest uptake of PFC was Pacific peoples (44/112, 39% of new PFC uptake) •an additional 1328.7 hours of PFC per week were taken up during this quarter. About half of these increased PFC hours per week were for Pacific clients. An excerpt from a report on the uptake of paid family/whānau care for the first quarter of 2023/24 was published in the Rūruku newsletter on 6 November 2023 https://mailchi.mp/mailout.health.govt.nz/welcome-to-your-latest-ruruku-6118576		Yes	NO MILESTONE		No Milestone		
Com	A unified health system	3.4.1	3 - Monitor	Review the Primary Response in Medical Emergencies model with ACC and develop integrated and responsive rural ambulance programmes to improve access to primary and community care services				Relates to 3.4.3 Preferred provider identified and contract drafted. The contract is currently with the provider for review.			Rollout in progress	Contract awarded. Service launches 8 November 2023.		No Risk	
Com	A unified health system	3.4.2	3 - Monitor	Determine how to scale digital telehealth services to provide rural communities with reliable and sustainable afterhours access. Introduce and expand specialist advice models for virtual consultations with both whānau and primary and community services providers.				Relates to 3.4.2 Preferred provider identified and contract drafted. The contract is currently with the provider for review.			Action completed	Contract awarded. Service launches 8 November 2023.		No Risk	
Com	A unified health system	3.4.3	3 - Monitor	Commission a national telehealth medical and specialist liaison service, with a specific focus to support rural areas and drive equity of access across key populations.				National service contract signed and service launch completed		Yes	Rollout in progress	Priorities identified through engagements with whānau and communities in the rural locality prototypes are starting to influence service developments to improve access to healthcare.		No Risk	
Com	A unified health system	3.4.4	3 - Monitor	Ensure Locality planning in rural areas improves access to healthcare in the most appropriate and sustainable way			Old aircrafts need replacing. A replacement strategy is underway in parallel to the Aeromedical Commissioning Programme work programme activities.	Working with ACC to explore viability of Step in option. HNZ Procurement leading Taranaki fixed wing RFP with ambulance SME support.			Consult on changes as required	Extension processes and timeframes not yet agreed by the Ambulance Governance Group. This to be expedited between Te Whatu Ora and ACC to ensure air providers can replace / obtain aircraft as required.	Time	Service degradation increasingly occurring. Lease is a short term mitigation to long production delivery. Purchasers' internal constraints (ACC extension, Health step-in) mean little mitigation possible.	
Com	A unified health system	3.5.7	3 - Monitor	Ensure emergency air transport is consistently available to all New Zealanders with the required level of infrastructure and resource availability – Budget 22.			Old aircraft need replacing and supply chain challenges for parts to support these old aircraft may reduce aircraft availability. Mitigation: A replacement strategy is underway in parallel to the Aeromedical Commissioning Programme work programme activities.	Agreements with fixed wing air ambulance providers signed		Yes	Rollout in progress	Central region had been supported to replace two of their older aircraft with new and near new aircraft. Central region is now on path towards having a total of 3 (out of 8 operational aircraft) new or near new aircraft. In Dec 2023, leadership agreed to actions that will improve aircraft availability for Northland. Service provider for Northland (Northern Rescue Helicopter Ltd - NRHL) has agreed with leasing company to finalise a lease for two near new AW169 within 30 days. Ambulance Team working on the funding contract to support NRHL for the lease of these two AW169s. All these improvements achieved within 2023/24 budget.	People	Old aircraft need replacing and supply chain challenges for parts to support these old aircraft may reduce aircraft availability. Mitigation: A replacement strategy is underway in parallel to the Aeromedical Commissioning Programme work programme activities.	
Com	A unified health system	3.5.8	3 - Monitor	Ensure essential emergency road ambulance services are consistently available for all New Zealanders in urban and rural communities – Budget 22.			Workforce shortages are impacting recruitment. Response performance impacted by increased volumes and difficulty with hospital handover times. Provider considering offering pay increase above LCI and the contract funding level to assist recruitment and retention. Mitigations: Provider following mitigation strategies with residential training courses, active national and international recruitment campaign and strategies to improve retention. Purchasers' performance monitoring of four-year agreements and KPIs continues. Additional funding to engage additional workforce and vehicles towards improving key service performance metrics. Work is under way across Te Whatu Ora to develop sector wide strategies to improve hospital flow.	Hato Hone St John has largely completed Budget22 frontline recruitment for 2022/23 and addressed Auckland service capability issues. Wellington Free Ambulance has successfully initiated an intensive recruitment programme to deliver intended Budget22 frontline resources and a range of service improvement initiatives.			Rollout in progress	Increased workforce recruitment appears to be on track. However, overall service performance improvements will be lower than anticipated due to higher 111 call levels and increased job cycle times.	People	Workforce shortages are impacting recruitment. Response performance impacted by increased volumes and difficulty with hospital handover times. Provider considering offering pay increase above LCI and the contract funding level to assist recruitment and retention. Mitigations: Provider following mitigation strategies with residential training courses, active national and international recruitment campaign and strategies to improve retention. Purchasers' performance monitoring of four-year agreements and KPIs continues. Additional funding to engage additional workforce and vehicles towards improving key service performance metrics. Work is under way across Te Whatu Ora to develop sector wide strategies to improve hospital flow.	

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Com	A unified health system	3.7.1e	3 - Monitor	Improve digital access to primary care as an option to improve access and choice, including virtual after-hours and telehealth, with a focus on rural communities.			Managing sector expectations	Merge this action with 3.4.3			NO MILESTONE		No Milestone			
Com	Priority populations	4.1.3a	2 - Partner	Redesign primary care to remove barriers to access for Māori and to provide a more comprehensive option for whānau.				Access and Choice models continue to be rolled out across the country. This work is led by Te Aka Whai Ora			Track progress.	Access and Choice models continue to be rolled out across the country.		No Risk		
Com	Priority populations	4.1.5a	2 - Partner	Design and expand Te Ao Māori mental health service solutions including primary mental health and wellbeing services, known as Access and Choice.				Cross agency work continues to better support people in mental health crisis. Engagement underway with NZ Police and other social services to improve support. We are working with Police on a five-year plan to transition people calling 111 in mental distress to a multi-agency response. A joint Police/Health report back is due to Cabinet in March.			Ongoing phased roll out of services	The mental health police interface project has commenced with a report due back to Cabinet in March 2024. Interviews with mental health crisis services have been completed nationally and a draft report is being developed.		No Risk		
Com	Priority populations	4.1.5b	3 - Monitor	REWORD: Ensure the effective links/pathways between mental health crisis services, NZ police and other social services in rural and urban areas to address the needs of people who present as acutely distressed		Time		Working with Te Aka Whai Ora to support new services in mental health and addiction, including gambling harm reduction, and increase the availability of existing services			Engage with key partners and stakeholders	Working with Te Aka Whai Ora to support new services in mental health and addiction, including gambling harm reduction, and increase the availability of existing services		No Risk		
Com	Priority populations	4.1.5c	2 - Partner	Increase the availability of and trial new models of taurite specialist Māori mental health and addiction services.				WAS BLANK Equity Adjustor funding Targeted investment to Māori and Pacific primary care providers to address under-funding - www.teakawhaiora.nz/news/targeted-investment-to-maori-and-pacific-primary-care-providers-to-address-under-funding/ Te Whatu Ora and Te Aka Whai Ora partner to improve equity in access to primary care with \$21.25M funding boost - www.teakawhaiora.nz/news/te-whatu-ora-and-te-aka-whai-ora-partner-to-improve-equity-in-access-to-primary-care-with-21-25m-funding-boost/			Phased expansion of existing services. Monitor and evaluate expanded services and new model of care.	Reporting on these actions will begin in the coming months. Finalise model and develop commissioning approach for year two.		Time	The programme of work to redesign primary care is expected to include the way of working with and funding of Māori Hauora partners. This is planned to be done as a partnership with Manatū Hauora and Te Aka Whai Ora. There is limited development work progressing as changes in teams and government are underway.	
Com	Priority populations	4.1.9a	2 - Partner	Fairly fund Māori providers, valuing their role in primary care and maximising the value of comprehensive models of service delivery. Where there is good performance, longer-term and more flexible contracts to improve outcomes will be developed.			The establishment of the Comprehensive Primary and Community Care Teams requires local tailoring and does require additional time to complete. While this has added time in the establishment, implementation is underway and will deliver Budget 22.	The commissioning of primary and community care teams as per action 3.3.4 is being prioritised for Māori, in partnership with Te Aka Whai Ora.			Commence implementation.	CPCT focused in localities areas. New kaiāwhina workforce to improve access and range of care delivered to whānau locally - www.teakawhaiora.nz/news/new-kaiwhina-workforce-to-improve-access-and-range-of-care-delivered-to-whanau-locally/		No Risk		
Com	Priority populations	4.1.9b	2 - Partner	Commission comprehensive primary and community care services for Māori populations that improve access.				WAS BLANK This action has been embedded in Commissionings overall work programmes, aiming to ensure equitable access to healthcare for Māori and consideration of new models of care that offer a greater range of Te Ao Maori health services			Track progress.	This action has been embedded in Commissionings overall work programmes, aiming to ensure equitable access to healthcare for Māori and consideration of new models of care that offer a greater range of Te Ao Maori health services		No Risk		
Com	Priority populations	4.1.9c	2 - Partner	Commission a wider range and greater volume of Te Ao Māori health services.				Pacific providers are contracted and developing their models of care with a focus on improving equity for Pacific people's.			Commence implementation.	All pilots will be implementing models of care specific to their Pacific communities through culturally appropriate approaches and practices.		No Risk		
Com	Priority populations	4.2.3e	3 - Monitor	Develop and implement Pacific integrated models of care for Kahu Taurima (Maternity and early years.			No risk identified	This action has been completed.			Develop new commissioning models that reflect the new service development models for all First 2000 Days programmes and services.	On the 5 and 6 September 2023, the Healthy Communities National Team (within Commissioning) hosted their annual Healthy Homes Initiative (HHI) national hui at Pipitea Marae, Wellington. The hui was attended by over 180 people from across the motu, which included frontline kaimahi, contract managers, evaluation partners, partner agencies like MSD, Kāinga Ora, EECA and MBIE and philanthropic partners like Variety – the Children's Charity. The theme was "Journeying with whānau" and it was a great opportunity to come together to celebrate the HHI becoming nationwide. It was an inspiring and refreshing two days, showcasing the passion, perseverance, innovation and hard work of providers and partners.		No Risk		
D&D	A new health system focused on people	1.4.2	3 - Monitor	Implement a nationally consistent system of data capture, analytics and intelligence that supports the use of health intelligence and insights to ensure equity of access and outcomes from all health services across Aotearoa. This will include: • the Patient Profile and National Health Index to identify Tāngata whaikaha Disabled peoples experience of health, and • Geographic Classification for Health.				Stage 1 and 2 of National Data Platform completed SOW for Stage 3 of National Data Platform approved Health Data and Analytics Council formed and meeting regularly			Stage 2 of National Data Platform Health Data and Analytics Council to be formed	Stage 1 and 2 of National Data Platform completed SOW for Stage 3 of National Data Platform approved Health Data and Analytics Council formed				
D&D	A unified health system	3.7.1a	3 - Monitor	Create and implement actions to deliver national consistency in data and digital capability and solutions across Te Whatu Ora including streamlining duplicate legacy systems inherited from DHBs and Shared Service Agencies to improve intra-operability and reduce operating costs		Other	The key risk relates to transition (specifically the impact of changes within Data and Digital, as well as across the wider organisation). The cumulative impact of these changes is significant in terms of people, processes and business needs (i.e. the integration of what was 29 entities into a single entity, with enterprise level systems, with limited additional funding for transition/merger activities).	Data & Digital Strategy & Roadmap approved by the Executive and Board (incl. targeted programmes of work to simplify and rationalise the national applications landscape, e.g., progression of the Digital Workspace programme). The Digital Modernisation phase has commenced. This includes progression of flagship initiatives and business roadmaps that will deliver more nationally consistent capability and solutions. Investment Portfolio review completed and investment pillars mobilised (aligned to the 5x strategic pou; supported the establishment of a single national budget for Data & Digital, to support the national consolidation of applications and systems; aligned to a National Architecture blueprint and product standardisation approaches). He Tangata (People) strategy developed, with work underway to progress key elements (incl. SFIA skill framework, online learning tools). The Data & Digital structure has been finalised and transition has commenced, with an expected completion of March 2024. This is the first step to streamlining ways of working. National integrated planning is underway to consolidate and/or standardise prioritised core clinical systems.			NO MILESTONE		No Milestone			

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D&D	A unified health system	3.7.1b	2 - Partner	Implement Hira, a user friendly, integrated national electronic health record, to the agreed level, ensure the expected benefits of the investment are achieved, and taking all practicable measures to ensure that project milestones are met.		Other	As Hira Tranche 1.a moves into delivery mode, its biggest risk category is readiness for service. Feedback from a Gateway Review in December 2023 was positive, with significant programme progress since the last review in March 2023 noted. The programme delivery risk status remains at amber. A risk management roadmap is being developed which, when combined with the new Gateway recommendations, will inform a refreshed approach to risk, assumptions, issues, and dependencies in the new year. A Gate 4 (Readiness for Service) Gateway Review of Hira is planned for May 2024.	Key delivery since last report: <ul style="list-style-type: none"> The first iteration of My Health Record was launched on 6 December 2024. A secure website giving people access to their immunisation records, My Health Record is enabled by the interoperability being put in place by Hira Programme. My Health Record is the first step to giving New Zealanders access their own health information online. Over time, more information will be available, such as current and past medications, lab results, and community services and high use card entitlements. The Hira Connector Plane is in production, but not yet available to the wider sector. This is a critically important component of the Hira goal of providing secure access to health information. The My Health Account team has completed adult-to-adult delegated representative functionality, which is now available for integration with apps. This function allows an approved delegate to access another person's account. The National Events Notification Service is being piloted, and is expected to go into production early next year. The NZ Health Terminology Service (NZHTS) continues to extend its list of code systems and value sets, with over 40 companies now using the service. 			- Extension of the My Health Account solution to include sharing access to your health information - publication of the following API's Medicines, Immunisations - API to enable consumers to update key fields in their NHI record - MVP horizon 1 of the NZPS (My Health Records) - Mulesoft APIM in production	All milestones delivered except publication of Medicines API which has been moved to Q3. In addition, the following items have been delivered in Q2 * National Event Management Service in testing, delivered * Integration platform in production, MVP delivered * Hira developer portal in production, MVP delivered			
D&D	A unified health system	3.7.1c	2 - Partner	Scale and adapt population health digital services developed to support the COVID-19 response to serve other key population health priorities.		Scope	UAT feedback continues to challenge scope of go-live requirements. Team working in line with business to manage.	The programme is reporting three green and two amber streams at the end of the quarter. This was a result from three significant deliveries, the My Health Record - https://my.health.nz has been released with updated immunisation register datafeeds; The OCS and CARM have been decommissioned; and the FHIR Test Results have gone live. Alongside these three milestones the following technology was released to support the AIR release and utilised the COVID technology platform: AIR Orchestration Integration, Population Register, New-born Enrolment Ecosystem (enrolment, outreach, relationships, My Health Account Workforce), and Vaccination Document generation. There continues to be a four-step critical path of: j AIR, j My Health Record, j FHIR Test Results, NCTS & NDMS to enable Covid Org Decommission, the first three have completed to this remains on track to complete in Feb 2024.			1. Communicable Disease Platform launched (with Measles module) 2. New Te Whatu Ora Website and Self Service Portal Launched 3. COVID Salesforce instance retired, all required functionality transferred to Population Health Instance or other products. 4. Rheumatic Fever register piloted with initial districts 5. Outbreak Response COVID service cost per case significantly reduced	1. Communicable Disease Platform will launch on the planned date of 24 February 2024 2. New Te Whatu Ora Website, info.health.nz launched 22 November and Self Service Portal, My Health Record launched 6 December 3. Covid Salesforce instance retired - ongoing, first 2 products of 6 have been decommissioned, the rest of decommissioning is due to complete February 2024 4. Rheumatic Fever register piloted - Working through & realigning the delivery plan for the next six months. 5. Outbreak Response, Whaihua system launched on 4 December.			
D&D	A unified health system	3.7.1d	2 - Partner	Improve the interoperability of data and digital systems across the hospital network, and between primary, community and secondary care settings.		People	Key Risks are ongoing around resources - salary bands continue to be a challenge to retain and attract highly skilled technical teams, ongoing recruitment into the new year to fill vacancies, converting contractors to fill permanent roles. capability - lack of training and certification impacts ability to retain and attract engineering talent. collaboration and consistency - ensuring consistency and scalable national thinking. Need to collaborate and share work to avoid duplication and rework.	Achieved Key milestones this quarter - went live with the AIR Immunisation Register APIs, in particular the HL7 to FHIR broker and orchestration services that have enabled co-existence and minimised impact on the GP systems as we transition from NIR to AIR. These APIs were used internally to support other use cases such as operations (ISO and Forms) and consumer channels (records). Going forward the focus over the next two quarters is on adoption of the APIs into secondary and primary care publishing via the API Marketplace capability that Hira are delivering. Continued work to support the other national initiatives such as NDMS - Notifiable Disease was deferred to Feb 24 (Eventing Platform build completed), Breast Cancer Screening (common messaging, and cohort management) as well as Cervical Cancer Screening subsequent phases (GP messaging, and cohort management) planned to release in the new year. Referral API delivered in Te Manawa Taki, and supported ongoing regional PAS delivery in southern and West Coast.			Integration reference architecture to standardise interoperability for Te Whatu Ora systems	API and FHIR Standards Development - published the first dop of national and sector standards. This has been shared for internal feedback across Te Whatu Ora interoperability leads in December. The next phase of this work will publish and seek feedback with the industry partners such as DGA, HL7, eHealth Forum, Kaupapa Maori Provider group (Te Ahi Awa)			
D&D	Priority populations	4.1.11d	3 - Monitor	Ensure ethnicity data is collected according to a common ethnicity data protocol and there is a universal responsibility for all parts of the system to monitor performance on equity, with public transparency of performance.				HISO 10001 Ethnicity Data Protocols sets the standard for coded ethnicity data collection in the health system, supported by the Primary Care Ethnicity Data Audit Toolkit and Hospital Ethnicity Data Audit Toolkit that helps services to become compliant. The NZ Health Terminology Service (NZHTS) makes the necessary code sets easily available to applications via a standard interface. HISO represents the health sector in Government Chief Data Steward-led ongoing work to prepare to update the ethnicity data classification.			Staged implementation.	The common ethnicity data protocol is published as a HISO standard for The sector. New investments in information systems are checked for conformity to this standard. - Code sets at all levels of The ethnicity standard classification have been published on The NZ Health Terminology Service. - ethnicity data audit toolkits for hospitals and primary and community care are available and included in training plans for kaimahi. - The New NHI API implementing The standard ethnicity Code set is listed in The Hira marketplace. Hospital and primary/community care information systems are integrating with The New API over time as investments are made.			
D&D	Priority populations	4.3.4d	3 - Monitor	Implement the Patient Profile and National Health Index to provide a foundational data ecosystem to understand inequities facing Tāngata whāikaha Disabled people.		Time	Scope creep due to extra features being included in the pilot project - Strong governance and clear alignment with deliverables, timelines, milestones, duties, and responsibilities The project does not deliver the anticipated benefits or results - Using a pilot approach to learn, iterate and refine Time to use allocated budget - Project plan is clearly defined	Project proposal redesign to incorporate locality feasibility testing, endorsement from Stats NZ as part of AoS data plan for Tāngata whāikaha. Delivery approach for early phases agreed.			initial design complete	Project proposal redesign to incorporate locality feasibility testing, endorsement from Stats NZ as part of AoS data plan for Tāngata whāikaha. Delivery approach for early phases agreed. We are now awaiting funding approval. Following this programme set up can commence which will allow clearer timeframes and deliverables.		Budget	inadequate funding for the proposed project proposal
Dis	A new health system focused on people	1.1.3	2 - Partner	Build a platform with Whāikaha Ministry for Disabled People to include Tāngata Whāikaha Disabled People voices in the design, delivery and performance of the health system.							Work with partners to build the platform.	This action is inaccurate and inappropriate - There is a meeting planned to clarify the role of Whāikaha, Te Whatu Ora and Mantu Houora.		Scope	
Dis	A new health system focused on people	1.3.4	3 - Monitor	Establish a national dedicated Tāngata whāikaha Disabled people strategic leadership team.							Disability led milestone: Review the number of disabled people in leadership roles	Disability team is now in place within OCE.			
Dis	Priority populations	4.3.2a	3 - Monitor	Train the healthcare workforce on supported decision-making and informed consent processes and implement inclusive practices in models-of-care, for example, NZ Sign Language interpreters, hoists and sensory reduction, using e-technology.							NO MILESTONE	Principal Advisor Disability appointed to focus on Disability Models of Care to focus on providing leadership across these areas. PPNHI initiative now in investment planning stage to allow the funds to be released. Work programme based on ELT approved paper progress this action. Disability Stocktake Survey currently determining what is already available in districts for national use.			

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Dis	Priority populations	4.3.2b	3 - Monitor	Develop a plan to ensure health careers are accessible, equitable and inclusive for Tāngata whāikaha Disabled people.							NO MILESTONE	Workplan drafted for approval and implementation. Created with Te Aka Whai Ora.			
Dis	Priority populations	4.3.3a	3 - Monitor	Mandate pro-equity strategic development, service planning and commissioning embedded with social determinants of health and wellbeing outcomes for Tāngata whāikaha Disabled people.							NO MILESTONE	Mandate received at ELT meeting with the acceptance of the Disability Team paper. Disability Maturity Capability Framework continues to create an understanding of what it means to include disability equity when planning.			
Dis	Priority populations	4.3.3b	3 - Monitor	Establish a Tāngata whāikaha Disabled people strategic leadership team to oversee implementation of Te Pae Tata and maintain strong, transparent, continuous community involvement.							Engage across Directorates on actions that have disability considerations.	Now in place.			
Dis	Priority populations	4.3.4a	3 - Monitor	Increase the disability leadership capacity in the design and development of health services.							NO MILESTONE	New disabled people recruited across more directorates in Te Whatu Ora which will help with the input and the implementation of the disability equity workplan.			
Dis	Priority populations	4.3.4b	3 - Monitor	Implement appropriate and accessible feedback processes for locality, service design and commissioning processes.							NO MILESTONE	Consumer and Whānau Voices now have a Disability Lead to focus on this area.			
Dis	Priority populations	4.3.4c	3 - Monitor	Support Tāngata whāikaha Disabled people in culturally-appropriate ways in Māori, Pacific and other community-specific health services ensuring they are led by Tāngata whāikaha Disabled people from those communities.							Review	The Disability Team now has a much stronger relationship in place with Te Aka Whai Ora and enjoy their support over a range of initiatives. We also have a stronger relationship emerging with the Pacific Directorate also.			
HSS	Improving health outcomes and equity	2.1.9	3 - Monitor	Develop a plan to reduce the threat of antimicrobial resistance.							Commence action plan implementation. Active monitoring of progress.		Still assessing		
HSS	Improving health outcomes and equity	2.2.4	3 - Monitor	Ensure national consistency and increased access to urgent oral surgery for children.		No Risk		Access to urgent oral health care for children has been prioritised by regions			Mobilise implementation plan. Active monitoring of progress. Review progress in light of activity, equity and finance considerations. Design any additional actions needed.	Access to urgent oral health care for children has been confirmed by regions as part of their focus on P1 access to care		No Risk	
HSS	Improving health outcomes and equity	2.2.7	3 - Monitor	Improve access and consistency of access to neonatal retinal screening for premature babies – Budget 22.							NO MILESTONE		No Milestone		
HSS	Improving health outcomes and equity	2.3.2	3 - Monitor	Develop new, joined-up pathways to facilitate rapid diagnosis of suspected cancer, beginning in primary care to support equitable access to cancer diagnostic and treatment options		People	There is some risk around the timely delivery of the abnormal uterine bleeding pathway in June 2024 due to project manager resignation. Work is underway to prioritise resource from within either H&SS or SI&I as the new structures form.	Milestone for quarter 3 2023/24 for the lung cancer pathway aspect of this action has been achieved ahead of schedule. The pathway was signed off by the National Lung Cancer working group in December 2023 and is available for localisation. As a part of this work is underway to operationalise direct access to chest CT for a high risk group with specific criteria, without the need for a chest x-ray first. This change will expedite diagnosis and free up X-ray capacity.					No Milestone		
HSS	Improving health outcomes and equity	2.3.3	3 - Monitor	Establish the agreed radiotherapy satellite sites for linear accelerator services (LINAC rollout) to improve people's access to treatment in their communities, and ensure equity of access to radiotherapy.							NO MILESTONE		No Milestone		
HSS	Improving health outcomes and equity	2.3.4	3 - Monitor	Implement national pathways to access transport and accommodation to support the equitable completion of cancer treatment.							Implement and monitor nationally consistent cancer pathways.		Still assessing		
HSS	Improving health outcomes and equity	2.3.6	3 - Monitor	Work with Pharmac to support the equitable implementation of new cancer drugs approved for use in Aotearoa.							NO MILESTONE		No Milestone		
HSS	Improving health outcomes and equity	2.5.4	3 - Monitor	Develop solutions with communities, including with the NZ Police, to support people who are in mental distress or experiencing an acute mental health and addiction episode to access timely care and support.							NO MILESTONE		No Milestone		
HSS	A unified health system	3.1.3b	3 - Monitor	Implement national specialist networks to support specialist, planned and urgent care access and outcomes across Aotearoa.							NO MILESTONE		No Milestone		
HSS	A unified health system	3.5.1	3 - Monitor	Implement the Reset and Restore Planned Care Plan with demand balanced across sites to maximise delivery to all our communities, utilising all the resources available.		People	Recruitment is currently underway within the delivery unit to progress outstanding activities within the reset and restore plan. These items are currently within the delivery unit work plan for 2024	The programme is partially complete. 48 recommendations are operational, 42 are being nationally co-ordinated by HSS and other Te Whatu Ora functions currently and 11 are not yet active but are included in the workplan for the coming year. Please note, there has been an amendment to the number of recommendations within each status category reported in November's report to address a counting error in previous reports. The status of each recommendation used to manage the recommendations was accurate.	Yes		Implementation of all actions underway. Delivery of early actions starts to be observed. Long term commissioning approach agreed.	Workshops and planning has been completed in Q2 to confirm the schedule for implementation of the action plan through 2024; Currently operational actions are being actively monitored with support and refinement for districts and regions provided where required. We are working alongside other HSS and Te Whatu Ora functions to support in-flight actions including clinical networks, data and digital and strategy adn performance teams.		People	Programme and project management recruitment is currently underway to enable delivery unit resource to support implementation of the in-flight reset and restore recommendations and commence implementation of the remaining 11 initiatives. We aim to have this recruitment completed by end Q3, noting that some of this has already occurred including the recruitment of a national planned care programme manager.
HSS	A unified health system	3.5.2	3 - Monitor	Develop and implement surge planning that utilises regional and community care capacity to maintain safe patient and staff environments.							Ongoing implementation, refinement and monitoring		Still assessing		
HSS	A unified health system	3.5.3	3 - Monitor	Develop regional and national production plans by 1 July 2023, to drive delivery of equitable and greater levels of planned care for the next three years							Regular monitoring and reporting		Still assessing		
HSS	A unified health system	3.5.4	3 - Monitor	Implement regional equity accountability measures, to set clear expectations that specialist and hospital services are responsible for achieving equitable outcomes.							Implementation		Still assessing		

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HSS	A unified health system	3.5.5	3 - Monitor	Develop regional booking and scheduling tools, including patient-led bookings to equitably improve the experience of patients and whānau.		People	Recruitment is has been completed to support delivery unit resourcing to support a standardised approach to national booking and scheduling practice.	Partially delivered. We have completed and disseminated national suspend policy guidance this quarter and have worked with districts and regions to address issues as they emerge, including supporting districts where data systems and processes have previously prevented consistent application of this guidance. We have developed a workplan for continuation of national booking and scheduling guidance as part of our programme planning in late Q2 for tyhe coming year.		Yes	Implementation of standard tool across all regions and districts	The national suspend policy guidance has been delivered. Draft national access, booking and scheduling guidance was developed and shared with regions for feedback. Further work is required to develop this consistent approach and is part of the work plan for the planned care team in 2024.		Other	Representation from each region with district level support is being initiated to progress this work, noting that variation in booking and scheduling tools across districts present different operational challenges. We will mitigate these by working with national stakeholders to define core principles and guidance that can be applied regardless of the platform currently in use.
HSS	A unified health system	3.5.6	3 - Monitor	Build a sustainable commissioning relationship with the private hospital sector establishing longer term agreements.							Review and refine arrangements as necessary.		Still assessing		
HSS	A unified health system	3.5.9	3 - Monitor	Support the NZ Blood Service to meet the demand for organ donation and transplantation support – Budget 22.							Mobilisation of action plan. Active monitoring of pressures and delivery progress.		Still assessing		
HSS	A unified health system	3.7.3a	3 - Monitor	Build the national procurement and supply chain function that implements supply chain strategy, policies, and guidance.		Budget	Investment required for developments to deliver expected reform benefits relating to efficiency and effectiveness of the service. To mitigate this risk, early endorsement of the transformation programme business case for PSC&HTM is sought to allow for structural improvement to the function to be delivered.	A transformation programme business case is 90% complete and will be seeking endorsement in the near term. In parallel and where capacity allows, several improvement initiatives referenced in the transformation business case are commencing analysis phase utilising existing resource.		No	Operational Policy & Process Development & Review	Now that teams are in place, work has commenced on creating detailed plans of how the function will deliver the aims of the reforms in a national structure. The transformation business case is now nearing completion and the key content has been shared with several members of senior leadership for feedback. The HTM leadership team has been appointed. The org structure workstream is in the final preparation of a minor, low impact consultation to reconfirm and align staff into the approved asset management lifecycle model and has been shared with several members of senior leadership for feedback.		Budget	Baseline funding does not allow for required developments to deliver expected reform benefits relating to efficiency and effectiveness of the service. To mitigate this risk, endorsement early in the third quarter of the transformation programme business case for PSC&HTM is being sought to allow for structural improvement to the function to be delivered. Some work is progressing ahead of this.
HSS	A unified health system	3.7.3b	3 - Monitor	Establish the clinical engagement, sustainability, and equity requirements for the Procurement and Supply Chain function.		People	Sustainability business partner resourcing. Work with sustainability team to ensure business partner resource is re-established	Resources realigned under proposed functions		No	Develop procurement policy to capture broader outcomes	Policy in development		Scope	Change in policy settings has potential to impact.
HSS	Priority populations	4.1.11f	3 - Monitor	Ensure we meet the Ministry of Business Innovation and Employment (MBIE) target that at least 5 percent contracts are awarded to Māori businesses.		Scope	1. Change in policy settings has a potential to impact the direction, support and funding for Progressive Procurement 2. Training budget will be required for the successful application and implementation of Progressive Procurement	Development and implementation of a Broader Outcomes Framework and Progressive Procurement Policy has progressed and is expected to be completed June 2024.		No	Increase awareness of the progressive procurement policy and promote pro-equity commissioning using innovative ways to engage with Māori businesses.	Broader Outcomes Framework, Progressive Procurement Policy and Weighting Tool has been developed and being reviewed by Procurement SMEs within Te Whatu Ora for initial consultation. Next steps: 1. ELT & Board approval 2. Organisational Consultation through Policy Harmonisation Team		Scope	Progress has been delayed by the additional requirement for the development and testing of a Weighting Tool which is essential in the application of Broader Outcomes and Progressive Procurement.
HSS	Priority populations	4.1.2b	2 - Partner	Ensure access to timely best-practice treatment once cancer is diagnosed, with auditing to ensure deviations are justified.		People	HSS Strategy, Planning and Purchasing Team has been in formation phase and has not had capacity to drive this audit. Mitigation is that team is now developing the capacity to progress this work and will work with Te Aho o Te Kahu and Te Aka Whai Ora to audit and follow up in Q7.	Faster Cancer Treatment data show that recovery towards 85% of people with cancer receiving treatment within 31 days of a decision to treat being made is underway. Nationwide, during the July to September 2023 quarter, 84.6% of people achieved this goal. The number of districts that this was achieved in increased from 7 between April and June to 11 between July and September. A regular cycle of work with Te Aho o Te Kahu has been initiated which includes understanding of data and our joint responding actions.			Continue to review performance, complete drill down analysis, adapt and target interventions to achieve equity.		Still assessing		
HSS	Priority populations	4.1.2c	3 - Monitor	Continue to explore programmes for lung cancer early detection and improve funding of pharmacological treatments.		People	HSS national teams and SI&U team are in formation which has constrained capacity to drive this work. Mitigation is that team is now developing the capacity to progress this work and will work with Pharmac and Te Aho o Te Kahu in the next quarter	The lung cancer pathway was signed off by the National Lung Cancer working group in December 2023 and is available for localisation. As a part of this work is underway to operationalise direct access to chest CT for a high risk group with specific criteria, without the need for a chest x-ray first. This change will expedite diagnosis and free up X-ray capacity. Engagement with Pharmac and Te Aho o Te Kahu has been initiated in relation to pharmacological treatments. Workplan is being developed with Te Aho o Te Kahu			Complete work on screening and prescribing changes that prove successful & rollout.		Still assessing		
IIG	Improving health outcomes and equity	2.5.3	3 - Monitor	Urgently progress the mental health inpatient units approved builds and ensure the construction programme meets the agreed milestones.			N/A	Infrastructure project delivery schedules are in the Statement of Performance Expectations and reported separately.			Infrastructure project delivery schedules are in the Statement of Performance Expectations and reported separately.	Infrastructure project delivery schedules are in the Statement of Performance Expectations and reported separately.		Still assessing	N/A
IIG	A unified health system	3.7.2a	3 - Monitor	Deliver the approved capital projects that are underway, taking all practicable measures to ensure that project milestones are met and anticipated benefits realised.			N/A	Infrastructure project delivery schedules are in the Statement of Performance Expectations and reported separately.			Infrastructure project delivery schedules are in the Statement of Performance Expectations and reported separately.	Infrastructure project delivery schedules are in the Statement of Performance Expectations and reported separately.		Still assessing	N/A
IIG	A unified health system	3.7.2b	3 - Monitor	Deliver a National Asset Management Strategy by December 2023		No Risk	N/A	The draft NAMS has been provided to Minister. We are awaiting feedback and any queries before the Minister presents it to Cabinet.		Yes	Action completed	The draft NAMS has been provided to Minister. We are awaiting feedback and any queries before the Minister presents it to Cabinet.		No Risk	N/A
	A unified health system	3.7.2b	3 - Monitor	Deliver an Infrastructure Investment Plan by December 2023		Other	Outstanding risks relate to our ability to deliver the plan. Developing mitigations for this relies on an indication of the preferred funding level of Ministers, and recruitment into relevant teams for both IIG and HSS.	The draft IIP document and supporting material provided to the Minister and monitoring agencies in December. We are awaiting any feedback or queries. The next quarter will focus on development of an implementation plan and integrating the IIP into the Budget 24 process		Yes	Action completed	Focus for this quarter was on finalising the plan and delivering it to Ministers and Monitoring agencies for review. The Board signed off the proposed IIP at their November meeting, and it has now been provided to Ministers. This completes the roll out milestone and focus will now move to implementation based on feedback collected.		Time	Delivery of the plan to the december deadline was the primary risk for this quarter however this risk is now closed.
	A unified health system	3.7.2b	3 - Monitor	Develop the information strategy, requirements and road map for asset management and investment analysis.		Budget	Risk relates to ELT/CE approval of business case preferred option. If the preferred option is not approved then work to June 2024 will involve replanning for a different approach.	Delivered to Steering Group, the three Te Pae Tata deliverables plus business case. We are now in the final approval stages to get the business case to ELT.			Action completed	Delivered to Steering Group, the three Te Pae Tata deliverables plus business case. We are now in the final approval stages to get the business case to ELT.		Budget	Risk relates to ELT/CE approval of business case preferred option. If the preferred option is not approved then work to June 2024 will involve replanning for a different approach.
IIG	A unified health system	3.7.2c	3 - Monitor	Develop design standards for Aotearoa health facilities, contributing to and building on the Australasian Health Facility Guidelines.		No Risk	N/A	All the processes are near completion meaning the system to develop design standards will be well established			Continuous improvement programme in place	All the processes are near completion meaning the system to develop design standards will be well established		No Risk	N/A

Business Unit	Section	Action Number	Te Aka Whai Ora Role	Action Description	Action point Status	Biggest Risk category (fill in if action status is Amber or Red)	Risks and risk mitigations	Programme Delivery to date - what has been delivered? - Is the programme complete?	On track to achieve action by Jun 24	Action Delivered	Quarter Two milestone	Delivery update of Quarter Two milestone	Q2 Status	Biggest Risk category (fill in if action status is Amber or Red)	Risks and risk mitigations
HIG	A unified health system	3.7.2d	3 - Monitor	Develop relationships with other government sectors to leverage lessons learned from other large capital delivery programmes in other sectors.		Other	The Construction Sector Accord which is our primary channel for agency engagement, is currently reviewing its work programme. We will be keeping a close eye on progress to determine if we need to change our agency engagement approach. We have had initial meetings with Kainga Ora with respect to sharing lessons.	Ongoing - this is Business as Usual activity.			Roll out in progress	This is now a BAU activity.		Other	The Construction Sector Accord which is our primary channel for agency engagement, is currently reviewing its work programme. We will be keeping a close eye on progress to determine if we need to change our agency engagement approach.
HIG	A unified health system	3.7.2e	3 - Monitor	Establish accessibility standards with the disabled community for all new builds, new contracts and new services including transport and mobility options, and develop a plan to make existing infrastructure, services and environments compliant with new standards.		Budget	Consideration is being given to where funding can come from and what other alternatives (such as training on existing accessibility / universal design requirements) may be available	The programme scope has been developed with the Disability team however there is no funding to complete this deliverable.			Disability led milestone: Implement strategy	The programme scope has been developed with the Disability team however there is no funding to complete this deliverable.		Budget	Consideration is being given to where funding can come from and what other alternatives (such as training on existing accessibility / universal design requirements) may be available
Intel	A new health system focused on people	1.4.1	2 - Partner	Establish intelligence and insight leadership that ensures Te Ao Maori, Mātauranga Māori, Pacific and Tāngata Whāhaka Disabled peoples world views are reflected in the use of health intelligence.							NO MILESTONE		No Milestone		
Intel	Priority populations	4.1.7a	2 - Partner	Establish a Te Ao Māori intelligence and insights function, that includes use of Mātauranga Māori							Progressively continue development, consultation, testing, implementation & evaluation.		Still assessing		
NPHS	Improving health outcomes and equity	2.1.1	2 - Partner	Implement healthy public policies locally and regionally, to reduce harm from alcohol and other drugs, tobacco, unhealthy foods and obesogenic environments for all communities, with a focus on those with high proportions/numbers of Māori, Pacific and other groups with inequitable outcomes.							Commence implementation of healthy public policies locally and regionally.		Still assessing		
NPHS	Improving health outcomes and equity	2.1.7	2 - Partner	Implement the Smokefree 2025 Plan with the Public Health Agency.							Second round of innovation funding for community-led stop smoking initiatives		Still assessing		
NPHS	Improving health outcomes and equity	2.3.1	3 - Monitor	Improve Māori and Pacific participation in breast, cervical and bowel screening through targeted approaches with Māori and Pacific community providers.							Commence implementation.		Still assessing		
NPHS	Improving health outcomes and equity	2.3.5	3 - Monitor	Deliver new equity-focused screening initiatives while sustaining those already developed, including age extension for bowel cancer, HPV self-testing and consideration of lung cancer screening – Budget 22.							Rollout and monitor changes.		Still assessing		
NPHS	A unified health system	3.2.1	2 - Partner	Establish the National Public Health function, embedding Te Tiriti and leading implementation of a population health approach across service commissioning and localities, including working with Iwi Māori partnership boards.							Engaged with partners on Te Pae Tata priorities & BAU.		Still assessing		
NPHS	A unified health system	3.2.2	3 - Monitor	Maintain and strengthen robust national surveillance mechanisms for detecting and responding to future communicable disease outbreaks and threats.							Phased implementation & monitoring.		Still assessing		
NPHS	A unified health system	3.2.3	3 - Monitor	Develop and agree the plan to invest in data and digital infrastructure to support the establishment of the National Public Health Service – Budget 22.							NO MILESTONE		No Milestone		
NPHS	A unified health system	3.3.1	2 - Partner	Implement an immunisation and screening catch up programme including those delivered by Māori and Pacific providers.							Monitoring and incremental shifts to achieve goals of equity in our tamaki Māori and Pacific.		Still assessing		
NPHS	Priority populations	4.1.2a	2 - Partner	Take a pro-equity approach to age thresholds for access to screening and removing barriers to primary care to improve early detection.							Commence implementation and roll out.		Still assessing		
NPHS	Priority populations	4.1.8a	3 - Monitor	Implement evidence-based policy interventions to address health priorities for Māori including tobacco control, alcohol, obesity and diet.							Track progress.		Still assessing		
OCE	A unified health system	3.1.6c	3 - Monitor	REWORD Develop Regional Health Services Plans			Regional Planner workforce still in appointment phase for some Regions. Temporary staff covering in some Regions.	Version 1 of Regional Health and Wellbeing Plans received in October. Plans reviewed and feedback given to Regional Planners. Next version of Plans were due 22 December. Plans will be reviewed in January and feedback given to Regional Planners. Final version of Plans expected in April/May.			NO MILESTONE		No Milestone		
OCE	A unified health system	3.7.4a	2 - Partner	Implement a climate sustainability and response plan across the health sector.				On track. Current step is creating healthcare sector scenarios to inform the plan, which are due Feb 2024. Updates on this item are included in the monthly report.		No	Stakeholder engagement for co-designed framework kicks off 1 October 2023 see 3.7.4c	Stakeholder engagement for sector scenario work underway. Working with MOH on the Health National Adaptation Plan and potential Climate Strategy.			
OCE	A unified health system	3.7.4b	3 - Monitor	Implement emissions targets and performance indicators for national, regional and local levels, and build a national database to track the operational and embedded carbon emission impacts of the health sector				On track. Emissions Reduction Planning has commenced to ensure we are meeting our 2025 targets.		No	NO MILESTONE		No Milestone		
OCE	A unified health system	3.7.4c	2 - Partner	With Iwi Māori and other stakeholders, co-design a framework for Te Whatu Ora's approach to climate change, service resilience and environmental sustainability.		People	On hold until new Head of Sustainability starts.	ON HOLD		No	Stakeholder engagement kicks off 1 October 2023	ON HOLD		People	ON HOLD
OCE	A unified health system	3.7.4d	3 - Monitor	Identify actions to achieve a 25 percent reduction of category-1 emissions by 2025, including a fleet optimisation plan, transitioning boilers to low emission technologies, a nitrous oxide scavenging and destruction pilot and supporting desflurane phase out.				Energy Transition Programme underway. Fleet transition business case being created.		No	Track Fleet and Energy Transition as per PBC – include in quarterly Board reporting BAU. Coal boiler transition to low emission technology planning complete and implementation commenced.	Quarterly Board report is now a BAU report on progress. Coal boiler transition projects have started implementation.			
OCE	A unified health system	3.7.4e	3 - Monitor	Identify actions to achieve 25 percent reduction of category-2 emissions by 2025, including Te Whatu Ora designing an energy efficiency programme by 2023 and an LED lighting conversion programme.				Energy Transition Programme underway.		No	LED conversion programme in place	LED conversion programme in place. Deadline to meet target is 2025 not 2024			
OCE	A unified health system	3.7.4f	3 - Monitor	Develop nationally consistent best practice for waste management and business travel policies to reduce flight-related emissions.		People	Not a key priority whilst team is not fully resourced. Once full team is in place will increase priority.	Some discussions on Travel Policy have commenced. Policy is being developed by P&C, sustainability will feed in during consultation.		No	Business Travel Policy approval process. Feedback/changes received from Standards team	Some discussion on Travel policy has commenced. P&C are developing a policy which Sustainability will feed into through consultation.		People	Waiting for full cohort of staff to allow resource allocation
OCE	A unified health system	3.7.4g	3 - Monitor	For all Te Whatu Ora procurement contracts, develop, include and enforce policies for social and environmental outcomes and sustainability principles.				Owned by Procurement and Supply Chain team. Work on procurement policy has been underway and draft expected Feb 2024.		No	NO MILESTONE		No Milestone		
OCE	Priority populations	4.1.11a	3 - Monitor	Ensure universal responsibility for monitoring performance by ethnicity and acting on the results.		Scope	The scope of this action is wide and will require an agreed organisation wide framework for full implementation. The monitoring aspect is on track through established reporting mechanisms.	Tested, designed and implemented reporting. Monitoring of performance will eventually be included in the entity performance framework which is in development.		No	Set performance expectations that demonstrate progress against baselines and achieve equitable outcomes.	Performance expectations are still in development.			

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OCE	Priority populations	4.1.11b	2 - Partner	Set Māori equity key performance indicators within health service delivery and seek action plans for remediation where performance is below the indicator, where there is no existing plan.		Other	There are several dependencies to this action which exists in partnership with Te Aka Whai Ora and with support from multiple teams: OCE, D&D and SI&I. Due to the operating model implementation in most of these teams, work has not progressed at the pace required to achieve the action by 30 June 2024. I.e.: - The following are yet to be completed: Policy on the use of ethnicities, design of geographical boundaries, co-design of new measures in Te Aka Whai Ora/ Commissioning (Not critical as these can be incorporated when these are available). - Policy on the interpretation of the NHI for ethnicity was a September milestone (not met) led by Te Aka Whai Ora and SI&I. - Determination of geographical boundaries was to be as per localities and this has changed with the new government which is expected to dissolve these. HSS has created some new boundaries that may address the issue - this needs consideration by ELT, Board & Minister. These dependencies mean we can only test data sets using existing prioritisation of Māori and 'district' boundaries. Hopefully these issues can be resolved ahead of the next financial year. A further issue is availability of analytics capacity that has	Three of the four TPT priority services measures have been designed and are being transferred to the analytics team. One set, mental health, is still in progress.		No	NO MILESTONE		No Milestone		
P&C	A new health system focused on people	1.2.1	2 - Partner	Implement programmes to grow the numbers and diversity of the health workforce, including Māori, Pacific and Tāngata Whāikaha Disabled people, to meet demand by addressing critical workforce gaps as identified by the workforce taskforce.				Health Workforce Plan launched on 4 July 2023, taking a whole of system approach, with unions, employers, responsible authorities and tertiary providers working together for workforce planning and development. Of the 81 initiatives in the Plan, 11 have been completed, 43 are on track for delivery as planned, 16 are under active management with mitigations in place. Remainder have not yet started, or targeting longer-term delivery.			Detailed design of identified initiatives, including co-design with workforce, education and training providers, services and providers, unions and professional bodies. Prepare B24 bids as required to fund outyears impacts.	There is continuing focus on delivery of various initiatives through the Workforce Plan 2023/24. Rapid establishment and progress of the Plan means we are well ahead of this milestone.			
P&C	A new health system focused on people	1.2.2	2 - Partner	Establish supply-demand models for key workforces, informed by intelligence, and work with education providers and professional bodies to ensure education and training programmes respond to this intelligence to grow the right numbers of health workers in the right places with the right skills.				We are continuing to invest in better health workforce data, including greater analytics capability alongside investments in our people systems.			Continuous improvement and refinement. Following Manatū Hauora review of regulatory settings, work with responsible authorities, professional bodies and others on external data sources.	Forecasting data developed for use in Health Workforce Plan utilising available data has been produced, with further data now being gathered on medical sub-specialities and allied health groups for future use.			
P&C	A new health system focused on people	1.2.3	2 - Partner	Work in partnership with responsible authorities to standardise professional and regulatory requirements across Te Whātu Ora, the Te Aka Whai Ora and ACC to enable registered and unregistered staff to have training and experience pathways to advanced roles and improved interdisciplinary working across urban and rural health services.				Scoping continues across this programme, with a focus on identification of current, successful programmes, and for initiatives to be in place in 2024.			Work with unions, providers, responsible authorities on required scope changes; and with hospitals / commissioners on contract changes, to effect new pathways. Develop training / education approaches as required.	Focus on supporting flexible training pathways as outlined in the Health Workforce Plan.			
P&C	A new health system focused on people	1.2.4	3 - Monitor	Support Government planning for future investments in pay equity and pay parity to ensure a fair health workforce environment.				Resolved all pay equity claims with our employed workforce where sex-based undervaluation has been established, resolving claims for around 74,000 people. Tranche 2 pay disparity funding has been allocated across eligible funded sector employees and passed on to their eligible nursing and kaitiaki employees with effect from 1 July 2023.			Deliver Tranche 2 funding as agreed with Ministers. Continue to support providers and unions with challenges resulting from Tranche 1 funding. Prepare bids as required for Tranche 3+ funding.	Final pay equity settlement reached for Librarian and Interpreter workforces employed by Te Whātu Ora. This pay equity settlement is the final of several recent settlements (in October 2023, pay equity settlements were achieved for employed Midwives and the Allied, Scientific, and Technical workforce), resolving sex-based pay inequity across our health professions. Ongoing discussions continue with a small number of employers concerning eligibility for Tranche 2 funding. The proposed third tranche is not required as all eligible employers received funding in Tranche 2.			
P&C	A new health system focused on people	1.2.6	2 - Partner	Establish, implement and monitor a coherent approach for Tiriti o Waitangi, equity and cultural safety education and training for our workforce.				Best practise cultural safety/awareness e-learning programmes have been identified and linkages are underway with Manatū Hauora racism work.			Co-design additional initiatives as identified with Māori and Pacific peoples, and with education and training providers, while early action on leadership and training programmes (elsewhere in work programme) progresses.	We have worked closely with Te Aka Whai Ora on developing the high-level narrative for the Leadership Institute, and have engaged with various public sector agencies, including Te Kawa Mataaho, the Ministry of Social Development and Manatū Hauora.			
P&C	A new health system focused on people	1.2.7	2 - Partner	Informed by Te Mauri o Rongo the Health Charter, implement and monitor actions to improve the workplace experience of the healthcare workforce.				Work continues on making our workplaces safer for our people, including establishing national reporting systems, implementing staff wellbeing and fatigue management initiatives, and ensuring effective staff support services through a recommissioned Employee Assistance Programme. Ngātahitanga Pulse Survey actions continue to be progressed. We will continue to monitor improvement in our people's experiences, and in culture, over time through subsequent 'Pulse' surveys of our staff.			Repeat per Q4 22/23.	The recommendations from the Fatigue Management working group are being implemented with key resource from Hospital and Specialist Services and in partnership with unions. Guidelines and comms messages on safe travel home and nutritious food options are almost ready to be released. Te Whātu Ora and Te Aka Whai Ora jointly presented actions to implement Te Mauri o Rongo, and broader actions to support culture change, at the Union Summit in November. Te Mauri o Rongo is embedded into all position descriptions and in a number of our key people policies (Code of Conduct, and anti-bullying policies).			
P&C	A new health system focused on people	1.3.1	2 - Partner	Increase the number of Māori, Pacific and Tāngata whāikaha Disabled people in leadership and decision-making roles across the system.				Significant progress has been made on Simplify to Unify programme across Te Whātu Ora, but work continues to strengthen inclusive recruitment practices and drive diversity through recruitment to new leadership roles.			Continuous improvement – review, measure and improve. Review the number of disabled people in leadership roles.	Simplify to Unify change processes have applied pressure to recruitment functions; however, opportunities are being taken where possible to strengthen inclusive recruitment practices and drive diversity through recruitment to new leadership roles. Establishment of a Leadership Institute has been highlighted in the Workforce Plan.			
P&C	A new health system focused on people	1.3.2	2 - Partner	Establish leadership programmes to develop our existing and future leaders in health.				Work is ongoing to develop a Leadership Institute, including commencing a procurement process to find a partner to work with us to build the Institute to grow our leadership development capability.			Running pilot. Continuous improvement and engagement with leaders and workforce.	Request for Proposal process ongoing and procurement panel established.			

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P&C	Priority populations	4.1.10e	2 - Partner	Build a network of non-Māori practitioners who are mentors and leaders on cultural safety work, who can build Te Tiriti awareness and help non-Māori understand their responsibilities to Māori.				Work is ongoing to identify which regions have cultural safety and Tiriti o Waitangi supports that could be used to create nationally consistent guidance for all staff.			NO MILESTONE		No Milestone		
P&C Transfer from PODU	A unified health system	3.1.1a	3 - Monitor	Implements a national, regional and local organisation structure that unifies and simplifies the system using a consistent standardised operating structure for corporate functions, including people and culture, finance, commissioning, hospital and specialist, data and digital and infrastructure.							NO MILESTONE		No Milestone		
P&C Transfer from PODU	A unified health system	3.1.1b	3 - Monitor	Capture the efficiencies of consolidation to redirect resources to the delivery of healthcare • reduce the overall proportion of expenditure related to management costs, redeploy those savings to frontline staff and services.							NO MILESTONE		No Milestone		
P&C Transfer from PODU	A unified health system	3.1.1c	3 - Monitor	Implement a consistent standardised operating structure for corporate functions, including people and culture, finance, commissioning, hospital and specialist, data and digital and infrastructure							NO MILESTONE		No Milestone		
PAC	A new health system focused on people	1.1.2	3 - Monitor	Build on a national Pacific community and lived experience engagement framework to include and embed diverse Pacific voices into the design, delivery and performance of the health system.				Recruitment for the Intelligence & Insights - Communications and Community Engagement team continues.			Ongoing roll out of localities. Engage where Pacific communities are populated. Support Pacific Providers to develop monitoring and evaluation tools to reflect contractual obligations. Commission where appropriate	The Pacific Intelligence function - Communications and Community engagement team is being recruited to and will be doing both an international and local scan of existing relevant frameworks looking to develop a meaningful engagement framework that will enable consistency and strength to the insights drawn from our Pacific communities			
PAC	A new health system focused on people	1.3.3	3 - Monitor	Establish Pacific-led regional leadership structures for Pacific health in each region.							Review and apply strategies	The Fatu Fono Ola (National Pacific Health Senate) meets monthly to endorse and advise on work prioritised for the Pacific Health Group.			
PAC	Improving health outcomes and equity	2.4.3	3 - Monitor	Develop a Pacific whānau-focused integrated care model for diabetes and implement a dedicated prevention and management programme in South Auckland for Pacific communities – Budget 22.							Prototype MOC using south Auckland provider(s) on differing capacity scales	See action 4.2.3a		Time	See action # 2.3a
PAC	Priority populations	4.2.1a	3 - Monitor	Embed diverse Pacific voices in decision making across the health system.				Pacific Health have embedded Pacific voice into two actions; the Patient experience engagement framework (1.1.2) and the Pacific Health Senate (4.2.1f).			Ongoing roll out of localities. Engage where Pacific communities are populated. Support Pacific Providers to develop monitoring and evaluation tools to reflect contractual obligations. Commission where appropriate	Completed			
PAC	Priority populations	4.2.1b	3 - Monitor	Build on the Pacific community engagement framework in partnership with Pacific communities and relevant stakeholders to embed Pacific aiga and community voice into the reformed system.							Ongoing roll out of localities. Engage where Pacific communities are populated. Support Pacific Providers to develop monitoring and evaluation tools to reflect contractual obligations. Commission where appropriate	Regional Leads engaging with Group Manager Community Engagement & Insights in developing an engagement approach workplan.			
PAC	Priority populations	4.2.1c	3 - Monitor	Strengthen and build on existing Pacific networks, and develop new networks where there are current gaps, that include churches and other community groups, to develop, support and implement the engagement framework.							Ongoing roll out of localities. Engage where Pacific communities are populated. Support Pacific Providers to develop monitoring and evaluation tools to reflect contractual obligations. Commission where appropriate	Completed			
PAC	Priority populations	4.2.1d	3 - Monitor	Support Pacific communities and providers to be active partners in the establishment of localities.							Ongoing engagement support and monitoring.	Ongoing engagement support and monitoring.	No Milestone		
PAC	Priority populations	4.2.1e	3 - Monitor	Establish a robust national Pacific health data and intelligence function.				Completed			Support providers in the development of their patient management and reporting skillsets.	Head of Pacific Intelligence and Insights hired June 30 with three positions mapped from previous DHBs and 20 positions to hire to. It is expected this will take 3-6 months.			
PAC	Priority populations	4.2.1f	3 - Monitor	Establish a highly connected national Pacific Clinical Network to help support and mobilise the clinical workforce and create a forum where insights from frontline staff are systematically captured and used to inform quality improvement and service development.				Completed			Monitor actions where insights are systematically captured and used to inform quality improvement and service development.	Fatu Fono Ola (National Pacific Health Senate) has been established and connections made with the National Clinical Network as well as Te Whiri Kaha (Māori Clinical Network). Interventions are being drafted and to go to ELT in the next quarter for approval.			
PAC	Priority populations	4.2.1g	3 - Monitor	Commission research to support development of evidence-based care pathways and responsive models in priority clinical areas, including maternity and early years care, long-term conditions and mental health services.				In June, the Rheumatic Fever Roadmap 2023–2028 was launched by Dr Anae Neru Leavasa MP for Takanini on behalf of Hon Minister Edmonds. The Roadmap was developed to reset, renew, and simplify efforts to tackle rheumatic fever and rheumatic heart disease. It brings together those involved in rheumatic fever and rheumatic heart disease prevention and management and focuses activities and priorities into a coherent plan.			Procure/shortlist/finalise/contract/commission/review and edit/launch research based on timeline of each piece of research.	Commenced the commissioning of research for the Kahu Taurima Pacific pilot providers and research is included in the Diabetes Action Plan. In addition there is a review of secondary care mental health services for Pacific underway.			
PAC	Priority populations	4.2.2a	3 - Monitor	Resource regional Pacific Community Hubs so that Pacific providers can work together in an integrated way at local and regional levels.				6 Providers across 4 Regions have Community Hub funding			Implementation	South Seas Health Hub proposal still to be resubmitted. Previous proposal declined. Kaute Pasifika approved as primary care provider, exploring primary care models that will meet the needs of Pacific in the region. Te Waipouanamu Hubs partners reports to Commissioning.			
PAC	Priority populations	4.2.2b	3 - Monitor	Co-create partnerships with new Pacific providers in growth localities that do not currently have a Pacific health provider.							Agree on plan and implementation.	PPDF review completed. Second phase of investments into new providers scheduled in Q2. 2 New Pacific GP Provider branches opened in Manurewa & Otahuhu. 1 Pacific Provider increasing its capacity for enrolment with a move to new Premises. Continue providing support to 2 New NGOs delivering on Dementia & Older People's health needs. New provider applicants from Te Waipouanamu for PPDF.			
PAC	Priority populations	4.2.2c	3 - Monitor	Conduct feasibility studies for Hawkes Bay and South Island providers to expand into primary care.							Agree on plan and implementation.	Work underway to commission a feasibility study in early 2024 for a Pacific primary health care and outreach service in Hawke's Bay. Work underway to procure primary mental health and addiction services in South Island.			
PAC	Priority populations	4.2.2d	3 - Monitor	Support the continuation of innovative models-of-care developed through the COVID-19 response: •Strengthen Pacific providers by investing in the infrastructure required to sustain innovative models-of-care •Assess how innovative models-of-care can be scaled up at different regional levels.				37 outreach contracts completed for Pacific providers to sustain their covid-19 teams and pivot to immunisation; PPDF panel held and funding allocated.			NO MILESTONE	PPDF panel was completed with over \$5million committed in this years round. Projects have focused on provider development and maintaining providers capacities to deliver innovative models post COVID-19.	No Milestone		
PAC	Priority populations	4.2.2e	3 - Monitor	Fund Pacific providers who implement models of Pacific family-centred care that integrate maternity, early years care, primary care, hospital and social service providers.				Almost 55 kaiāwhina FTE will be established in Pacific providers to help improve access to services for Pacific aiga/kainga/famii. Additional funding has been allocated for the training and development of the newly created kaiāwhina workforce. This will be jointly administered between Te Aka Whai Ora and Te Whatu Ora's Pacific Commissioning team. Total investment for Pacific health is almost \$8.7 million.			NO MILESTONE	Agreements now in place for kaiāwhina with 28 providers nationally. Focus is on implementation, reporting and monitoring provider progress.	No Milestone		

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PAC	Priority populations	4.2.2f	3 - Monitor	Enter into high-trust, flexible and outcomes-based contracts with Pacific providers based on a shared understanding of their needs and innovative approaches.				Scope for integrated contracts has now expanded to include primary care contracts for Pacific GP providers and has required further support from legal and finance to incorporate the PHOSA into our Master Terms & Conditions. Establishment of several workstreams for interdependencies including Legal, Primary care funding model, HSAAP, Data & Digital, Pacific Commissioning & Pacific Finance			National rollout commenced.	Integrated contract shared with Markerita for approval and feedback before feedback on contract to be shared back with Pacific providers. Development of project plan for the D&D component and approval of funding. Recruitment of Head of commissioning to build team to embed these outcomes-based contracts in Pacific providers as BAU.		Time	We continue to work closely with our six providers across the moa and our SMEs on the various work streams to facilitate completion before June 2024. Data and digital are also partnering with us to enable better data capture of activity and outputs that improve Pacific health outcomes.
PAC	Priority populations	4.2.3a	3 - Monitor	Develop a Pacific whānau-focused diabetes integrated care model: <ul style="list-style-type: none"> Invest in a South Auckland-based pilot over a four-year period that brings together Pacific communities and providers to deliver health promotion, community-based primary and secondary care focused on prevention, early intervention and optimal treatment of diabetes. 				B22 Year 2 contract to be out by Feb 2024			Prototype MOC using south Auckland provider(s) on differing capacity scales	B22 Y1 work in progress - Work Plan due 18 Dec. Locality Partners identified. Evaluation by Moana Connect. Service Delivery by The Pacific Consortium; Te Ora Puawai & Tofa Mamao. Data from Pacific Provider enrolled population with diabetes & pre-diabetes received from 2 Pacific Providers with 4 more to come. Commissioning of B22 Year 2 is progressing. Engagement with Pacific Providers and regular support ongoing. Engagement with Data & Intel, Diabetes Retinopathy Screening Manukau to roll out AI for DRS ongoing as part of holistic model of delivery. Diabetes basic knowledge Micro credentialing of Kaiwhina as part of increasing capabilities & capacity in providing diabetes care is ongoing with UCOL & workforce lead B22 Y2 Service Specification completed for 7 Pacific Providers and 8 Community Groups also completed.		Time	+ Southsides contract delayed awaiting a detailed plan for the new service from the provider. + Southsides is part way through a full services agreement audit including Covid-19 activities. + Workplans with other providers are underway
PAC	Priority populations	4.2.3b	3 - Monitor	Evaluate current models offering primary through to specialist care including screening, prevention, early treatment and management of eye, foot and kidney complications, and assess how these can be scaled up at different localities and regional levels.				Understanding current state analysis for patients with diabetes from Primary to Specialist care to identify gaps for Pacific patient. Developing an evaluation framework considering the learnings from the Fundamentals of Care Framework.			Prototype MOC using south Auckland provider(s) on differing capacity scales	Work in Retinopathy/Ophthalmology in on track. Podiatry & Renal are yet to start		Other	Multiple stakeholders to engage with to complete current state analysis. Identify dedicated resource to project manage.
PAC	Priority populations	4.2.3c	3 - Monitor	Support Pacific providers to identify and address the health needs of priority communities, including youth, the rainbow community, older people, Tagata sa'ilimalo/the collective of families, carers and people with disabilities, and those with lived experience of mental illness and addiction.							Ongoing roll out of localities. Engage where Pacific communities are populated. Support Pacific Providers to develop monitoring and evaluation tools to reflect contractual obligations. Commission accordingly.	Engaged with Talavou Village to provide support for their LANU Program for the Rainbow Youth Community to address their mental health & wellbeing concerns. Te Waipounamu with targeted approaches across the region. Access and Choice with Southern providers.			
PAC	Priority populations	4.2.3d	3 - Monitor	Ensure Pacific people and aiga are prioritised in the restart of planned care following the pandemic.				Development of a Pacific Hospital dashboard to monitor Planned Care and Patient flow performance. Regular reporting of Pacific hospital performance at appropriate local, regional and national forums.			Support providers in the development of their patient management and reporting skillsets.	Planning in progress with preliminary discussions with Pacific Insights and Intelligence team. Member of Planned Care Oversight Group		No Milestone	
PAC	Priority populations	4.2.3f	3 - Monitor	Work with health providers and sector leaders to address the health gaps and needs of Pacific children following the pandemic, with a focus on strengthening immunisation services and oral health with improved coverage.				Pacific provider pilots for Kahu Taurima have been commissioned to commence in South Auckland, Wellington, and across some areas in the South Island. These regions have been selected due to the large or growing Pacific populations.			Finalise contract and commission.				
PAC	Priority populations	4.2.3g	3 - Monitor	Support ongoing work across the sector to reduce current cancer health inequities of Pacific people and families: <ul style="list-style-type: none"> Urgently address the decline in Pacific people's breast, bowel and cervical cancer screening rates and ensure Pacific people with a diagnosis get the care needed. Work with relevant Northern region health providers and health leaders to provide sufficient resource and ongoing support for a consistent approach to the early diagnosis and treatment of endometrial cancer. Work with Te Aho o Te Kahu to develop closer to home care principles for cancer patients and their aiga. Work with Northern region health providers, health leaders and researchers to develop maternal mental health models of care for Pacific women; to be implemented as part of Kahu Taurima. 							Implementation	Pacific Pipeline paper getting finalised for ELT approval - key activities with investment			
PAC	Priority populations	4.2.4a	3 - Monitor	Develop a comprehensive Pacific Health Workforce Development Strategy to attract, train, strengthen, upskill and retain a growing Pacific workforce				Completed			NO MILESTONE			No Milestone	
PAC	Priority populations	4.2.4b	3 - Monitor	Work with the education sector to identify secondary and tertiary education barriers to Pacific health education and training and the solutions to help.				Completed			NO MILESTONE			No Milestone	
PAC	Priority populations	4.2.4c	3 - Monitor	Invest in initiatives and activities supporting Pacific health providers' workforce capability and capacity development.				Completed			NO MILESTONE			No Milestone	
PAC	Priority populations	4.2.4d	3 - Monitor	Establish a programme to support the training and employment of Pacific nurse specialists in priority clinical areas of maternity and early years care and diabetes.				Completed			NO MILESTONE			No Milestone	
PAC	Priority populations	4.2.4e	3 - Monitor	Investigate options to increase General Practice Education Programmes 1 and 2 teaching practices within Pacific providers.				Completed			NO MILESTONE			No Milestone	College of GPs
SII	A new health system focused on people	1.1.1	2 - Partner	Implement mechanisms that ensure Te Whatu Ora and Te Aka Whai Ora value the voices of consumers and whānau in all service design and improvements: <ul style="list-style-type: none"> Establish a National Consumer Leadership Network 				A paper on the review of Consumer Councils has been approved by ELT and the plan to regionalise existing district councils will begin Q1 2024. Leadership will be drawn from the new regional groups as well as the HQSC Aotearoa Consumer Forum			Develop implementation plan. Evaluate progress with application of service design approach.	Review on the role and scope of existing district consumer councils carried out with National chairs group, HQSC and Te Aka Whai Ora to determine how these can transition to national and regional structures. Paper approved by ELT in Dec 23. Comms plan being developed for roll out by end of Q3. three of four regional leads in CEVV appointed in Dec 23 will support HHS in regionalisation of consumer council mechanisms.		Time	
SII	A new health system focused on people	1.1.1	2 - Partner	Implement mechanisms that ensure Te Whatu Ora and Te Aka Whai Ora value the voices of consumers and whānau in all service design and improvements: <ul style="list-style-type: none"> Implement people and whānau centred design 				A codesign team now forms part of CEVV. National Co-Design Network Steering Group established with terms of reference. Co-design team initiated provision of codesign support, with a regional rollout expected in 2024.			Develop implementation plan. Evaluate progress with application of service design approach.	A codesign team is in place within CEVV and a National co-design Lead currently being recruited. Team has provided codesign support NPHS, BreastScreen Aotearoa service. Co-design team has begun to provide co-design support to NPHS in their review of the national breast screening service, and also the Lakes programme "No one dies alone"		Time	
SII	A new health system focused on people	1.1.1	2 - Partner	Implement mechanisms that ensure Te Whatu Ora and Te Aka Whai Ora value the voices of consumers and whānau in all service design and improvements: <ul style="list-style-type: none"> Measure and publish consumer and whānau experience 				Consumer & whānau experience is currently measured through the adult inpatient experience survey at HHS and the adult primary care survey. Data is collected by districts and collated by HQSC. A paper is being prepared to bring TWO to a single national consumer and whānau experience system based on the latest version of Datix RL. Paper to go to ELT in Q1 2024.			Develop implementation plan. Evaluate progress with application of service design approach.	CEVV have been working with HHS and Data and Digital to nationalise existing Consumer feedback and experience systems. Multiple versions of current system need to be brought into a single national version. Funding and collaboration with HHS and D&D will be required to meet this deliverable.			

Business Unit	Section	Action Number	Te Aka Whai Ora Role	Action Description	Action point Status	Biggest Risk category (fill in if action status is Amber or Red)	Risks and risk mitigations	Programme Delivery to date - what has been delivered? - Is the programme complete?	On track to achieve action by Jun 24	Action Delivered	Quarter Two milestone	Delivery update of Quarter Two milestone	Q2 Status	Biggest Risk category (fill in if action status is Amber or Red)	Risks and risk mitigations
SII	A new health system focused on people	1.1.4	2 - Partner	Build a platform with the Ministry of Ethnic Communities (MEC) to include diverse ethnic voices in the design, delivery and performance of the health system.				Report on progress on key actions New dedicated CEVW team member will take this forward once in place; end of 2023.			Work with partners to build the platform.	CEVW met with Ministry for Ethnic Communities (MEC) - prepared report on progress. Papers have been prepared on national interpreting services and Ethnic providers within our system for MEC.		Time	
SII	A new health system focused on people	1.1.5	3 - Monitor	Build a platform with the Rainbow community to include their voices in the design, delivery and performance of the health system.				Initial research undertaken with the Rainbow community - briefing paper written for Minister in Q4 . Work will progress faster once dedicated CEVW team member is in place; expected end of 2023.			Work with partners to build the platform.	Initial research undertaken with the Rainbow community - briefing paper outlines significant diversity across the rainbow community on platform function and design. A National Lead, Rainbow Communities has been appointed in Dec 23, who will begin leading this project in 2024		Time	
SII	Improving health outcomes and equity	2.4.1	3 - Monitor	Implement accessible and nationally consistent clinical pathways for diabetes, cardiovascular diseases, respiratory conditions, stroke and gout, supporting specialist teams to integrate with primary and community care providers to create seamless pathways for whānau.		Time		The Diabetes suite of pathways is clinically nationally aligned and maintained in partnership with t NZSSD, however further work is required with our commissioning partners to consider local gaps in service, unwarranted variation, and implementation across the motu. Programme is ongoing with 3 yearly review cycle of pathways		Yes	• Implementation commences	Allocation of long term condition priority pathways and futher programme planning to align with establishment of clinical networks.		People	Working with the teams allocate out national pathway development and consider the most effective use of resources while maintaining local pathways and keeping clinical information up-to-date to reduce clinical risk.
SII	A unified health system	3.1.4a	2 - Partner	Developing whole-of-system pathways including for prevention, self-care, community and primary care and in hospital settings to achieve nationally consistent, evidence-based care in the best setting for people and whānau for priority health needs including: • Develop health pathways that support equity, incorporating Mātauranga Māori, Te Ao Māori approaches, and integrating whānau perspectives to reduce the burden on whānau to navigate health services, particularly for complex care. • Standardise pathways across Aotearoa to remove differences in eligibility criteria and access to health pathways including diagnostics.				National Pathways developed and localised by most teams: Priority Equity Pathways Chronic Hepatitis C Cervical Screening - included national webinar Endometrial Cells on Cervical Screening Results Early Medical Abortion - available for localisation Nov 2023 System and outbreak response pathways Female Pelvic Mesh Complications - included consistent national referral form Post Natural Disaster Health Poliomyelitis Sexual Health suite of Pathways National agreement created with platform provider Decommissioned WestCoast website and created a collaborative site and team with Canterbury. Created a national pathway development process with equity embedded at each phase. Planning to implement Hospital Pathways across the motu. Programme is ongoing with 3 yearly review cycle of pathways		Yes	Initiate change implementation	National Lung Cancer Pathway signed off by National Lung Cancer working group, working with commissioning and H&SS to support implementation Early Medical Abortion National Pathway available for localisation and implementation National Bowel Screening Pathway in final equity review phase, available Q3 for localisation and implementation Asthma in Children Pathways in final wider stakeholder review phase, available Q3 for localisation and implementation Cognitive Impairment in development with target for availability March 2024 to align with national webinar.			
SII	A unified health system	3.1.5a	3 - Monitor	Partner with HQSC and clinical leaders across the system to ensure that quality and safety is reflected in performance monitoring, in the delivery of Te Pae Tata and in the delivery of all services.							NO MILESTONE		No Milestone		
SII	Priority populations	4.1.11e	3 - Monitor	Empower the system to identify and implement solutions to address inequities and monitor the impact of actions.		Time		1. A lot of equity work across a range of directorates and teams, including frameworks/ tool development/ deployment, visibility and alignment of this alongside higher level Te Whatu Ora equity framework development - framework will need a communication and implementation plan, including support requirements 2. Data availability for the range of equity parameters for health target reporting - identify areas of data development in deep dive		Yes	Action mainstreamed into BAU	Delay due to consultation process and key appointments, particularly for the equity framework		Time	Key senior staff in place - working on project team for framework
Te Aka Whai Ora	Improving health outcomes and equity	2.5.2	1 - Lead	Design and expand Te Ao Māori and Pacific mental health service solutions, including primary mental health and wellbeing, access and choice services.		No Risk		The roll out of kaupapa Māori access and choice services is progressing within expectations.		No	Ongoing phased roll out of services	The roll out of kaupapa Māori access and choice services is progressing within expectations.		No Risk	
Te Aka Whai Ora	A unified health system	3.1.6b	1 - Lead	Develop sustainable and integrated funding arrangements for existing and new Iwi and Māori organisations and Pacific providers reaching 25 percent of eligible providers in the first year and 50 percent in year two.		No Risk		The draft Integrated Agreement template is being prepared, ensuring that it is based on the interim outcomes framework, aligns to key priorities of the current government, meets any legislative and regulatory requirements, and is fit for purpose. Once the content is ready, we will engage with providers in two phases 1) those partners ready to commission for outcomes from 1 July 2024; 2) those that require more support before moving to an outcomes-based commissioning agreement.		No	Complete engagement and identify next 25% of providers.	The draft Integrated Agreement template is being prepared, ensuring that it is based on the interim outcomes framework, aligns to key priorities of the current government, meets any legislative and regulatory requirements, and is fit for purpose. Once the content is ready, we will engage with providers in two phases 1) those partners ready to commission for outcomes from 1 July 2024; 2) those that require more support before moving to an outcomes-based commissioning agreement.		No Risk	
Te Aka Whai Ora	Priority populations	4.1.10d	1 - Lead	Assess and improve the cultural safety of healthcare organisations.		Other	Clarity regarding who is responsible to deliver this action, and that regular monitoring takes place.	Further discussion is need with Te Whatu Ora to determine the best approach to reporting against this measure, including specificity as to respective roles and responsibilities.		No	Implement & monitor.	Further discussion is need with Te Whatu Ora to determine the best approach to reporting against this measure, including specificity as to respective roles and responsibilities.		Other	Clarity regarding who is responsible to deliver this action, and that regular monitoring takes place.
Te Aka Whai Ora	Priority populations	4.1.11c	1 - Lead	Embed Māori sovereignty frameworks and practice for governance of data and information, privacy and security. Ensure appropriate data and protection standards are in place.		Other	The Government's support for this mahi is unclear.	Māori data sovereignty and data governance frameworks have been approved by Te Aka Whai Ora ELT and are ready for consultation and testing with other agencies / iwi / IMPBs. However, the new Government's support for this mahi needs to be clarified.		No	Update framework based on engagement.	Māori data sovereignty and data governance frameworks have been approved by Te Aka Whai Ora ELT and are ready for consultation and testing with other agencies / iwi / IMPBs. However, the new Government's support for this mahi needs to be clarified.		Other	The Government's support for this mahi is unclear.
Te Aka Whai Ora	Priority populations	4.1.1a	1 - Lead	Partner with Iwi Māori Partnership Boards to develop interventions that are tailored for Māori, build community capability and ultimately work for Māori.		Other	Due to the potentially expanding role and level of functionality expected of IMPBs there are resourcing and timing	Planned support to IMPBs is progressing well with regular engagement occurring, working groups established and IMPB health status profiles provided. Te Aka Whai Ora is also responding to the potentially expanded role and level of functionality expected of IMPBs as part of the transition.		No	Continue development & pilot interventions.	Planned support to IMPBs is progressing well with regular engagement occurring, working groups established and IMPB health status profiles provided. Te Aka Whai Ora is also responding to the potentially expanded role and level of functionality expected of IMPBs as part of the transition.		Other	Due to the potentially expanding role and level of functionality expected of IMPBs there are resourcing and timing
Te Aka Whai Ora	Priority populations	4.1.1b	1 - Lead	Work with the Public Health Agency to develop and implement evidence-based public health and legislative interventions that reduce harm from alcohol and other drugs.		No Risk		The environmental scan for alcohol and other drugs has been completed and is in the final peer review stage. This will be submitted to lead sponsors on 30 January 2024.		No	Complete a gaps analysis using Q3 and Q5 milestones as the comparison.	The environmental scan for alcohol and other drugs has been completed and is in the final peer review stage. This will be submitted to lead sponsors on 30 January 2024.		No Risk	
Te Aka Whai Ora	Priority populations	4.1.1c	1 - Lead	Review the national approach to Māori suicide prevention and construct suicide prevention approaches consistent with mātauranga Māori to reduce the rate of suicide and suicidal behaviour.		No Risk		The final draft report has been received and feedback being incorporated. A plan is being drafted for the release of the report once finalised.		No	Implement reporting and track progress.	The final draft report has been received and feedback being incorporated. A plan is being drafted for the release of the report once finalised.		No Risk	

Business Unit	Section	Action Number	Te Aka Whai Ora Role	Action Description	Action point Status	Biggest Risk category (fill in if action status is Amber or Red)	Risks and risk mitigations	Programme Delivery to date - what has been delivered? - Is the programme complete?	On track to achieve action by Jun 24	Action Delivered	Quarter Two milestone	Delivery update of Quarter Two milestone	Q2 Status	Biggest Risk category (fill in if action status is Amber or Red)	Risks and risk mitigations
Te Aka Whai Ora	Priority populations	4.1.4a	1 - Lead	Provide wrap-around support for wāhine hapū antenatal and birthing care, including identifying ways to provide longer-term intervention and prevention services.		No Risk		Kahu Taurima contracts are in place, with services currently at implementation and early service delivery stage. A series of wānanga has been held which has provided opportunity for partners to work together, learn and support across the motu.		No	Develop new commissioning models that reflect the new service development models for all First 2000 Days programmes and services.	Kahu Taurima contracts are in place, with services currently at implementation and early service delivery stage. A series of wānanga has been held which has provided opportunity for partners to work together, learn and support across the motu.		No Risk	
Te Aka Whai Ora	Priority populations	4.1.4b	1 - Lead	Design immunisation and Well Child Tamariki Ora services that work for Māori and build off a strongly integrated maternity service.		No Risk		Te Whatu Ora is leading procurement of providers to test the redesigned Well Child Tamariki Ora schedule. The procurement went live in December and is due to close in February.		No	Develop new commissioning models that reflect the new service development models for all First 2000 Days programmes and services.	Te Whatu Ora is leading procurement of providers to test the redesigned Well Child Tamariki Ora schedule. The procurement went live in December and is due to close in February.		No Risk	
Te Aka Whai Ora	Priority populations	4.1.4c	1 - Lead	Develop whānau-orientated interventions that provide intensive support for maternity and the early years.		No Risk		Similar to 4.1.4a, Kahu Taurima contracts are in place, with services currently at implementation and early service delivery stage. A series of wānanga has been held which has provided opportunity for partners to work together, learn and support across the motu.		No	Develop new commissioning models that reflect the new service development models for all First 2000 Days programmes and services.	Similar to 4.1.4a, Kahu Taurima contracts are in place, with services currently at implementation and early service delivery stage. A series of wānanga has been held which has provided opportunity for partners to work together, learn and support across the motu.		No Risk	
Te Aka Whai Ora	Priority populations	4.1.6a	1 - Lead	Iwi Māori Partnership Boards are in place and engaged locally, regionally and nationally.		No Risk		We continue to engage with the 15 IMPBs currently established. Regular six-weekly Board / IMPB hui are occurring. IMPB Working Groups have commenced, IMPB data profiles have been provided. We are also continuing to support two emerging IMPBs as they move through the establishment process and will continue to do so moving forward as they work through the formal recognition process following the 2023 General Election.		No	IMPBs engaged in emerging localities as well as regional and national forums.	We continue to engage with the 15 IMPBs currently established. Regular six-weekly Board / IMPB hui are occurring. IMPB Working Groups have commenced, IMPB data profiles have been provided. We are also continuing to support two emerging IMPBs as they move through the establishment process and will continue to do so moving forward as they work through the formal recognition process following the 2023 General Election.		No Risk	

Still assessing' missing information
Still awaiting status for Q2 milestone

Release under the Official Information Act 1982

Briefing

Mason Clinic request for additional HCE funding for immediate cost pressures

Date due:	18 March 2024	Priority:	Urgent
Security classification:	In Confidence	Reference:	Health NZ00032347
To:	Hon Dr Shane Reti, Minister of Health Hon Nicola Willis, Minister of Finance		
From:	Jeremy Holman, Chief Infrastructure and Investment Officer, Infrastructure and Investment Group		
Copy to:	Hon Matt Doocoy, Minister of Mental Health		

Minister:	Action sought:	Action required by:
Hon Dr Shane Reti, Minister of Health	Agree to the allocation of S 9(2)(j) in additional HCE funding to the Waitematā E Tū Wairua Hinengaro Mason Clinic Redevelopment project.	27 March 2024
Hon Nicola Willis, Minister of Finance	Agree to the allocation of S 9(2)(j) in additional HCE funding to the Waitematā E Tū Wairua Hinengaro Mason Clinic Redevelopment project.	27 March 2024

Contact for discussion			
Name	Position	Phone	1 st contact
Aaron Matthews	Head of Infrastructure Planning and Investment	S 9(2)(a)	X
Jeremy Holman	Chief Infrastructure and Investment Officer		

The following departments/agencies have been consulted:
The Ministry of Health, The Treasury

- Minister's office to complete
- | | |
|--|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Comments | <input type="checkbox"/> Withdrawn |

Comments:

Briefing: HNZ00032347: Mason Clinic request for additional HCE funding for immediate cost pressures

Purpose

1. This briefing seeks your approval to allocate S 9(2)(j) in additional Health Capital Envelope funding to a project experiencing cost pressure.

Recommendations

Health New Zealand | Te Whatu Ora (Health NZ) recommends that you:

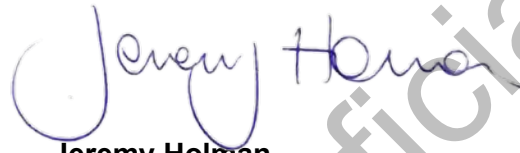
	Minister of Health	Minister of Finance
<p>Note that of the S 9(2)(j) in the Health Capital Envelope:</p> <ol style="list-style-type: none"> a. S 9(2)(j) is allocated and approved to existing projects. b. S 9(2)(j) is available for allocation for projects that have yet to be approved and the management of cost pressures. 		
<p>Note in the Health NZ capital plan for FY2023/24, a national contingency pool of S 9(2)(j) has been set aside to manage cost pressures within the infrastructure portfolio. You will receive a separate briefing (Health NZ00032350) seeking Ministerial approval to use these Health NZ capital funds for other projects facing cost pressures.</p>		
<p>Note in November 2023, the Health NZ Board endorsed a budget uplift of S 9(2)(j) for the Waitematā E Tū Wairua Hinengaro Mason Clinic Redevelopment project to progress to Ministers for approval of additional Health Capital Envelope funding to support cost pressures.</p>		
<p>Note due to new cost pressures for the New Dunedin Hospital, there was a delay in securing approval for the S 9(2)(j) cost increase to Waitematā E Tū Wairua Hinengaro Mason Clinic Redevelopment project. There is now a further cost increase to the project of an additional \$1.6 million to a total request of S 9(2)(j)</p>		
<p>Note through the Health Capital Envelope and the national contingency pool set aside in the Health NZ capital plan, the total S 9(2)(j) cost increase for the Waitematā E Tū Wairua Hinengaro Mason Clinic Redevelopment project can be afforded.</p>		
<p>Note the Ministry of Health and the Treasury were consulted on this paper.</p>		
<p>Approve the allocation of S 9(2)(j) in additional Health Capital Envelope funding to the Waitematā E Tū Wairua Hinengaro Mason Clinic Redevelopment project.</p>	Yes / No	Yes / No

Hon Nicola Willis,
Minister of Finance

Hon Dr Shane Reti, Minister of
Health

Date:

Date:



Jeremy Holman
Chief Infrastructure and
Investment Officer

Infrastructure and Investment
Group
Health New Zealand | Te Whatu
Ora

Date: 22 March 2024

Briefing: HN200032347: Mason Clinic request for additional HCE funding for immediate cost pressures

Background

2. We provided an overview of the total cost pressures within the Health Capital Envelope (HCE) through the Budget 24 Capital submissions (Health NZ00036065). This advice, included an assumption that some cost pressures would be funded through the HCE, including the Waitematā E Tū Wairua Hinengaro Mason Clinic Redevelopment project.
3. HCE funding is sought urgently due to the scale of the cost pressure and the pricing for the remaining 20% of sub-trades expiring on 31 March 2024. If delayed beyond March 2024, an estimated additional cost of S 9(2)(j) per month will be applied to the project. The Mason Clinic Redevelopment project is seeking S 9(2)(j) in additional funding.
4. Health NZ will allocate depreciation funding towards the management of some of the cost pressures across the infrastructure portfolio.
5. The Board has approved a capital plan for 2023/24 that includes a national contingency pool and set of principles to guide their allocation. From this contingency, S 9(2)(j) has been set aside to manage cost pressures within the infrastructure portfolio.
6. Proposed cost increases are reviewed by the Health NZ Board before submission to Ministers. The Letter of Expectations set by previous Ministers states that budget uplifts for projects with HCE funding require Ministerial approval, irrespective of funding source. Some projects planning to access baseline funds require Ministerial approval, and we are preparing separate advice for you on those projects.

Discussion

Budget 24 submission

7. Proposals to manage overall cost pressures are incorporated into the Budget 24 submission and include:
 - a. Proposed 'rephasing' of projects to enable the reallocation of S 9(2)(j) in funds not currently unrequired to manage current and future cost pressures.
 - b. A request for additional funding for the cost pressures of the New Dunedin Hospital S 9(2)(j) the Ōtara Specialist Rehabilitation Centre S 9(2)(j) and for a national contingency for future cost pressures S 9(2)(j)
 - c. Additional funding for new initiatives identified through the Infrastructure Investment Plan.
8. Cost pressures related to the Mason Clinic Redevelopment project were incorporated into Health NZ's reporting on the HCE prior to the initiation of the Budget process. These costs were accounted for in the Budget process and therefore do not impact on the recommendations from Health NZ to Ministers related to Budget 2024. The Capital Pipeline Review undertaken as part of the Budget process did not recommend changes to the phasing or scope of the Mason Clinic Redevelopment.

E Tū Wairua Hinengaro – Mason Clinic Redevelopment

S 9(2)(j)

budget uplift

9. The Waitematā E Tū Wairua Hinengaro Mason Clinic project is a replacement building on the Mason Clinic campus, incorporating four units and 60 inpatient beds. The existing building has weathertightness issues which are putting patient and staff safety and service continuity at risk.
10. The new facility will provide almost double the gross floor area of the existing facilities and will provide the first high-security mental health facility constructed since 1999, delivering psychiatric and general health care service improvements to reflect sector best practice. Currently the project has approved Crown funding for \$162.8 million.
11. In November 2023, the Health NZ Board endorsed the project budget uplift of S 9(2)(j) to progress to Ministers for approval of additional HCE funding to support cost pressures.
12. Due to the delay in securing Ministerial approval for the budget uplift to the Waitematā E Tū Wairua Hinengaro Mason Clinic Redevelopment project, there was a further cost increase to the project of S 9(2)(j), in addition to the S 9(2)(j), resulting in a new total project budget uplift of S 9(2)(j). The S 9(2)(j) increase was a result of extended procurements past the contract expiry date.
13. We recommend a S 9(2)(j) budget uplift for the project. This proposed uplift is a result of progressive trade letting which is substantively higher than budget estimates, along with additional construction works like asbestos removal, earthworks and ground conditions that impacted on the piling methodology required, and additional work to ensure code of compliance. These factors could not have been foreseen at the time of business case approval.
14. Health NZ was required to confirm its intention to proceed with construction by 29 February 2024, but this was delayed until the funding source for the New Dunedin Hospital cost pressure was confirmed.
15. The approach employed for managing cost pressure includes:
 - a. **To assess any scope change for the ongoing alignment to business case investment objectives** – There has been no material change in project scope as the increased costs are a result of discoveries through early enabling works to prepare the site for construction. If these changes had not been instructed, the construction would have been unable to continue and code of compliance would not be met.
 - b. **Use of project contingency in the first instance** – The project has needed to draw on S 9(2)(j) of contingency for unforeseen costs associated with asbestos removal in pipework, new piling requirements and for increased topsoil volumes. The project has also absorbed S 9(2)(j) for structural steel and concrete, formwork and reinforcing steel issues. These works were urgently required to ensure building code compliance.

Briefing: HNZ00032347: Mason Clinic request for additional HCE funding for immediate cost pressures

- c. **Value management activities, provision of a minimum viable product if significant overruns, and replacement of subtrades and/or suppliers for more competitive pricing** – The project team has committed to an agreed target of S 9(2)(j) in value management through combining commercial gains, design reviews, scope reduction and potential budget realignment. Activities undertaken include:
- i. Review at the end of each design phase to ensure it remained within budget, for example review of the cladding elements to reduce costs
 - ii. Seeking alternative suppliers where budget expectations have been exceeded during trade competitive tendering processes completed to date, packaging trades to be more attractive and cost effective, and intensive interrogation of supplier quotes against project requirements
 - iii. Initial pricing received totaled S 9(2)(j), compared with a budget estimate of S 9(2)(j) before procurement review by the project team and alternative strategies. Final pricing for the envelope trades is now S 9(2)(j). This is a reduction of S 9(2)(j) versus the initial submissions. Value management has achieved a reduction in cost greater than the initial target of S 9(2)(j)
- d. **Testing for phasing and scaling of investments at various levels of commitment and investigate alternative options** – Alternative options that have been considered and discounted are:

S 9(2)(g)(i), S 9(2)(j)



e. **Deferring the commitment to projects that are yet to complete detailed and/or implementation business cases subject to Minister approval –**

S 9(2)(g)(i), S 9(2)(j)

16. The project is maintaining an appropriate level of contingency to ensure no further requests for funding are required. S 9(2)(j) of the budget was allocated for construction contingency, equating to S 9(2)(j) of the total approved project budget. There is currently S 9(2)(j) in remaining contingency available to be used should any future project risks be realised. Any unspent contingency will be returned to the HCE to be recycled to support other projects. Health NZ consider this to be appropriate to complete construction over the next 20 months given the stage of the project and its complexity. It is in line with market estimates of S 9(2)(j) of total project cost.
17. If the budget uplift is approved, 100% of the sub-trades will be secured, significantly reducing project risks as many identified to date have been a result of the progressive trade letting.
18. This is a time-critical request given the Early Contractor Involvement structure and procurement status of the project. If Ministerial approval is not provided by the end of March 2024, there will be an increase of S 9(2)(j) per month in additional funding required, on top of the S 9(2)(j) requested. There will be supply and programme delays if sub-contractors are not engaged before the end of March, impacting the ordering of required materials. There will also be implications to the practical completion date resulting in an extension to the project schedule and further cost increases to cover the additional time.
19. The timing for this decision is urgent as Health NZ needs to confirm prior to 31 March 2024 whether it intends to proceed with construction or to terminate the contract.
20. If the uplift is approved before the end of March 2024, there will be no material delay to the project's practical completion date.

Te Tiriti o Waitangi

21. This paper relates to the management of delivery risks and cost pressures of existing projects where commitments and approvals have already been undertaken and their contribution to Te Tiriti and Te Pae Tata have already been confirmed. It is essential that delivery risks are mitigated to ensure we are meeting our obligations.

Financial implications

22. The cost escalations across the portfolio have been known for some time and the risk remains of additional costs emerging for projects continuing to experience cost pressures.
23. No new funding is required to fund this cost pressure, as existing funds within the HCE are sufficient to cover the S 9(2)(j) requested. As of 29 February, the HCE has approximately S 9(2)(j) remaining to be allocated to new projects and cost pressures.
24. Should the uplift be approved, there could be a surplus of up to S 9(2)(j) in available HCE funding, accounting for all known cost pressures and budgets for projects. This figure includes assumptions related to decisions on the health capital portfolio yet to be taken by Ministers.

Ministry of Health Consultation

25. The Ministry of Health supports the provision of S 9(2)(j) additional funding from the HCE to allow the progression of this project. The investment will replace current facilities which are in poor condition and present service and health and safety risks. The Ministry received this request for funding from Health NZ on 19 March 2024 and, due to the timeframes, our review has been limited in scope.
26. It appears that the project is maintaining a relatively high contingency reserve for the current stage (project risk should decrease as the project proceeds). As funding this request will decrease HCE funding available for other projects, we rely on Health NZ having assured itself that this level of contingency remains appropriate. The paper identifies a value management target to reduce the cost pressure. We recommend that Health NZ report on progress in achieving the value management activities as part of monthly reporting to maintain focus on delivery and avoid further calls on the remaining contingency.
27. The information provided by Health NZ identifies that the need for additional funding was known in November 2023 or prior, but delays in Health NZ seeking Ministerial approval have resulted in additional costs of S 9(2)(j). Health NZ should implement improvements to its processes to ensure timely submission of any future cost pressure requests.

The Treasury Consultation

28. The Treasury was consulted, and their feedback has been incorporated into this paper.

Next Steps

29. Subject to Ministerial approval, Health NZ will inform the project of approval for additional funding. Health NZ will provide a report back on the December quarterly update on cost pressures in April 2024.

Minister's Comments

Release under the Official Information Act 1982

Briefing: HNZ00032347: Mason Clinic request for additional HCE funding for immediate cost pressures

Briefing

B22 Data and Digital Foundations and Innovation Contingency – extension required

Date due:	22 March 2024	Priority:	Urgent
Security classification:	In Confidence	Reference:	HNZ00041210
To:	Hon Dr Shane Reti, Minister of Health		
From:	Leigh Donoghue, Chief Data and Digital		

Minister:	Action sought:	Action required by:
Hon Dr Shane Reti, Minister of Health	<p>Agree to extend the expiry date for Budget 22 contingency funding for data and digital initiatives until 30 September 2024</p> <p>Agree to forward this paper to the Minister of Finance for their agreement</p>	31 March 2024

Contact for discussion			
Name	Position	Phone	1 st contact
Leigh Donoghue	Chief Data and Digital, Health New Zealand	S 9(2)(a)	Leigh Donoghue
Darren Douglass	Director Strategy and Investment		Darren Douglass

The following departments/agencies have been consulted:
Ministry of Health, Treasury

Minister's office to complete

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Comments

Withdrawn

Comments:

Purpose

1. This briefing provides you with advice on the Data and Digital Foundations and Innovation tagged contingency created in Budget 2022 and seeks your agreement to extend the expiry until 30 September 2024 after the Budget 2024 process is complete.

Recommendations

Te Whatu Ora recommends that you:

Agree [specific decisions to be made by the Minister]	Yes / No
Agree to extend the expiry date for Budget 22 contingency 'Data and Digital Foundations and Innovation' until 30 September 2024	Yes/No
Agree to forward this paper to the Minister of Finance for their agreement	Yes/No
Note technology improvements and upgrades, including roster to payroll stabilisation investment, will be key to achieving your priorities for the health system in the next three years	Yes/No
Note that part of the reprioritisation of this funding is to be applied to Stabilisation of payroll that requires immediate investments.	Yes/No
Note there is also the Budget 21 contingency 'Data and Digital Infrastructure and Capability – Enabling Health System Transformation' which expires on 1 February 2025 and which we will provide advice on the drawdown of following conclusion of the Budget 24 process	Yes/No
Note both the Budget 21 and 22 contingencies are crucial for funding urgently needed initiatives that will directly support and enable delivery of the Government's priorities and to mitigate the increasing risk of failure of legacy systems that support frontline health services.	Yes/No

Hon Dr Shane Reti,
Minister of Health

Hon Nicola Willis,
Minister of Finance


Leigh Donoghue,
Chief Data and Digital
Health New Zealand

Date:

Date:

Date:

Background

Funding for key data and digital investment was allocated in Budget 2022, with tagged contingencies up to 2026/27 and outyears.

2. Budget 2022 established funding in contingency for 'Data and Digital Foundations and Innovation'. The purpose of this funding was to support health sector reforms and investment in priority areas that enable improvements in health system performance. This investment established tagged operating and capital contingencies in the health portfolio up to 2026/27 and outyears. Ministers of Health and Finance are authorised to draw down the contingencies and approve any changes to appropriations, subject to their satisfaction with:
 - a. the priority areas for investment and a high-level investment strategy that aligns to New Zealand Health Plan priorities; and
 - b. advice on governance and decision-making arrangements (including financial delegations) for allocating the funding to specific investments, which draw on the investment and governance frameworks and delegations agreed in SWC-21-MIN-0158 and to update these if necessary.
3. In September 2023, the then Ministers of Health and Finance approved partial drawdown of contingency funding to support:
 - a. establishing the National Data Platform,
 - b. supporting the establishment and national rollout of localities and iwi Māori partnership boards (IMPBs),
 - c. identifying and understanding inequities facing disabled people | tāngata Whaikaha Māori, and
 - d. a Pacific health data and intelligence function.
4. In September 2023, the then Ministers of Health and Finance also agreed to extend the expiry date of the Budget 22 contingency. This extension was only made until 31 March 2024, with \$50 million remaining in the contingency for capital expenditure and \$164.169 million remaining for operating expenditure until FY26/27 and \$22.667 million per year in out years.

Budget 22 contingency funding is vital to support achievement of the Government's priorities in Health

5. Data and digital services are uniquely positioned to reduce pressure on our health system while simultaneously unlocking service and delivery improvements that together enable achievement of your goal of providing timely access to high quality health care services for all New Zealanders.
6. We discussed your priorities for data and digital services, and digital modernisation as a

key enabler for health system productivity, in our 25th January 2024 deep-dive session with you. We've taken your direction to inform the development of a targeted set of priorities and actions that will drive enhanced productivity along with improving the timeliness and quality of our services.

7. This, along with our work to develop the New Zealand Health Plan in line with the direction you will set in the Government Policy Statement, will ensure that our investment proposals are aligned to your priorities.
8. Since we met, stabilizing payroll systems has emerged as a risk that will require immediate investment. Investment may be required to address payroll systems that will reach end of life within the next 18 months. The backlog of Holidays Act remediation and pay equity settlement payments has placed an extraordinary burden on payroll systems and exposed the fragility of what was inherited from DHBs. Further to this, there are parts of the country that are not only non-compliant but will require immediate rectification to ensure they will function while a medium-term solution is found. The immediate requirements to stabilize payroll are being assessed and costed. This work will be completed before the end of June 2024 and, given there is no funding set aside for this work the Board may recommend this contingency is applied to this risk.
9. In the context of the constrained financial environment in which the Government is operating, technology improvements and upgrades will be key to achieving your priorities for the health system in the next three years. Budget 22 contingency funding is critical to deliver key system structures and enabling capabilities to achieve your vision. Without this funding to support critical work, service outages are also likely to become more common due to the increasing risk of failure of our legacy systems that support frontline health services.

Extending the Budget contingency deadline to September 2024

A deadline extension is needed to enable us to drawdown this contingency in a way that aligns to Government priorities...

10. Following formation of the Government in November 2023, we have worked to understand which of our proposed investments best align to your priorities. As the next iteration of the New Zealand Health Plan is still in development, it has also been necessary to slow down finalising of proposals for drawdown to ensure our data and digital investments will support the key actions in the New Zealand Health Plan that give effect to your priorities (set out in the Government Policy Statement on Health).
11. As a result, we now consider that it will not be possible to complete a drawdown in advance of the 31 March 2024 deadline. Decisions to drawdown and change the contingency can be made jointly by you and the Minister of Finance. In light of this, we recommend that you agree to extend the deadline to 30 September 2024 and forward this paper to the Minister of Finance for their agreement.
12. We are recommending a six-month extension to the contingency expiry date as this timeline will include the moratorium period for Budget 24, following which we will continue to engage with Treasury and the Government Chief Digital Officer (GCDO)

having regard to the new Government Policy Statement and New Zealand Health Plan (to be finalised before 1 July 2024).

13. If the expiry date of the Budget 22 contingency is not extended it will mean that technology improvements and upgrades that are key to achieving your priorities for the health system in the next three years may not be delivered, and the risk of failure of our legacy systems that support frontline health services will increase.

... and meets central agencies' process expectations.

14. For the September 2023 drawdown, it was agreed with your predecessor that the next drawdown request would cover all of the remaining Budget 22 contingency funding, together with a review of all investments committed to and the value achieved, and the delivery and benefits detailed for each of the new investments for which funding is requested.
15. We will continue to engage with the Ministry of Health and Treasury on reporting and assurance on delivery, risk and financial performance for data and digital initiatives funded through the contingency.

Budget 21 contingency funding

Further advice will be provided in June 2024

16. There is an additional portion of contingency funding that was established in Budget 21 'Data and Digital Infrastructure and Capability – Enabling Health System Transformation' to maintain the interoperability, cybersecurity and technology services and solutions created using funding from this contingency. We are also ready to request drawdown of this funding in advance of its expiry on 1 February 2025. Allocation of this funding requires Cabinet approval and we will provide you with advice to progress this following the conclusion of the Budget 24 moratorium period.

Next Steps

17. If you agree with our proposal to extend the deadline for Budget 22 contingency funding to 30 September 2024, we recommend that you forward this briefing to the Minister of Finance and seek their agreement.
18. We will work to the following timeline for drawdown of the funds in advance of the new expiry date:

Advice	Date
Updated advice on investment priorities (following B24) including potential payroll stabilisation	12 June 2024
Report back – review of investments under B22	7 August
Full drawdown request	11 September 2024

19. We will also provide you with advice on the drawdown of Budget 21 contingency funding in June 2024.

Release under the Official Information Act 1982

Minister's Comments

Release under the Official Information Act 1982

Briefing

Seeking approval for budget uplift for infrastructure projects from baseline depreciation cash

Date due:	27 March 2024	Priority:	Routine
Security classification:	In Confidence	Reference:	HNZ00032350
To:	Hon Dr Shane Reti, Minister of Health		
From:	Jeremy Holman, Chief Infrastructure and Investment Officer, Infrastructure and Investment Group		
Copy to:	Hon Nicola Willis, Minister of Finance		

Minister:	Action sought:	Action required by:
Hon Dr Shane Reti, Minister of Health	Agree to increase the total project budget by S 9(2)(j) from Health New Zealand baseline depreciation over six projects.	5 April 2024
Hon Dr Shane Reti, Minister of Health	Agree to increase the total project budget for the Auckland PICU Bed Expansion and Atrium Redevelopment project by S 9(2)(j) from a third-party co-investment from the Starship Foundation	5 April 2024
Hon Nicola Willis, Minister of Finance	Agree to increase the total project budget by S 9(2)(j) from Health New Zealand baseline depreciation over six projects.	5 April 2024
Hon Nicola Willis, Minister of Finance	Agree to increase the total project budget for the Auckland PICU Bed Expansion and Atrium Redevelopment project by S 9(2)(j) from a third-party co-investment from the Starship Foundation	5 April 2024

Contact for discussion			
Name	Position	Phone	1st contact
Aaron Matthews	Head of Infrastructure Planning and Investment	S 9(2)(a)	X
Jeremy Holman	Chief Infrastructure and Investment Officer		

Briefing: HNZ00032350: Seeking approval for budget uplift for infrastructure projects from baseline depreciation cash

The following departments/agencies have been consulted:

Te Aka Whai Ora
The Ministry of Health
The Treasury

Minister's office to complete

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Comments

Withdrawn

Comments:

Purpose

1. This briefing seeks your approval to increase the total project budget for six projects funded from Health New Zealand | Te Whatu Ora (Health NZ) baseline depreciation and increase one project budget with a donation of § 9(2)(j) from the Starship foundation.

Recommendations

Health New Zealand recommends that you:

	Minister of Health	Minister of Finance
Agree to increase the total project budget by S 9(2)(j) from Health New Zealand baseline depreciation cash over six projects.		
a) S 9(2)(j) to the West Coast Te Rau Kawakawa Buller Integrated Family Health Centre project	Yes / No	Yes / No
b) S 9(2)(j) to the West Coast Te Nikau Grey Hospital project	Yes / No	Yes / No
c) S 9(2)(j) to the Northland New Community Mental Health Facility project	Yes / No	Yes / No
d) S 9(2)(j) to the Waimarino Health Centre Extension project	Yes / No	Yes / No
e) S 9(2)(j) to the Southern Urgent Interim Works – Deferred Main, Gastroenterology, Audiology, & ICU project	Yes / No	Yes / No
f) S 9(2)(j) to the Auckland Linear Accelerator Replacement project	Yes / No	Yes / No
Agree to increase the total project budget for the Auckland PICU Bed Expansion and Atrium Redevelopment project by S 9(2)(j) from a third-party co-investment from the Starship Foundation.	Yes / No	Yes / No

Hon Dr Shane Reti,
Minister of Health

Date:

Hon Nicola Willis,
Minister of Finance

Date:



Jeremy Holman
Chief Infrastructure and Investment Officer

Infrastructure and Investment Group
Health New Zealand | Te Whatu Ora

Date: 26 March 2024

Executive Summary

2. Health NZ infrastructure investments receive capital funding from the Health Capital Envelope (HCE) multi-year appropriation and Health NZ internal baseline depreciation funds.
3. The Health NZ Board (Board) has approved a capital plan for 2023/24 that includes a National Contingency Pool (NCP) in baseline depreciation to support cost pressures. This will significantly reduce the demand on the HCE.
4. No additional HCE capital is being sought. Six of the projects seek to use the NCP as a funding source and the Auckland – PICU Bed Expansion and Atrium Redevelopment project will be funded by a donation of S 9(2)(j) from the Starship Foundation.
5. The current capital settings require all projects with HCE funding to obtain Ministerial approval for budget uplifts, even if the budget uplift is not funded from the HCE.
6. The Board has approved the additional funding requests for the seven projects listed below, and this is affordable within the NCP. The NCP balance remaining will be S 9(2) for any future cost pressures.
7. When referring to baseline depreciation funding this is the cash generated from the depreciation expense.

Discussion

Projects experiencing cost pressures

8. We inherited projects approved under the previous health system and managed at the local District Health Board level. With the establishment of Health NZ, we now have greater visibility at a national level of the issues experienced by projects with cost escalations.
9. Table 1 below shows the projects that are recommended for a budget uplift funded from baseline depreciation. Further detail on these projects and assurances for value management can be found in Appendix 1.
10. Most of these projects have previously been signaled in reporting as seeking funding from the HCE. However, in order to better manage demands on the HCE, the Board now recommends these six projects to be funded from Health NZ's baseline depreciation.
11. One project, the Auckland – Paediatric Intensive Care Unit (PICU) Bed Expansion and Atrium Redevelopment project, is proposed to have its budget increase covered by the funding offered by the Starship Foundation.

Table 1 – Projects seeking budget uplift (\$ millions)

Project ID #	Project	Project Phase	Increase sought	Current HCE	Local Funding	Revised Cost
Baseline Depreciation funded						
10112	West Coast – Te Rau Kawakawa Buller Integrated Family Health Centre	Construction	\$9(2)(j)	\$21.0	\$0	\$9(2)(j)
10040	West Coast – Te Nikau Grey Hospital	Commissioning and Handover		\$134.2	\$0	
30025	Northland New Community Mental Health Facility	Construction		\$19.5	\$0	
30045	Waimarino Health Centre Extension	Design		\$2.0	\$0.2	
10027	Southern – Urgent Interim Works – Deferred Main, Gastroenterology, Audiology, & ICU	Construction		\$27.2	\$2.5	
102115	Auckland Linear Accelerator Replacement	Construction		\$10.0	\$1.3	
Subtotal				\$213.9	\$4.0	
Third-party co-investor						
30002	Auckland – PICU Bed Expansion and Atrium Redevelopment project	Construction	\$8.0	\$25.0	\$15.0	\$48.0
Total			\$22.8	\$238.9	\$19.0	\$280.7

12. Cost pressures for these projects have arisen because of one or more of the following:

- a. Additional construction work unforeseeable at the time of business case approval (e.g. asbestos removal).
- b. Dispute resolution costs with the main contractor.
- c. Market inflation since business case approval, including increased costs realised through procurement and finalising tenders.
- d. Receiving funding prior to detailed design being completed that has led to additional costs emerging through design process, for example duress systems and passive fire improvements to meet code of compliance, roofing and waterproofing improvements, power and mains supply upgrades.
- e. Upgrades to Data and Digital systems that were more than the original budgets.

13. Further detail on escalations for each project is provided at **Appendix 1**.

Assurance

14. Following consideration of possible mitigations, cost increases are reviewed by the Board (supported by the Capital and Infrastructure Committee) before submission to Ministers.

15. Cost increases are assessed for value management or other mitigations, and confidence on cost estimates. The approach employed for managing cost pressures includes:
- a. Assessing any changes proposed to ensure ongoing alignment to business case scope and investment objectives.
 - b. Using contingency in the first instance.
 - c. Value management activities to ensure no scope creep, provision of a minimum viable product if significant overruns, and replacement of subtrades and/or suppliers for more competitive pricing.
 - d. Testing for phasing and scaling of investments at various levels of commitment.
 - e. Deferring the commitment to projects that are yet to complete detailed and/or implementation business cases subject to Ministerial approval.

Delegated Authority

16. Current capital settings require these budget changes to be approved by the Minister of Health and the Minister of Finance (Joint Ministers).
17. The Letter of Expectations set by the previous Minister of Health states that budget uplifts for projects with HCE funding require joint Ministerial approval, irrespective of funding source.
18. Similarly, the majority of projects remain subject to Ministerial approval letters issued to projects prior to the establishment of Health NZ. These letters set conditions not to exceed approved project budgets. While some reference only material changes needing to be escalated to Ministers materiality is not defined.
19. The approval pathway for cost increases can add risk to projects. Cost pressures, particularly those of a smaller scale, are often realised through tender processes followed by short validity periods. These may be as little as four weeks in some instances.
20. We would like to discuss these settings with you further, along with opportunities to improve project delivery through changes to them.

Te Tiriti o Waitangi

21. This paper relates to the management of delivery risks and cost pressures of existing projects where commitments and approvals have already been undertaken and their contribution to Te Tiriti and Te Pae Tata have already been confirmed. It is essential that delivery risks are mitigated to ensure we are meeting our obligations.

Financial implications

22. No new capital funding is required to implement the recommended project budget increases. All costs included in this paper are affordable within Health NZ's NCP except for one project which will be funded by a donation from the Starship Foundation.

23. The cost escalations across the portfolio have been known for some time and the risk remains that additional costs emerge and continue to create cost pressures. Careful management and allocation of funds is required. The Board is managing the pressure from a total portfolio perspective and providing advice on the allocation of funds from HCE and cash generated from the depreciation expense to priority needs.
24. The 2023/24 capital plan set aside funds in a NCP to address any significant risks not able to be accommodated at a local or regional level. A portion of this has been prioritised through the NCP for cost escalation of in-flight facilities and infrastructure projects given the likely timing of expenditure and clear visibility of trade-offs involved.
25. In-flight projects that have already been prioritised should, where possible continue to receive prioritisation to avoid further penalties, cost escalations or regrettable spend.

Ministry of Health Consultation

26. The Ministry of Health supports the use of HNZ internal funding for these cost increases.

The Treasury Consultation

27. The Treasury has been consulted and support this paper.

Next Steps

28. Subject to Ministerial approval, Health NZ will inform the projects of approval for additional funding.

Appendix 1: Detailed Information on Projects Seeking Immediate funding from baseline depreciation – no further HCE required

10112 – Te Rau Kawakawa Buller Integrated Family Health Centre (IFHC) – additional funding sought: S 9(2)(j)

1. Te Rau Kawakawa Buller IFHC project seeks approval for additional funding of S [redacted] from baseline depreciation. The HCE contribution remains at \$21.0 million, and the total project budget will increase to S 9(2)(j) [redacted].
2. Additional funding is required as a result of the Asbestos Containing Materials (ACM) survey undertaken after the business case was approved. It is needed to remove the old Buller Hospital facility which contains extensive asbestos immediately adjacent to the new facility. It also overlaps the site for the helipad, both preventing a code of compliance certificate being issued by the Territorial Authority.
3. If unfunded, this will risk clinical service delivery for those needing helicopter services, as well as impacting the egress and fire protection of the new building. The existing ACM buildings will remain vacant requiring ongoing maintenance and increased cost escalations for removal in the future. Delays to the existing project schedule are also likely to be incurred, affecting other project works.
4. The change request has therefore been confirmed as a regional priority, given the potential impact to the new facility and increased costs for removal and risk of further contamination if delayed or only partial demolition is undertaken.

10040 – Te Nīkau Grey Hospital – additional funding sought:

S 9(2)(j)

5. Te Nīkau Grey Hospital project seeks approval for additional funding of S 9(2)(j) [redacted] from baseline depreciation to settle the final account with the contractor for unforeseen demolition costs. The total HCE contribution remains at \$134.2 million, and the total project budget will increase to S 9(2)(j) [redacted].
6. The project's purpose was to rebuild the Grey Base Hospital at a greenfield site. Te Nīkau Grey Hospital was completed and opened in August 2020. However, further works including the demolition of old hospital buildings and several small ancillary construction projects have since been completed.
7. Six buildings to be demolished were known to have asbestos. Significantly more asbestos contamination than anticipated was found, which resulted in Joint Ministers' approval of \$1.2 million in May 2021. Since then, further asbestos contamination has been found in the soil under the buildings.
8. Additional funding is required to cover dispute resolution costs S 9(2)(j) [redacted] with the main contractor Fletcher Construction Company. Aecom and Chapman Tripp have recommended the disputes be settled.

Briefing: HNZ00032350: Seeking approval for budget uplift for infrastructure projects from baseline depreciation cash

9. Market engagement is not possible as the construction works have already been completed. The costs to settle the dispute with Fletcher Construction are based on their claims assessed by QS and legal advisors.

30025 – Northland New Community Mental Health Facility, Manaia House – additional funding sought: S 9(2)(j)

10. The project is seeking to increase the approved budget by S 9(2)(j) to be funded regionally through baseline depreciation. The new total project cost will be S 9(2)(j) with \$19.5 million of this funded through the HCE. No additional HCE funding is required.
11. The project will enable the purchase and fit out of a building in Whangārei to co-locate and integrate community mental health services to ultimately improve health outcomes.
12. Cost escalations are a result of:
 - a. S 9(2)(j) for supply and installation of the duress system which was not included in the business case
 - b. S 9(2)(j) for passive fire improvements to meet code of compliance
 - c. S 9(2)(j) for roofing and waterproofing improvements
 - d. S 9(2)(j) for power mains supply, upgrade of switchboards and power cables, and soil stack hydraulic services to meet compliance
13. The Manaia House has incurred unexpected challenges with some elements of the build which have contributed to delays and cost overruns. Issues have mainly resulted from Cyclone Gabrielle which impacted access to the site and one of the supplier factories. In addition, problems with flooding on the ground floor resulting in re-work of flooring already laid.
14. Fire compliance issues were also discovered after the build commenced. This exposed non-compliant walls in the stairs and lift shaft, requiring them to be re-lined which is outside the intended project scope. In addition, an alternative supplier needs to be identified for the fire doors.
15. The project will also need to make amendments to the schedule and to re-baseline incorporating the funding uplift. The dates will be confirmed and/or adjusted once the main contractor has been procured and the programme issued. Joint Ministers will be provided an update on this through routine reporting.

30045 – Whanganui – Waimarino Health Centre Extension – additional funding sought: S 9(2)(j)

16. The Waimarino Health Centre Extension project seeks approval of S 9(2)(j) in additional baseline depreciation funding. The new total project budget will be \$3.4 million with S 9(2)(j) contributed through Health NZ baseline depreciation. The HCE contribution remains at \$2.0 million.

17. The project seeks to expand and refurbish the existing Centre to create the Waimarino Wellness Centre, allowing for co-location of services and the development of an integrated primary community-based system of care covering both health and social services. Additional funding is required as a result of § 9(2)(j) attributed towards increases in construction costs since the original proposal was approved.
18. The project submitted a request for additional funding to cover cost increases to Phase 1, as well as funding for Phase 2 investments not yet approved. The Board endorsed funding cost pressures for phase 1 scope only. Phase 2 investments remain subject to a completed business case.
19. The scope of the phase 1 investment included:
 - a. The existing building's 450m² retention of the radiology and maternity services.
 - b. The remaining building to be refurbished and repurposed to include space for non-clinical activities and meetings.
 - c. Construction development of a new clinical building with a floor area of 345m located on the existing Waimarino site which will replace the current car park space (approximately 15 carparks). This new building will comprise 13 clinical spaces including large consultation rooms, a whānau and procedure room, and an ambulance bay.
 - d. Site works, carparking, and design/consent work.
20. Phase 2 includes, construction of staff facility offices, hui/event space, siteworks carparking and a birthing unit. Phase 2 is being considered for funding through internal baselines from subsequent budgets.
21. Value management was undertaken through the conceptual design. Work was undertaken by the project team in early 2022 to assess options for refurbishing the existing centre and installing transportable prefabricated buildings onto the property to meet the needs of the community. However, consultation with key stakeholders and the community clearly showed that this approach would not achieve the desired outcomes.
22. If approved, there will be an extension to the project schedule, with a new completion date of March 2026, instead of May 2023.

10027 – Southern – Urgent Interim Works – Deferred Main, Gastroenterology, – Audiology, and ICU – additional funding sought. § 9(2)(j)

23. The Southland Urgent Interim Works – Deferred Main (DM), Gastroenterology, Audiology and ICU project seeks approval to increase the total project budget through an injection of § 9(2)(j) from baseline depreciation.
24. The project is undertaking a programme of work for deferred maintenance at Dunedin Hospital. The DM18 workstream, the only remaining package of works, addresses Compact Steam Boiler (CSB) steam condensate, Ward Block/CSB steam and low-pressure hot water reticulation, Ward Block sewage ejectors and domestic hot water calorifiers, CSB hot water pipe reticulation and hot water calorifiers.

Briefing: HNZ00032350: Seeking approval for budget uplift for infrastructure projects from baseline depreciation cash

25. The budget uplift reflects the project now nearing completion and some tidying up of previous approvals. Currently \$30.3 million has been spent to date with \$32.4 million committed.
26. In the 2017 and 2020 capital plans an additional \$2.7 million was added to the project budget for various clinical equipment required for the ICU and Gastroenterology workstreams. These were approved by the then District Health Boards, however the budget uplift never received Ministerial approval. As a result, the contribution from baseline depreciation has increased to S 9(2)(j).
27. Additional funding is required to complete these works. There is S 9(2)(j) remaining budget from all unspent DM workstreams that will be contributed towards completing DM18 with an injection from baseline depreciation required to make up the balance of \$155,000.
28. The S 9(2)(j) is being sourced from a previously cancelled ICU minor works project, plus the S 9(2)(j) from the 2017 and 2020 capital plans results in a budget uplift of S 9(2) (rounded to 1 decimal point)..
29. The new total contribution from Health NZ baseline depreciation will be S 9(2)(j), with the HCE contribution remaining at \$27.2 million for a total project budget of S 9(2)(j).

102115 – Auckland – Linear Accelerators Replacement – additional funding sought: S 9(2)(j) from baseline depreciation

30. The Auckland Linear Accelerators Replacement project seeks approval for additional funding of S 9(2)(j) from baseline depreciation. The HCE contribution remains at \$10.0 million, and the total project budget will increase to S 9(2)(j). The new total contribution from Health NZ will be S 9(2)(j).
31. The project seeks to purchase two matched replacement LINACs as both are past their end of life. This will ensure that the model of care can be delivered, and patients can access safe, efficient, and patient-centric technology with the capacity to meet demand for radiation therapy.
32. The existing ARIA oncology information system cannot work with the new LINAC's. A like-for-like upgrade was provisioned in the business case. However, as design has progressed, issues have been identified. The recommended approach was to expand the scope to move to the Varian Managed Service. This will result in an extension to the go-live date, extending the project timeline by four months to October 2024.
33. This change required contingency fund allocations. Construction cost inflation and infrastructure requirements also required the drawdown of contingency into secure contractors and start construction work. Early use of contingency allocations has resulted in a low balance remaining which holds high risk for a complex project.
34. Additional funding from baseline depreciation is being sought to ensure there is sufficient contingency funds to complete the project lifecycle. This decision has been approved by the Project Steering Group.
35. Designs have been reviewed for value engineering opportunities. However, the majority of costs relate to enabling the installation and functioning of the new machines without compromising on quality and cultural need.

Briefing: HNZ00032350: Seeking approval for budget uplift for infrastructure projects from baseline depreciation cash

300-02 – Auckland – PICU Bed Expansion and Atrium Redevelopment project – additional funding sought ^{S 9(2)} from the Starship Foundation

36. The PICU Bed Expansion and Atrium Redevelopment project (Child Health Expansion Starship project) seeks Ministers' approval to increase the total project budget through two new injections from the Starship Foundation, totaling S 9(2)(j). It is also reporting an extension to project schedule by 20 months with a new go-live date for the facility of January 2026, and a project closure date of February 2027.
37. The new total project budget will be S 9(2)(j), with the HCE commitment remaining at S 9(2)(j) and S 9(2)(j) contributed through co-investment from the Starship Foundation. No additional HCE funding is required.
38. This project aims to provide an additional eight HDU/ICU beds to improve equity outcomes and provide timely clinical services and treatment. It also future proofs the service with space to add a further two beds for future growth, offering a significant increase in Paediatric ICU capacity. It creates space to accommodate displaced staff who had to be decanted to create the additional clinical space, improves support areas for whānau and mokopuna in PICU, and creates a new medical day stay to improve patient experience.
39. In June 2022, there was an injection of \$2.9 million from Starship that received approval by the then Auckland District Health Board however this was never formally recognised at a national level due to the imminent organisational changes with the establishment of Health NZ.
40. The \$2.9 million cost escalation in June 2022 was due to a variation to the design scope to enhance the clinical, whānau, and public spaces on level 2 as a result of the co-design process to reflect the needs of tamariki Māori and their whānau in line with Te Pae Tata deliverables.
41. The request for an additional injection of \$5.1 million submitted in April 2023 is a result of QS estimates from Rider Levett Bucknall (RLB) which has higher than forecasted costs for construction, temporary accommodation, internal costs, and contingencies. The additional construction costs from the 2022 variation (a two-phase build instead of one), the decanting of existing services in the interim until construction is complete, and the extension to project schedule are the main drivers for the cost overrun.

Minister's Comments

Release under the Official Information Act 1982

Briefing: HN200032350: Seeking approval for budget uplift for infrastructure projects from baseline depreciation cash

13

Briefing

Copper Pipes Tranche Two (10255)

Date due:	27 March 2024	Priority:	Urgent
Security classification:	In Confidence	Reference:	HNZ00034260
To:	Hon Dr Shane Reti, Minister of Health		
From:	Jeremy Holman, Chief Infrastructure and Investment Officer, Infrastructure and Investment Group		

Minister:	Action sought:	Action required by:
Hon Dr Shane Reti, Minister of Health	Approve Copper Pipes Tranche Two total budget of up to \$51.8 million, made up of \$40 million from previously provisioned Crown funding in the Health Capital Envelope and \$11.8 million funded from Health New Zealand National Contingency Pool.	5 April 2024

Contact for discussion			
Name	Position	Phone	1 st contact
Aaron Matthews	Head of Infrastructure Planning and Investment, Infrastructure and Investment Group	S 9(2)(a)	X
Jeremy Holman	Chief Infrastructure and Investment Officer, Infrastructure and Investment Group		

The following departments/agencies have been consulted:
Te Aka Whai Ora Ministry of Health - The Ministry of Health The Treasury

Minister's office to complete

- | | |
|--|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Comments | <input type="checkbox"/> Withdrawn |

Comments:

Briefing: HNZ00034260: Copper Pipes Tranche Two (10255)

Purpose

1. This briefing seeks your approval of a funding request of up to \$51.8 million to enable the completion of the Copper Pipes Replacement Programme (Copper Pipes) at the Wellington Regional Hospital.

Recommendations

Health New Zealand recommends | Te Whatu Ora (Health NZ) that you:

Minister of Health	
Note that Joint Ministers have previously directed Health New Zealand to continue Copper Pipes Tranche Two whilst we resolve where this is to be funded from. Approximately \$17.4 million has been funded from Health New Zealand National Contingency Pool for Tranche Two so far.	
Note \$40.0 million has been previously provisioned within the Health Capital Envelope.	
Approve Copper Pipes Tranche Two total budget of up to \$51.8 million, made up of \$40 million from previously provisioned Crown funding in the Health Capital Envelope and \$11.8 million funded from Health New Zealand National Contingency Pool.	Yes / No

Hon Dr Shane Reti,
Minister of Health

Date:



Jeremy Holman
Chief Infrastructure and Investment Officer
Infrastructure and Investment Group
Health New Zealand | Te Whatu Ora

Date: 27 March 2024

Executive Summary

2. In 2020, the then Minister of Health and Minister of Finance confirmed Crown funding of \$48.3 million for Tranche One of the Copper Pipes Replacement Programme, with an additional \$2 million being funded internally by the District Health Board.
3. We have \$40.0 million provisioned in the Health Capital Envelope (HCE) for Tranche Two, lifts, seismic and other remediation. Drawdown for the copper pipes work was subject to a satisfactory business case.
4. The Tranche Two business case is now complete. It seeks \$51.8 million which is \$11.8 million over the \$40.0 million currently provisioned in the HCE. A summary of the investment is provided at Appendix 1.
5. The additional \$11.8 million is required due to an initial \$7.9 million funding gap and \$3.9 million of extra costs identified during Tranche One from increased asbestos removal and increased programme team costs relating to Covid delays and extra work in theatres to meet the IL4 Standard¹.
6. We sent Joint Ministers a funding request in September 2023. However, this was not approved until we could resolve where the funding was going to come from. Ministers requested that work on Tranche Two continued in the meantime.
7. Approximately \$17.4 million has been funded from Health New Zealand National Contingency Pool for Tranche Two so far. It is vital that we secure this funding for project continuity.
8. It is now recommended by Health New Zealand and the Ministry of Health that \$40.0 million is funded from the HCE and \$11.8 million funded from Health New Zealand National Contingency Pool. No new money is being requested for this investment.
9. The Tranche Two business case estimate at \$51.8 million brings the total programme capital costs of completion to \$102.1 million.

Background

10. Due to corrosion within its copper pipes, the hot water system in the Wellington Regional Hospital building is at risk of ongoing leaks and a systemic and catastrophic failure of risers or existing ring mains systems.
11. Replacing the Wellington Regional Hospital's corroded recirculating hot water system was initially a single stage business case. In reviewing that case, the Ministry of Health accepted the need to replace the hot water system but requested a Programme Business Case that spread investment across multiple years.
12. A Tranche One business case was developed and accepted by the Ministry of Health Capital Investment Committee in mid-2020 with the Minister of Health and Minister of Finance confirming Crown funding for Tranche One later in 2020. Funding for Tranche One consisted of \$48.3 million from Crown and \$2.0 million from the District Health Board.

¹ IL4 (Importance Level 4) Standard is the Building Code's seismic resilience building standard for buildings such as hospitals which must be operational immediately after an earthquake or other disastrous event.

13. Copper Pipes was identified as a Priority Project in Budget 2022 and \$40.0 million was provisioned in the HCE for Tranche Two, lifts, seismic and other remediation. Drawdown for the Copper Pipes work was subject to a satisfactory business case.
14. Quantity Surveyor estimates of \$98.2 million in 2019 meant there was a difference of \$7.9 million on the \$90.3 million provisioned for the Copper Pipes project alone. The Ministry of Health expected that the funding gap be bridged from internal reserves, project cost savings, and reprioritisation of planned activity. It was also a condition of Tranche One funding that internal reserves would be prioritised for future copper pipe tranches.
15. The remaining Tranche Two additional scope of activities identified in Budget 22 have either been reflected in the capital plan for Health New Zealand for the 2023/24 financial year \$2.4 million (theatre pendants, gas reticulation, fire panel system integration) or in the case of the lift remediation works, partly funded through a separately approved project. A funding need for lift remediation tranches three to five (total \$19.9 million) has been identified from 2026 onwards.
16. The work of Tranche One has been delivered and progressed in line with the agreed scope. The project has managed risks around extra asbestos removal work, extra work in theatres, and delays through COVID.
17. Tranche Two will complete the scope of the approved Copper Pipes Replacement Programme by:
 - a. Establishing the decant facility.
 - b. Installing new secondary pipework on Levels 3 to 7.
 - c. Installing the final two risers
 - d. Commissioning the new hot water system.
18. The hospital is incorporating the risks around copper pipe failure into its business continuity plan, which will be finalised by 30 June 2024.

Interdependency with Front of Whare project

19. The Front of Whare project seeks to address the current challenges with emergency care at Wellington Regional Hospital. It considers investment options for the Emergency Department and expanded acute services including the Medical Assessment and Planning Unit, Surgical Assessment and Planning Unit, Intensive Care Unit (ICU), and additional adult inpatient beds.
20. In June 2023, Joint Ministers approved the allocation of up to \$10.0 million for the Front of Whare project at Wellington Hospital to undertake developed design and initial enabling works ahead of the Detailed Business Case being submitted to Ministers.
21. Given the replacement of this water infrastructure is particularly invasive, Tranche Two has been programmed to coincide with Front of Whare, assuming FoW begins between February and April 2025. This approach will minimise decanting of services and disruption, with areas only subject to live works once. Costs relating to work activity where Copper Pipes and Front of Whare overlap have been estimated at \$3 million. This overlapping area needs to be worked on before July 2025, so as not to affect the copper piping commissioning phase commencing in Q4 2025.

22. If the Front of Whare works start later than April 2025, the Copper Pipes programme would extend beyond September 2026. This would result in extra costs of circa. \$0.5 million per month for programme team costs and the extra planning and mitigation strategies required to minimise patient and staff impacts.
23. If the Front of Whare works start after the Copper Pipes concludes, rework of the hydraulic network would be needed in places to suit the Front of Whare design. The estimated cost for this activity is circa. \$1 million. In this case, a separate project would be stood up to address the remediation activity required.
24. The Copper Pipes is effectively following a staged approach in Tranche Two with the first stage covering activities that can be progressed now and a second stage covering those activities where the Copper Pipes and the Front of Whare project overlap. An example is the work on the west side of level two which was originally planned for Tranche One but delayed to coincide with planned Front of Whare activity, ensuring minimal disruption.

Investment options

25. The Tranche Two business case has considered the following options:

Option	Comments
Fully fund Tranche Two	Preferred Option. Will result in project completion in late 2026
Do not progress to Tranche Two	There is a considerable risk of failure remaining and the agreed programme benefits will not be realised if Tranche Two is not completed.
Defer Tranche Two to a later date	Funding is required to recover the \$17.4 million spent on Tranche Two to date and for the project to be able to continue. If Tranche Two is not completed there are risks of pipe failure and the additional risk of workforce and project expertise being lost and not available when the project restarts.
De/re-scope the programme.	Not considered feasible as the original business case articulated the minimum scope possible to address the known risks and achieve the programme benefits.

Te Tiriti o Waitangi

26. None.

Financial implications

27. The Whole of Life Cost for Tranche Two is estimated at \$96.8 million.
28. Tranche Two is seeking capital funding of \$51.8 million, of which \$6.2 million is contingency. The programme team has confirmed this is sufficient to cover the remaining risks.
29. It is proposed the \$51.8 million be funded as follows:
 - a. \$40.0 million in HCE funding indicatively allocated in Budget 22
 - b. \$11.8 million from Health New Zealand National Contingency Pool.
30. We have confirmed that the \$11.8 million is available within Health New Zealand National Contingency Pool.

31. Note that Health NZ has incurred costs of \$17.4 million to date for Tranche Two. The HCE funding will reimburse \$5.6 million of these costs.

Next Steps

32. Subject to Ministerial approval, Copper Pipes Tranche Two will proceed, with an expected completion date of December 2026.

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Appendix 1 Summary of case for investment

Why do we need the investment

1. Due to corrosion within its Copper Pipes, the hot water system in the Wellington Regional Hospital building is at risk of ongoing leaks and a systemic and catastrophic failure of risers or existing ring mains systems.

Investment Objectives

2. The investment objectives are to:
 - a. Provide a safe hospital operational environment and maximise the continuity of service provision in the Wellington Regional Hospital building.
 - b. Ensure the Wellington Regional Hospital building's water systems meet modern hospital, including Importance Level Four (IL4), standards.

What the investment provides

3. Tranche two will complete the scope of the approved Copper Pipes Replacement Programme by:
 - a. establishing a decant facility
 - b. installing new secondary pipework on Levels 3 to 7
 - c. installing the final two risers and
 - d. commissioning the new hot-water system.

Investment options

4. The Tranche Two business case considers the following options:
 - a. **Fully fund Tranche Two** resulting in completion in late 2026. This is the preferred option on the condition the timing aligns with the Front of Whare programme (**recommended**).
 - b. **Do not progress to Tranche Two** The original case for change has been confirmed with a high level of corrosion discovered during Tranche One and considerable risk of failure remaining until tranche two work is completed. During Tranche One only elements of the subsystems have been replaced and it is not until the work on each subsystem is completed in Tranche Two that the programme benefits become fully available.
 - c. **Defer Tranche Two to a later date.** Funding is required to recover the \$17.4 million spent on Tranche Two to date and for Tranche Two the project to be able to continue. If Tranche Two is not completed there are risks of pipe failure and the additional risk of workforce and project expertise being lost and not available when the project restarts Funding for tranche two .

- d. **De/re-scope the programme.** The programme has assessed this option as not feasible as the original business case articulated the minimum scope possible to address the known risks and achieve the programme benefits. This option did not make the short-list.

Investment Benefits

5. The Business Case identifies five benefits to be gained by replacing the failing hot water system in the Wellington Regional Hospital building as set out in the table below.

Benefits	Benefit Description
Continuity of clinical services	The uninterrupted provision of general and specialist services in the Wellington Regional Hospital building is essential to meeting the healthcare needs of the population in the Wellington region and the central North Island. Hot water leaks, and the risk of hot water risers or ring mains systems suffering a catastrophic failure, are significant threats to the continuity of clinical services.
Ensuring patient and staff safety	Having a hot water system that does not leak will reduce the risk of patient and staff harm events and maintain the effectiveness of infection controls.
Appropriate preparation for IL4 events	Remediating corroded pipes, upgrading seismic restraints to modern standards, and installing the ability to ration water supply to priority services will all enhance the Wellington Regional Hospital building's capacity to serve as an IL4 building.
Protecting our reputation	The progressive or a sudden failure in the Wellington Regional Hospital building's hot-water system may degrade public confidence in, and engagement with Te Whatu Ora. This could also affect organisational culture and staff morale, including the ability to recruit and retain the best staff
Financial effectiveness	The corroded hot water pipes will deteriorate further, leading to a potentially large and ongoing diversion of operating funds from healthcare to the patching of leaks and repairing damaged facilities and equipment.

Minister's Comments

Release under the Official Information Act 1982

Aide Memoire

Update on Health Capital Projects as at 31 January 2024

To:	Hon Dr Shane Reti, Minister of Health	Reference:	HNZ00038968
From:	Jeremy Holman, Chief Infrastructure and Investment Officer, Infrastructure and Investment Group	Due Date:	28 March 2024
Copy to:	Hon Nicola Willis, Minister of Finance Hon Matt Doocey, Minister for Mental Health	Security level:	In Confidence

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Jeremy Holman	Chief Infrastructure and Investment Officer	s 9(2)(a)	x
Zainab Abbas	Head of Office of Chief Infrastructure and Investment Officer	s 9(2)(a)	

The following departments/agencies have been consulted
N/A

Attachments
Annex 1: Report 'Update on Health Capital Projects as at 31 January 2024' including Appendices 1-3

HNZ00038968: Update on Health Capital Projects as at 31 January 2024

Update on Health Capital Projects as at 31 January 2024

Purpose

1. This Aide-Mémoire provides you with the monthly report 'Update on Health Capital Projects as at 31 January 2024' and key updates since the last monthly report.

Key Updates since the last monthly report

2. Changes signalled in the last report to 31 December 2023 from our Capital and Infrastructure Committee, as well as feedback received from you during the initial December 2023 BIM briefing, have been incorporated into this latest update. These include:
 - a. More detailed RAG ratings
 - b. A break-down of monthly actual spend
 - c. Greater detail on Amber-rated projects
 - d. A summary of total spend and funds remaining by phase
 - e. More reporting on procurement (only one project moved to procurement this reporting cycle, but future reports will contain more detail)
 - f. New programme overview for linear accelerator projects.
3. Table 1 below shows the key construction milestones completed in March 2024.

Table 1: Project RAG status as at 31 January 2024

Project	Type	Description
Waitemata 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.
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.

Performance Reporting

4. The Update on Health Capital Projects (Annex 1) reports on the performance of the 74 in-flight health sector capital projects that require Crown funding or exceed \$10 million. These 74 projects have a combined total value of \$6.64 billion, as at 31 January 2024.
5. The report includes updates on:
 - a. Infrastructure and Investment Portfolio Performance
 - b. Projects with significant risks
 - c. Health Capital Envelope Allocation
 - d. Upcoming Ministerial decisions
 - e. Key programmes overview:
 - f. Project photos
6. The table below shows the RAG status for the 74 in-flight projects.

Table 2: Project RAG status as at 31 January 2024

	Green rated projects	Amber rated projects	Red rated projects	Total
Number of projects	36	20	18	74
\$ value	\$2,600m	\$1,543.8m	\$2,495.6m	\$6,640m
Movement In	2	3	2	
Movement Out	3	2	2	

7. Details of the Red-rated projects and the mitigations actions we are taking are provided in the report at Annex 1. A summary is provided in the table below.

Table 3: List of Red-rated projects as at 31 January 2024

Project name (and ID)	Reason for Red rating
Project Whakatuputupu New Dunedin Hospital (10025)	<ul style="list-style-type: none"> • Cost escalation based on latest Quantitative Risk • s 9(2)(j) • 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
Taranaki Base Hospital Redevelopment - Project Maunga - Stage 2 (10079)	<ul style="list-style-type: none"> • Initial review of the forecast and s9(2)(b)(ii) • Several risk items require further investigation
Te Rau Kawakawa Buller Integrated Family Health Centre, Westport (10112)	<ul style="list-style-type: none"> • s9(2)(b)(ii) r demolition of asbestos contaminated old buildings

HNZ00038968: Update on Health Capital Projects as at 31 January 2024

Project name (and ID)	Reason for Red rating
Hawke's Bay Hospital Radiology Facilities Redevelopment (10208)	<ul style="list-style-type: none"> Delays to updated business case s9(2)(b)(ii)
New Specialised Rehabilitation Centre, Manukau Health Park (10225)	<ul style="list-style-type: none"> The cost estimate for the recently completed Developed Design phase s9(2)(b)(ii)
Starship Paediatric Intensive Care Unit (PICU) Bed Expansion and Atrium Redevelopment (30002)	<ul style="list-style-type: none"> Pending change request to allow for additional s9(2)(b)(ii) donations from Starship Foundation to be included into the project budget to cover construction cost escalation and scope changes
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
Hawke's Bay Hospital Procedure Rooms Upgrade (30013)	<ul style="list-style-type: none"> Project is on hold due to pending scope change and operational cost implications
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
Manaia House – Community Mental Health – Whangarei (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"> \$4 million increase in construction costs Mitigating the cost pressures has also resulted in programme delays
Gisborne Hospital New Child and Youth Health Community Hub (30032)	<ul style="list-style-type: none"> Pending change request to address Developed Design cost estimate \$2.9 million above current budget
Wairarapa Hospital Outpatients Refurbishment (30037)	<ul style="list-style-type: none"> Extensive programme delay due to Covid response, constrained market for professional services and mitigation of cost increases Tender submissions for 3 remaining elements have come in over budget, 2 of these will be covered by budget of the Rapid Hospital Improvement Programme
Mental Health Inpatient Facility Replacement, Grey Base Hospital (30041)	<ul style="list-style-type: none"> Cost pressures were identified as part of the Design costing Revised programme has been issued with 13 weeks delay
Waimarino Health Centre Extension (30045)	<ul style="list-style-type: none"> Construction cost estimates have increase by \$1.2 million since the project was approved
Linear Accelerators Replacement, Auckland City Hospital (102115)	<ul style="list-style-type: none"> Pending change request to increase depleted contingency pool by \$0.5 million Formalise scope change to the IT system Extend the schedule by four months

Project name (and ID)	Reason for Red rating
Hawke's Bay Hospital Linear Accelerators (102118)	<ul style="list-style-type: none"> Scope increased to include medical oncology chemotherapy and haematology Cost estimate for new scope, enabling works and price escalations now requires \$54.3 million additional funding New business case to cover revised scope, programme and budget is pending approval

Key Upcoming Construction Dates

- Table 4 below provides a list of upcoming construction starts or completion over the next three months. This table is provided in addition to the Update on Health Capital Projects report at Annex 1.
- There is a time lag between the completion of the Update on Health Capital Projects Report, and it being provided to you. This is due to the time needed to compile the information and to give the Capital and Infrastructure Committee the opportunity to consider the report.
- The dates in Table 4 are as at 22 March 2024 and based on the latest information available. This may differ from those shown in the Update on Health Capital Projects report which is as at 31 January 2024.

Table 4: Upcoming key construction dates

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.	April 2024
Christchurch Hospital, Parkside Enhancements - Tranche One (30006)	Practical Completion & Go Live	Refurbishment of the wards in Parkside building at Christchurch Hospital.	April 2024
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
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.	Main works begin June 2024
Construction of Waitakere 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)(i)

HNZ00038968: Update on Health Capital Projects as at 31 January 2024

Project	Type	Description	Planned Date
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	Practical completion March 2024 Go live May 2024
Building For the Future - Fit-out of shelled theatres, inpatient wards and procedure rooms, Tōtara Haumaru, 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 Haumaru.	April 2024
Boiler Replacement, Wairau Hospital, Blenheim (30024)	Practical Completion	Replacement of boilers with an energy efficient, sustainable option.	April 2024
Wairarapa Hospital Outpatients Refurbishment (30037)	Practical Completion & Go-Live	Refitting of outpatients' area for a triaging area, plus new office and clinic space.	June 2024

Next steps

11. The next Update on Health Capital Projects Report, based on 29 February 2024 assurance reports, will be provided to you in April 2024.

Update on Health Capital Projects

as at 31 January 2024

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Executive Summary

- Most projects in the Health Capital Envelope (HCE) portfolio are progressing well and were rated Green or Amber in January.

Table 1 Current RAG ratings as at 31 January 2024

	Green rated projects	Amber rated projects	Red rated projects	Total
Number of projects	36	20	18	74
\$ value	\$2,600 m	\$1,544 m	\$2,496 m	\$6,640 m

- Two projects have changed their rating from Amber to Red:
 - the new Specialised Rehabilitation Centre in Counties Manukau (10225) is now rated Red due to escalating costs that will require a decision from Cabinet to resolve.
 - Taranaki Base Hospital Redevelopment - Project Maunga - Stage 2 awaits further investigation and a Change Request to confirm cost pressures.

Progress

- There was reduced activity on projects over the January holiday period with no additional projects reaching completion.
- One project, the Specialist Mental Health Services Relocation from the Princess Margaret Hospital (TPMH) to Hillmorton (10010) was moved back from practical completion to construction due to an earlier reporting error.

Health Capital Envelope

- Ninety five percent, or s 9(2)(b)(ii), of the HCE has been approved to date. There has been no change in approvals or projected remaining funds since the last report.

Table 2: Summary of HCE allocation

Health Capital Envelope		s 9(2)(b)(ii)
Less: Allocated and approved to date		
Less: Allocated to new projects yet to be approved		
Less: Projects in Deliver seeking additional funding		
Surplus (Deficit) of HCE Available for Allocation		
Other known cost pressures		
Potential Capital Returns		
Proposed Funding Reallocations		
Projected surplus of funds		

Infrastructure and Investment Portfolio

Portfolio Life Cycle Performance

6. We oversee a portfolio of 74 in-flight projects that are over \$10 million or funded by the HCE. These have a combined value of \$6.6 billion, across the range of phases in the project life cycle.
7. We have 17 projects that are scheduled to reach practical completion before the end of June 2024.
8. There is usually reduced activity on projects in January due to the holiday period. Table 3 below shows the movement in the project life cycle phases over this period.

Table 3: Project life cycle phases as at 31 January 2024


	Define	Design	Deliver	Total
Number of projects	4	22	48	74
\$ value	\$88m	\$1,557m	\$4,995m	\$6,640m
Movement In			1	1
Movement Out				

9. Within the Deliver phase, the Acute Radiology Unit Relocation at Middlemore Hospital (10045), progressed from procurement to construction. The contract was awarded to Hawkins NZ for s 9(2)(b)(ii) against the total project budget of s 9(2)(j)
10. Although the Specialist Mental Health Services Relocation from the Princess Margaret Hospital (TPMH) to Hillmorton (10010) is now live, the project completion documentation is being finalised. This was reported as complete in the last period but we have moved it back to Deliver until the Practical Completion documentation is finalised. Further details are provided in the Mental Health Infrastructure Programme (MHIP) section below.

Portfolio Financial Performance


11. In January we spent $\$9(2)(b)(ii)$. As can be seen in Figure 1, this is consistent with the average level of spend this financial year.

$\$9(2)(b)(ii)$



12. The projects have spent a total of $\$9(2)(b)(ii)$ to date or $\$9(2)(b)(ii)$ of the total allocated funding of \$6.6 billion.

13. Figure 2 provides a breakdown of the total spend and remaining funds for the portfolio noting that:

- The majority of spend occurs during the Deliver phase
 - The majority of the unspent money in the Deliver phase is contractually committed.
 - Some spend still occurs after practical completion.
 - Once all financial commitments are paid, the project is closed, and any unused funds are returned to the HCE
 - There are currently $\$9(2)(b)(ii)$ of potential capital returns expected from completed projects.
- 

Portfolio Risk Performance

14. Project performance is measured using a Red/Amber/Green (RAG) assessment rating system, which broadly covers project risk against time, budget, and scope.
15. The RAG ratings presented in this report are based on an assessment of the RAG ratings applied to the categories of time, budget, and scope for each project.

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	Ministers should be aware of one or more significant risks and issues that require decisions from the Capital and Infrastructure Committee, Health NZ Board and potentially Ministers.

16. Based on the January 2024 assurance reports, Table 4 below shows the number and value of projects in each of the risk categories.

Table 4: Current RAG ratings as at 31 January 2024

	Green rated projects	Amber rated projects	Red rated projects	Total
Number of projects	36	20	18	74
\$ value	\$2,600m	\$1,544m	\$2,496m	\$6,640m
Movement In	2	3	2	
Movement Out	3	2	2	

17. Two projects have changed their rating from Amber to Red:
- the new Specialised Rehabilitation Centre in Counties Manukau (10225), has changed its rating from Amber to Red due to escalating costs that will require a decision from Cabinet to resolve.
 - Taranaki Base Hospital Redevelopment - Project Maunga - Stage 2 awaits further investigation and a Change Request to confirm cost pressures.
18. Further details on Red-rated projects (with total costs over \$10 million) are provided in Table 5 and Table 6 below.
19. Two projects improved and have moved from Amber to Green:
- Waitākere – Electrical Infrastructure Upgrade (10241) following successful budget risk mitigation.
 - Whanganui Infusion Therapy Unit (30044) following completion of construction within budget and operationalisation.
20. Three projects moved from Green to Amber based on schedule changes that pose moderate risk.

Amber rated projects

21. There are 20 projects with an assessed overall rating of Amber. Of these:

- a. 13 are in the Deliver phase
- b. 5 are in Design
- c. 2 are in Define.

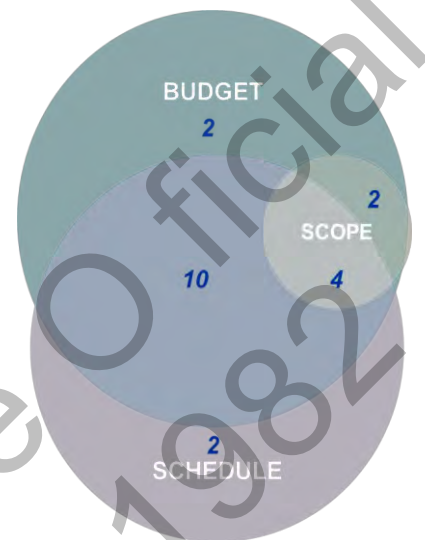
22. For a project to have an overall Amber rating it will have a combination of two or more issues for time, scope, or budget.

23. Figure 3 shows the various combinations that result in an overall Amber rating:

- a. Scope and Budget are the primary drivers of risk. Often a budget issue first presents, and the project goes on hold while reduced cost options are assessed and/or requests for additional funding are prepared and presented for approval.
- b. Fourteen projects have a combination of two or three risk issues being presented.
- c. Scope issues rarely present as causes of project risk but this is because standard performance metrics and reporting templates are focused on the easily quantified metrics of schedule and budget

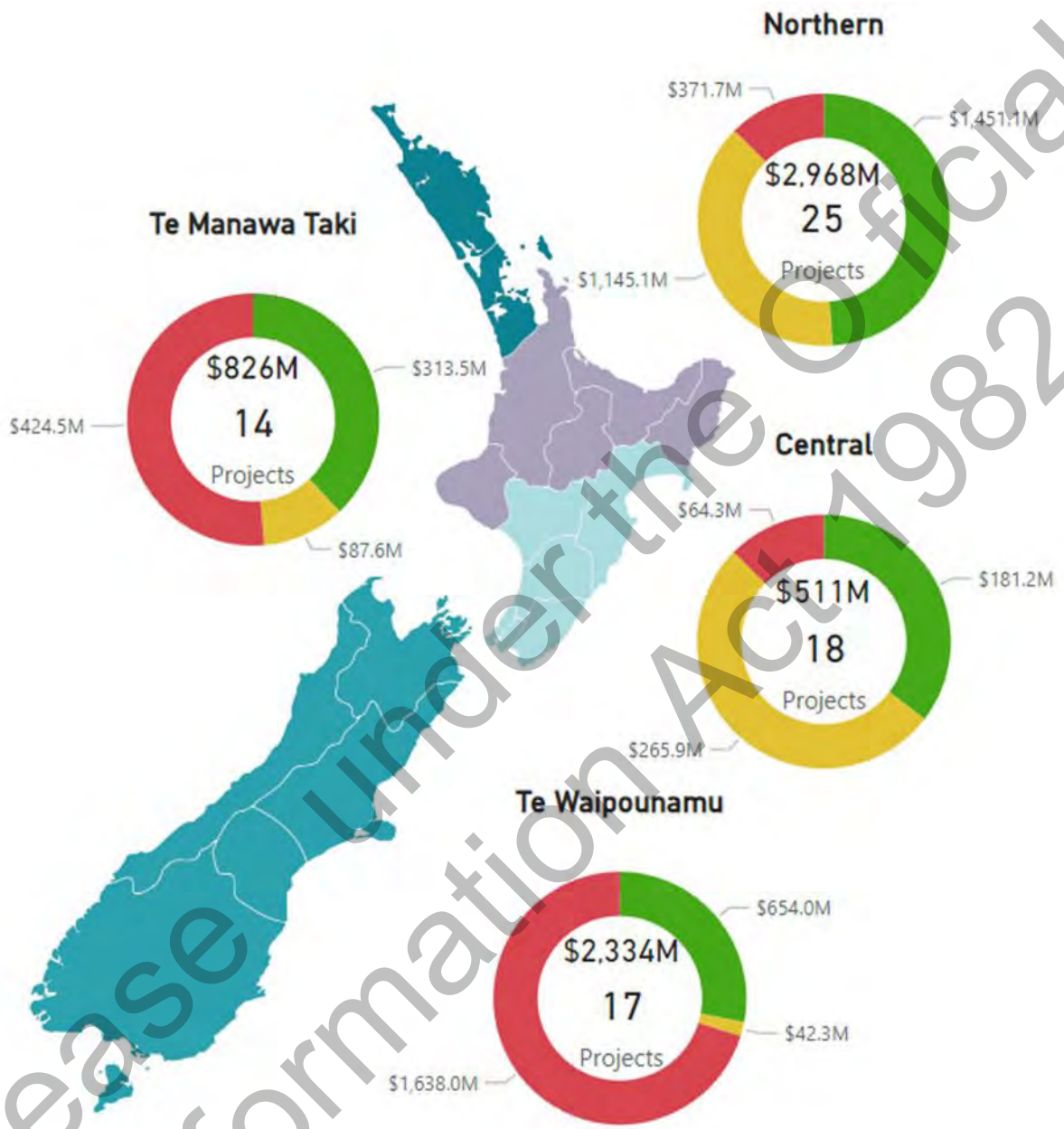
24. Further details of the Amber rated projects are available at Appendix 1 and Appendix 2.

Figure 3: Drivers of an overall AMBER rating



25. Figure 4 shows the value of active projects in each of the risk categories by region.

Figure 4: Portfolio risk for active projects by region



Projects with Significant Risks

26. 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 January 2024**. A list of all projects, 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	Mitigation actions
<p>NEW</p> <p>Taranaki Base Hospital Redevelopment - Project Maunga - Stage 2 10079</p> <p>Project Maunga Stage 2 is separated into several projects and includes design and construction of the new Renal Unit, Energy Centre and the Enabling works and construction of the New East Wing Building, termed as NEWB.</p> <ul style="list-style-type: none"> • Total project funding: \$403 million • Construction phase • Rated Red since January 2024 	<p>In August 2020, Joint Ministers approved the Final Detailed Business Case for Project Maunga Stage 2 at a total budget of \$336 million Crown funding.</p> <p>In April 2022, Joint Ministers agreed to an increase in Taranaki DHB's Project Maunga Stage 2 budget by \$61.1 million. This was due to cost pressures relating to increased main procurement contract cost and inflationary pressures.</p> <p>Project Maunga was also granted \$6.4 million in baseline funding consisting of EECA grants for boiler and energy efficiency works and donations for the helipad.</p>	<p>The project has experienced further cost pressure with a total current short fall of \$26.9 million.</p> <p>The project is now rated Red while it awaits further investigation and receipt of a change request to confirm the project's cost pressure.</p> <p>A forecast budget overrun was identified during the funding uplift process in Q1 2022. Further costs \$12.9 million have emerged in this period with claims from providers now received.</p>	<p>An initial review of the forecast and cost risks is complete, and several risk items require further investigation. In addition, the project team are assessing options to reduce this figure.</p> <p>The Regional Director for Te Manawa Taki is working with the Project Maunga SRO and the project team to clarify options on mitigation of the risk to report to the Committee and Board. Further investigation is occurring this month to pinpoint the pressures.</p>

Release Information

Project Details	Background	Progress Update	Mitigation actions
<p>NEW</p> <p>Counties Manukau - New Specialised Rehabilitation Centre, Manukau Health Park – 10225</p> <p>Relocation of the Auckland Regional Spinal Unit</p> <ul style="list-style-type: none"> • Total project funding \$136 million • Design phase • Red rated since January 2024 	<p>Joint Ministers prioritised \$110 million from the HCE as part of Budget 2020 for the relocation of the Auckland Regional Spinal Unit and the general rehabilitation ward (Ward 23) from Counties Manukau's Ōtara campus at Middlemore Hospital to a new purpose-built facility with additional capacity at the Manukau Health Park.</p> <p>In April 2022, the project was approved with a budget of \$136.0 million (\$135.4 million Crown funded from the HCE) for a 60-bed facility with Green Star 5 rating.</p>	<p>The project is now rated Red due to total cost.</p> <p>The cost estimate for the recently completed Developed Design phase stands at \$210 million, exceeding the approved budget of \$136 million by \$74 million.</p> <p>Progression to delivery is dependent on addressing the gap between total cost and current funding. A budget cost pressure has been submitted for Ministers' consideration.</p>	<p>The project team is exploring value management options and opportunities to address the cost drivers through a review of the implementation options.</p> <p>Design assurance review is being undertaken to test potential design changes to reduce cost. Hospital and Specialist Services (HSS) has also been engaged on a possible test of the model of care to see if that would support a more efficient design.</p>
<p>Hawke's Bay Hospital - Linear Accelerators 102118</p> <p>This project includes building a one-story 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 June 2022 	<p>In November 2021, Joint Ministers approved the original business case of \$33 million subject to a 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 relocation of relevant clinical services, and the future layout of the hospital grounds was then 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 Committee and the Board. It was submitted for Ministerial consideration in August 2023.</p>	<p>The project remains at Red due to the need for confirmation of the agreed option and approach for delivery.</p> <p>A revised business case was not approved by Ministers following differing advice from Manatū Hauora and Health New Zealand - Te Whatu Ora (Health NZ) on funding source and whether the increased costs reflected scope changes.</p> <p>Work will be undertaken to clarify the extent any changes reflect the required change in location and need for service delivery and resubmit the business case in 2024.</p>	<p>A design review has been initiated to determine possible opportunities to reduce building size and total cost of the building.</p> <p>Once Ministers approve the business case, the project will move out of Red.</p>

Project Details	Background	Progress Update	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 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, Manatū Hauora, or Ministers.</p> <p>In August 2022, an updated business case was initiated, 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>Hawke's Bay is preparing the updated business case with an estimated cost of § 9(2)(b)(ii), which is § 9(2)(b)(ii) more than the allocated budget. The increase, if approved, will be funded from baseline.</p>	<p>A new project manager was appointed in May 2023.</p> <p>The Infrastructure and Investment Group (IIG) is 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 April 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 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 \$1,470 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>Significant costs pressures are being experienced on the project.</p>	<p>This project remains at Red due to recent cost pressures on the project.</p> <p>NDH requires an initial urgent additional funding of § 9(2)(b)(ii) to enable entering a construction contract for the Inpatient Building.</p> <p>Advice is being provided to Cabinet in relation to options available for funding the shortfall of the project.</p>	<p>Advice on options for Ministers to consider has been developed and is being presented to Cabinet in late February for consideration.</p>

Project Details	Background	Progress Update	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 October 2023 	<p>Ministers approved \$20 million on 8 November 2018 to redevelop the Buller Integrated Family Health Centre (IFHC), including adult dental services, on the current Buller Hospital location and not the Boiler House location across the road from the hospital as initially supported by the West Coast Partnership Group.</p> <p>In July 2020, Ministers approved a further \$1 million for asbestos removal from buildings and remediation of soil with asbestos containing material (ACM) 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>This project is now rated Red while it awaits a decision on funding to complete close-out demolition works.</p> <p>Additional funding of § 9(2)(b)(ii) is now required for the demolition of the old buildings that has been found to contain significant asbestos and is therefore requiring a “dirty” demolition, hence the significant cost.</p> <p>The Board has endorsed the additional § 9(2)(b)(ii) of baseline funding needed to cover the cost of the asbestos contamination in the old buildings. Code of Compliance will not be achieved without this work.</p>	<p>The request for additional funding will be put to Joint Ministers for approval in accordance with the letter of expectations.</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 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>The project is now rated Red due to the current forecast cost increase of § 9(2)(b)(ii).</p> <p>The need for an additional injection of § 9(2)(b)(ii) is a result of QS estimates forecasting cost increases for construction and temporary accommodation.</p>	<p>A change request will be submitted to Joint Ministers as part of the Quarterly Update on Health Capital Envelope Cost Pressures.</p> <p>The project is seeking approval for the two injections from the Starship Foundation totalling § 9(2)(b)(ii) to fund the forecast additional costs.</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>The project will move out of Red once the change request is approved and scope, time and budget are reset.</p>

Project Details	Background	Progress Update	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 October 2023 	<p>Joint Ministers approved a project budget of \$11.3 million, inclusive of \$10 million Crown contribution, in March 2021.</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>The project is now rated Red due to the requirement for an additional \$0.5 million to provide sufficient funds and contingency to complete the project.</p> <p>The project has prepared a change request to formalise the scope change due to the change in IT systems, increase the contingency with additional \$0.5 million internal reserve, and extend the schedule by four months.</p>	<p>The increase in total budget for the project was endorsed by the Board in December 2023 and can now be presented to Joint Ministers for approval.</p> <p>The project will move out of Red once the cost pressures on contingency are addressed.</p>

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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	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 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>Health NZ is 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>Health NZ legal are working through the ramifications of the liquidation.</p>
<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 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>As part of the Mental Health Infrastructure Programme, an IIG project director was appointed to this project.</p> <p>Cost pressures were signalled in June 2023 when projected costing of design indicated an excess above the business case budget.</p>	<p>The project remains at Red due to pressure on budget and schedule.</p> <p>Developed Design is complete, and a revised programme has been issued. An updated cost report shows a projected a cost increase of s 9(2)(b)(ii). Subsequent engagement of possible providers through a registration of interest has reduced the funding requested to s 9(2)(b)(ii) plus a centrally held contingency of s 9(2)(b)(ii).</p> <p>The Committee has requested the project team review the range of options and test the investment continues to represent value for money value.</p>	<p>A briefing is being prepared for the Committee in March outlining the options for the project.</p> <p>Subject to the direction of the Board, a briefing will be provided to Joint Ministers on the proposed approach.</p>

Project Details	Background	Progress Update	Mitigation actions
<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 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 \$28.61 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>The timing for this decision for additional funding is urgent as Health NZ needs to confirm as soon as possible upon receipt of the contract price whether it intends to proceed with construction or to terminate the contract to ensure the critical path and practical completion date is maintained.</p> <p>The project team received approval from the IIG in November 2023 to continue the procurement while the change request is considered to mitigate further cost increases.</p> <p>Securing the budget uplift approval by early March 2024 is on the critical path to maintain project progress on site.</p>	<p>The project team has committed to an agreed target of \$4 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 HCE funding will be submitted to Joint Ministers.</p> <p>The project will move out of Red once the cost pressures are addressed.</p>

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Health Capital Envelope Allocation

27. 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)
Less: Allocated and approved to date	
Less: Allocated to new projects yet to be approved	
Less: Projects in Deliver seeking additional funding	
Surplus (Deficit) of HCE Available for Allocation	
Other known cost pressures	
Potential Capital Returns	
Proposed Funding Reallocations	
Projected surplus of funds	

28. Ninety five percent, s 9(2)(b)(ii), of the HCE has been approved to date. There has been no change since the last report.

29. There has been no change in the proposed allocation of the remaining HCE funding or material change to the anticipated cost pressures since the last report.

30. Given the current pressures on the HCE, and signals of a constrained Budget 2024 appropriation, a detailed reconciliation of the HCE has been initiated. The reconciliation will review all transactions and transfers of HCE appropriated funds since its inception in 2019 to confirm the funds that remain available for allocation.

Upcoming Ministerial decisions

31. Table 8 shows projects with near-term submission dates for Ministerial consideration of business case approvals.

Table 8: Upcoming Business Case Approvals

Area	Project Name	Prioritised Crown Funding	Expected Total Funding Request	Indicative Date to Board	Estimated Date to Ministers
Bay of Plenty	Whakatāne Mental Health Inpatient Unit Replacement	s 9(2)(b)(ii)		Q2 2024 ¹	Q2 2024
Hawke's Bay	Hawke's Bay Hospital Radiology Facilities Redevelopment			April 2024	May 2024
Hawke's Bay	Hawkes Bay LINAC			April 2024	May 2024

32. Table 9 below shows projects with approved funding seeking increases due to cost pressure funding increases.

Table 9: Approved projects requiring increased funding.

Area	Project Name	Current Crown Funding	Additional Funding Request	Estimated Date to Ministers
Tairāwhiti	New Child and Youth Health Community Hub	s 9(2)(b)(ii)		March 2024
Whanganui	Waimarino Health Centre Extension			March 2024
Waitematā	E Tū Wairua Hinengaro - Forensic Psychiatric Services Facilities Replacement, Mason Clinic, Auckland			March 2024
Auckland	Linear Accelerators Replacement, Auckland City Hospital			March 2024

¹ s 9(2)(b)(ii)

33. Table 10 shows projects with pending Ministerial decisions.

Table 10: Pending Decisions.

Area	Project Name	Decision Type	Funding Request	Endorsed by Board
Capital, Coast and Hutt Valley	Remedial Works (Copper Pipes Tranche 2)	Business Case	s 9(2)(b)(ii)	July 2023
West Coast	Te Nīkau Grey Hospital	Increased funding		July 2023
West Coast	Te Rau Kawakawa Buller Integrated Family Health Centre (IFHC)	Increased funding		July 2023
Hawke's Bay	Procedure Rooms Upgrade	Scope Change	N/A	July 2023
Northland	New Community Mental Health Facility, Manaia House	Increased funding	s 9(2)(b)(ii)	July 2023
Southern	Urgent Interim Works – Deferred Main, Gastroenterology, Audiology, and ICU	Increased funding		October 2023

⁴ s 9(2)(b)(ii)

Key Programme Overview

New Dunedin Hospital (NDH)

Current Costs

Table 11: Current estimates for New Dunedin Hospital Buildings and Contingency

Description	Current Budget	P85 As Reported 20/02/2024
Outpatients Building	s 9(2)(b)(ii)	s 9(2)(b)(ii)
Outpatients Building Contingency		
Inpatients Building		
Inpatients Building Contingency		
Sitewide Works		
Sitewide Work Contingency		
Enabling Works		
Enabling Works Contingency		Included
TOTAL	1,590,801,960	s 9(2)(b)(ii)

34. s 9(2)(b)(ii)

35. s 9(2)(b)(ii)

36. An updated cost estimate will be included in the Implementation Business Case that will be due to Cabinet in December 2024.

Outpatient Building

37. There is progress on site with around 65% of the steel structure now erected with approximately 30% of the floors poured.

Table 12: Forecast completions dates for Outpatient Building milestones.

Milestone	Forecast Completion Date
Construction – Main Build	s 9(2)(b)(ii)
Go Live (operationally in use)	s 9(2)(b)(ii)

Inpatient Building

38. Work on the slab removal works on the ex-Cadbury Inpatient Building site is complete and piling is underway with approximately 60 piles driven to date. The piling contractor is on programme.
39. The cost pressure for the Inpatient Building remains, based on continued inflation and exchange rate changes. s 9(2)(j) [REDACTED]
[REDACTED]
[REDACTED] As soon as the additional funding is agreed, early procurement can occur for major subsystems that will avoid further delay and associated cost escalation.

Table 13: Forecast completion dates for Inpatient Building milestones.

Milestone	Forecast Completion Date
Developed Design	26 February 2024 (complete)
Detailed Design	17 December 2024
s 9(2)(b)(ii) [REDACTED]	

Mental Health Infrastructure Programme (MHIP)

Mark Dunajtschik Mental Health Centre project resumes

Design

40. Design activities resumed on Hutt Hospital's acute mental health unit replacement project this month after the activities required to take over the project were completed.
41. The project, largely funded by a private donation, was being delivered by the benefactor's appointed team. Following Preliminary Design, it was mutually agreed that Health NZ would take over delivery of the project.
42. Design will continue through to Q3, 2024 at which time we anticipate an investment options paper will need to be considered by the Board.

Relocation of Specialist Mental Health Services from the Princess Margaret Hospital

43. Two new buildings were opened at Hillmorton Hospital last year and are currently in use. The reported stage for the project has been moved back to Deliver to reflect that, while now live, the practical completion documentation is not yet complete due to minor fixes still being undertaken.
44. Practical Completion is a key component of the contractual relationship between the contractor and client and is the official point we use to complete the Deliver phase. It does not impact occupant safety as appropriate Council compliance certificates have been obtained. It is anticipated that Practical Completion will be awarded in March 2024.

Regional Hospital Redevelopment Programme (RHRP)

Overview of RHRP

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

Project Pihi Kaha – Whangārei Hospital Redevelopment

47. The Whangārei Whānau House construction continues to make positive progress onsite with the facility's floor slab milestone completed to schedule. Above floor construction continues with favourable weather as the team works toward closing the building in. Furniture, fittings, and equipment schedules are underway to start procurement. The project remains on track to be delivered within the approved schedule by mid-2024.
48. Good progress is being made on Project Tira Ora with 100% Developed Design completed as per the approved programme and all reviews, both internal and external, completed. Detailed design phase has commenced in accordance with the current programme and is due for completion in mid-2024 ahead of consenting and contractor procurement.
49. Tira Ora contractor procurement planning is underway with planned request for proposals (RFPs) to be released to the open market via GETS following completion of detail design. To date, all Tira Ora milestones and gateways have been met and this milestone procurement activity is planned to start in May 2024 in line with Project Pihi Kaha's master programme to maintain progress across critical path activities.
50. Given the scale and complexity of Tira Ora is within the capability of the local market, risk and opportunity analysis has led to the recommendation of a traditional procurement approach with a fixed price lump sum build only contract. This is also informed from recent learnings on similar projects within the Northland district.
51. The project team is prioritising the development of the overall delivery strategy to deliver the Pihi Kaha investment objective. The Pihi Kaha investment programme has significant scale and complexity considered to be beyond local market capability. Learnings from recent infrastructure investments of similar and significant scale and complexity is that the traditional approaches have consistently resulted in projects that have not performed well and failed to deliver the desired objectives. The project team are considering alternative approaches (such as collaborative contracts) that motivate industry partners to prioritise working together, innovation and delivery efficiency. The team are engaging with relevant internal stakeholders and considering Health NZ's wider regional programme objectives with a target of presenting a final procurement recommendation to the Project Steering Group in April 2024.
52. Project Management and Cost Management consultant onboarding is going well. Recruitment for key roles continues along with development of the procurement strategy for engaging project partners (design and construction advisors) which is progressing positively, informed by lessons from other recent projects. Drafting of the ward tower business case continues along with the single stage business case for additional car parking.

Project Whakatapuranga – Nelson Hospital Redevelopment

53. The project now has a town planner, health planner and cost consultant onboard. The project team is focused on refining the campus master plan and evaluating the options for new and refurbished facilities on the campus.
54. The planners have reviewed lessons learned across major projects and assessed the market capacity. They are now exploring options for a phased approach with a series of smaller builds that are viable to construct in a regional setting, rather than a very large single building.
55. Clinical and seismic priorities are being considered to inform the sequence of the development.
56. To inform the Test to Fit works, the bed modelling produced in 2018 is being reviewed by the IIG and Hospital and Specialist Services (HSS) analysts to ensure the population and bed modelling outputs are up to date and accurate to inform the design brief. This work is being reviewed by the HSS Senior Leadership Team. A new standardised national methodology is being used to validate the modelling.
57. The procurement planning for the main ECE contractor and design team will take place once the preferred option is confirmed and the size and scale of the programme phases are defined. This will inform the approach to market.
58. The Test to Fit works will be completed late April. Concept Design is scheduled to complete by January 2025, Preliminary Design by July 2025 and Developed Design for Phase One by October 2025.
59. 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 starting early in 2024. A seismic report will be developed by the Health NZ seismic advisors, Kestral.

Tauranga Hospital Redevelopment

60. 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.
61. A Strategic Assessment is in progress, and will be followed by a Programme Business Case due to be completed in early 2025.
62. A programme approach is being taken in the procurement of the resource required to develop and deliver the RHRP Tranche 2 business cases.
63. The procurement of a supplier for business case development services across Tranche 2 is in progress and a preferred supplier is expected to be identified in March.

Hawke's Bay Fallen Soldier's Memorial Hospital Redevelopment

64. 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.
65. The Māori health equity plan, cultural narrative and cultural impact assessment will be developed in the first half of 2024.

66. Work on the Programme Business Case for the project is expected to start in the second half of 2024.

Palmerston North Hospital Redevelopment

67. The draft local Clinical Services Plan and asset management planning was completed in 2023 and is currently being reviewed by the national Health NZ planning teams.

68. Site Master planning for Palmerston North Hospital is on hold until the clinical service plan is finalised. This is expected to be restarted in early 2024.

69. Work on the Programme Business Case for the project is expected to start in the first quarter of 2025.

Linear Accelerator Programme

70. The Linear Accelerator programme is not currently managed as a programme but managed individually in each locality. Table 14 below provides a summary of progress for the current in-flight linear accelerator projects.

Table 14: Summary of in-flight Linear Accelerator Projects

Area	Project Name	Project Stage	No. of LINAC Machines	Total Project Cost	Forecast Go-live	RAG Status		
						Time	Scope	Budget
Te Toka Tumai Auckland (102115)	Linear Accelerators Replacement, Auckland City Hospital	Construction	2	s 9(2)(j)	Oct 24	Green	Green	Red
Te Tai Tokerau Northland (102116)	Radiation Oncology Project	Procurement (Main Contractor)	1		May 26	Green	Green	Green
Taranaki (102117)	Linear Accelerators	Construction	1		Sep 25	Green	Green	Green
Te Matau a Māui Hawke's Bay (102118)	Linear Accelerator & Bunker, Hawke's Bay Hospital	Detailed Business Case	1		Jul 27	Red	Red	Red

71. There has been no change in the RAG status of these in-flight projects over the past month.

72. The estimated go-live date for the Taranaki Linear Accelerator moved two months from July to September 2025.

73. The estimated go-live date for the Hawke's Bay Linear Accelerator and bunker moved from December 2026 to July 2027.

Project Photos

10001 – Facilities Infrastructure Remediation Programme - Tranche 1
Variable Speed Drive Pump



Reverse Osmosis Plant



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

Tunnel section



10204 – Manaaki Hōhonu - Construction of inpatient ward and ICU, Waitākere Hospital



102116 – Radiation Oncology Project, Whangārei Hospital



10209 – Manukau Superclinic expansion and planned care capacity increase, Manukau Health Park
North and top of West and East Building



10047 Te Kotuku Redevelopment, Whangārei Hospital (Critical Works - Package 2)

Exterior



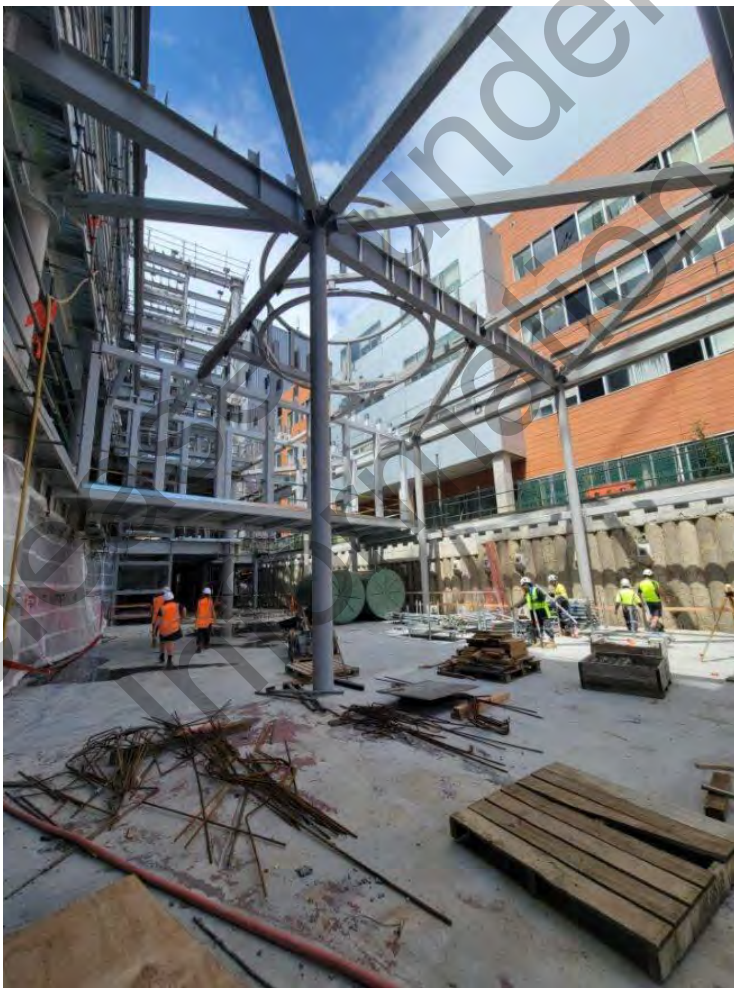
Interior



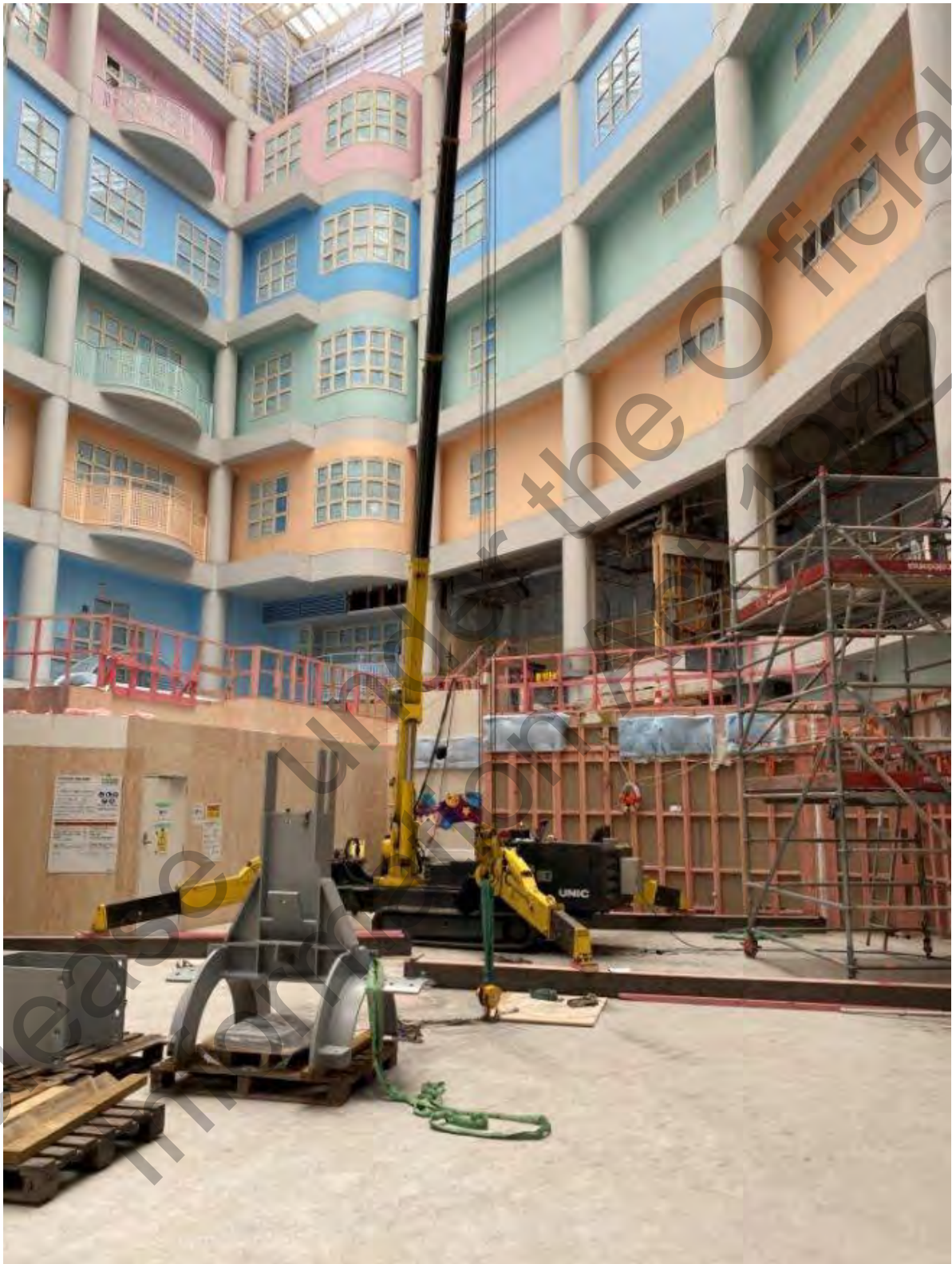
10079 – Taranaki Base Hospital Redevelopment - Project Maunga - Stage 2
East Wing Building



Entrance



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



10073 – Adult Mental Health Facility - Tranche 1, Waikato
Second Concrete Pour Completed



10207 – Acute Mental Health and Addictions Facility (Te Whare Awhiora), Tairāwhiti
Services reticulated through ceiling



10050 – E Tū Wairua Hinegaro - Forensic Psychiatric Services Facilities
Replacement, Mason Clinic, Auckland, Waitematā
Structural steel frame – view from west



**10027 – Urgent Interim Works, Dunedin Hospital, Southern
Day Surgery Theatre 2 HEPA filters and housing demolition**



Day surgery theatres AHU construction



30024 Wairau Boilers, Nelson-Marlborough
Heat pump and tank for plantroom



New chiller-heat pump in position next to existing chillers



10025 – New Dunedin Hospital, Southern

Outpatients Building



Inpatients Building – piling works



Appendices

Appendix 1: Project Performance Summary Period ending 31 January 2024

Appendix 2: Mental Health Infrastructure Programme Performance Summary Period ending 31 January 2024

Appendix 3: Health Capital Envelope – Allocation Summary January 2024 Withheld under s9(2)(b)(ii)

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Appendix 1 Health Capital Project Update

Reporting Period: Period ending 31 January 2024

	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	s 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			

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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	Kaitiaki Hospital Weather-tightness Remediation	Weatherproofing to extend building lifespan.	Mar-25	May-26	\$12.9 m	s 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	\$33.8 m	s 9(2)(b)(ii)	Green	Green	Green	Amber	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	s 9(2)(b)(ii)	Amber	Red	Amber	Red	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 Pihikaha - 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	s 9(2)(b)(ii)	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	Green
10241	1 - Northern	Waitematā	Waitākere - Electrical Infrastructure Upgrade	Upgrade to critical elements of electrical infrastructure at Waitākere Hospital	Jun-24	Nov-24	\$7.2 m	s 9(2)(b)(ii)	Amber	Green	Amber	Green	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	Dec-27	\$100.0 m	s 9(2)(b)(ii)	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.	Jul-25	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	s 9(2)(b)(ii)	Amber	Amber	Green	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.	Mar-24	May-25	\$12.3 m	s 9(2)(b)(ii)	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	s 9(2)(b)(ii)	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	\$1.4 m		Green	Green	Green	Amber	Green

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Information Act 1982

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	\$169.1 m	\$315.0 m	s 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	\$159.7 m	\$355.9 m		Green	Green	Amber	Green	Green
102115	1 - Northern	Te Toka Tumai Auckland	Linear Accelerators Replacement, Auckland City Hospital	Replacement of linear accelerator cancer radiation machines	Jun-24	\$5.9 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	\$17.0 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	\$39.4 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	\$33.3 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	\$6.7 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	\$67.5 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	\$98.0 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.	Feb-24	\$7.1 m	\$8.8 m		Green	Green	Amber	Green	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).	May-24	\$14.7 m	\$18.8 m		Amber	Amber	Amber	Red	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.	Mar-24	\$1.4 m	\$1.4 m		Green	Amber	Red	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	\$309.6 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	Amber	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.	Mar-24	\$281.3 m	\$268.2 m		Green	Amber	Amber	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	\$3.3 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	\$44.9 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	Amber	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	\$30.4 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	\$243.2 m	\$403.5 m		Amber	Red	Amber	Red	Green
10227	2 - Northern	Northern Region	Regional Network Remediation	Replacement of 826 end-of-life network devices.	May-24	\$8.0 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.	Mar-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	\$2.2 m	\$8.1 m	Green	Green	Amber	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	Green	Amber	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	Apr-24	\$25.0 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.	Nov-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.	Jul-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.	Apr-27	\$3.5 m	\$67.0 m	s 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.	Aug-25	\$12.7 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	\$5.2 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 Hōhono - 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	\$8.9 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.	Oct-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	\$64.0 m	\$65.6 m		Green	Green	Green	Green	Green
10257	5 - Te Waipounamu	Te Pae Hauora o Ruahine o Taranua 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	\$2.0 m	\$30.2 m		Green	Amber	Amber	Green	Green
							\$4,382.9 m						

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Appendix 2 Health Capital Project Update

Reporting Period: Period ending 31 January 2024

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	Red	Amber	\$0.0 m	\$15.0 m	s 9(2)(b)(ii)	TBA	Investment decision
DESIGN	30003	Hauora a Toi Bay of Plenty	Tauranga Hospital - Te Whare Maiangi - Mental Health and Addictions Acute Inpatient Unit redevelopment*	3	Green	Green	Amber	Green	Green	\$0.0 m	\$23.1 m		Q3 2027	Completion of extension design
	10232	Waitaha Canterbury	Hillmorton Hospital - Masterplan Redevelopment Tranche 1	2	Green	Green	Green	Green	Green	\$5.9 m	\$129.3 m		2028	Completion of detailed design
	30041	Te Tai o Poutini West Coast	Grey Base Hospital - Mental Health and Addictions Facility replacement	3	Red	Red	Red	Red	Green	\$1.1 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	Amber	Amber	Green	\$0.0 m	\$80.0 m		Q4 2026	Completion of developed design
	10073	Waikato	Waikato Hospital - Te Pae Tawhiti - Mental Health Adult Acute Inpatient Facility replacement	2	Green	Green	Green	Green	Green	\$20.2 m	\$175.6 m		Q3 2026	Completion of civil works (mental health facility)
DELIVER	30033	Taranaki	Taranaki Base Hospital - Tukapa House and Te Puna Waiora - Acute Inpatient Mental Health Facility upgrade	0	Green	Green	Green	Green	Green	\$3.5 m	\$9.0 m		Q4 2024 - Tukapa House Complete – Te Puna Waiora upgrade	Procurement Contract Award
	10075	Lakes	Rotorua Hospital - Mauri Ora - Mental Health and Addictions Inpatient Facility redevelopment	3	Amber	Amber	Amber	Amber	Green	\$6.4 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	Red	Amber	\$5.6 m	\$8.0 m		Q3 2024	Completion of enabling works
	30021	Nelson Marlborough	Nelson Hospital - Wāhi Oranga Mental Health Inpatient Unit refurbishment	0	Amber	Amber	Green	Amber	Amber	\$2.0 m	\$5.5 m		Q4 2024	Practical completion
	10207	Tairāwhiti	Gisborne Hospital - Te Whare Awhiora - Acute Mental Health and Addictions Facility	3	Amber	Amber	Amber	Amber	Green	\$13.2 m	\$31.1 m		Q4 2024	Weather tight structure
	10050	Waitematā	Mason Clinic - E Tū Wairua Hinengaro - Tranches 1A and 1B	1	Red	Red	Amber	Red	Green	\$39.6 m	\$162.8 m		Q3 2025	Completion of sub-structure
	10020	Te Pae Hauora o Ruahine o Tararua MidCentral	Palmerston North Hospital - Acute Mental Health Unit replacement	2	Green	Green	Amber	Green	Green	\$16.0 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	\$20.8 m	\$21.6 m		Q4 2024	Confirm remediation scope
	10010	Waitaha Canterbury	Specialist Mental Health Services Relocation from The Princess Margaret Hospital (TPMH) to Hillmorton Hospital	0	Green	Green	Green	Green	Green	\$81.1 m	\$81.8 m	Q1 2024	Practical completion	
DEBRIEF	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						\$62.9 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.