

EXECUTIVE STEERING GROUP

Minutes

Date	Tuesday, 9 August 2022	
Time	10:30am to 1:30pm	
Location	NDH PMO Boardroom - Dunedin 9(2)(g)(ii)	
Invitees	<p>Members Evan Davies (Chair) Dr Margaret Wilsher Dr Tony Lanigan Dr Nick Baker Dean Fraser</p> <p>Ex officio Helen Telford (SRO, Health NZ) Hamish Brown (Interim Southern District Director, Health NZ)</p> <p>Observers Pete Hodgson (Chair, Local Advisory Group) Warner Peel (Analyst – Health, The Treasury)</p> <p>Secretariat Caleb Barone (Project Coordinator, Health NZ)</p>	<p>Attendees Monique Fowler (Acting Director Delivery, IIG, Health NZ) Tony Lloyd (NDH Programme Director, Health NZ) Bridget Dickson (Programme Director, Southern District, Health NZ) Sheila Barnett (Chair Clinical Leadership Group, Southern District, Health NZ) Neil O'Donnell (Director, RLB) Matt Allen (Director, RCP) – <i>item 4</i> Marcus Read (Director, RCP) – <i>item 4</i> Darryl Haines (Warren and Mahoney) – <i>item 4</i> Trevor Boustead (Warren and Mahoney) – <i>item 4</i> Ron Hicks (HDR) – <i>item 4</i></p> <p>Apologies Robert Rust Blake Lepper</p>

- 1 **Welcome & Apologies**
Robert Rust and Blake Lepper were noted as apologies.
Warner Peel was welcomed as the new Treasury observer.
- Register of Interests**
The Register of Interests was noted, and the following declarations were made:
9(2)(a)
- June 2022 Minutes**
The Executive Steering Group:
ACCEPTED the 8 July 2022 minutes as a true and accurate record.
NOTED overview of the Open Action Points from Tony Lloyd, Programme Director.

REF	ITEM	ACTION REQUIRED	RESPONSIBLE	UPDATE/STATUS – 09/08/22
ESG-100321-06	Delegation of Authority	Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back to ESG.	Monique F	Open <ul style="list-style-type: none"> Currently on hold pending the outcome/s of the operational model working group. There is work being undertaken for governance of MHIP and RHRP that could influence NDH.
ESG-060421-09	ESD Workshop	Schedule a sustainability session to ensure the building is appropriate as possible and meeting government standards.	Tony L / Marcus Read (RCP)	Open <ul style="list-style-type: none"> Workshop deferred until design reset complete.
ESG-110521-06	Resourcing	Requested to receive a project team resource structure for the	Tony L	Open

		next meeting.		<ul style="list-style-type: none"> A revised project team structure continues to be worked through with Helen Telford and Monique Fowler
ESG-160222-03	iHNZ/HNZ Transition	John Hazeldine, Acting DDG Infrastructure, to invite the new HNZ leadership to a future ESG meeting to discuss future governance arrangements.	Monique F	<p>Open</p> <ul style="list-style-type: none"> Monique advised Rob Campbell suggested he and members of the subcommittee could come to Dunedin to meet the team. Logistics to be investigated to align visit with an ESG meeting.
ESG-160222-05	Site Wide Mana Whenua Design	NDH Design Team to provide advice on how mana whenua requirements are being integrated into the design of the hospital (in conjunction with the ESD workshop to be scheduled with ESG).	Tony L	<p>Open</p> <ul style="list-style-type: none"> Deferred until design reset complete.
ESG-130622-02	Digital Budget Comparison	The Chair of the ESG would like a report from RLB comparing the cost difference between the current budget for digital in the NDH project and proposed Digital Programme budget of the Detailed Digital Business Case.	Neil O'Donnell	<p>Open</p> <ul style="list-style-type: none"> Still being worked through by Neil O'Donnell and Tony Lloyd Discussed that there would be benefit if the workstreams were connected as what is currently proposed for digital is not clear to Neil or the infrastructure workstream team.
ESG-080722-01	Health, Safety, and Environment Report	Robert Rust to provide a different HSE report template for the project team to complete and present alongside the current HSE report at the next meeting.	Robert Rust	<p>Closed</p> <ul style="list-style-type: none"> Feedback and examples were provided by Robert Rust to project team.

- 2 iHNZ Transition & Gateway - Update**
- The updates on transition and Gateway were discussed as part of overview of Open Action Points.
 - The Gateway Action Plan tracker was taken as read, and it was agreed moving forward the Gateway update can be removed as an agenda item.

The Executive Steering Group members:

- NOTED** the updates on progress.

- 3 SRO Update**
- Received an update from Helen Telford, Senior Responsible Owner, key points to note include:
- The main topic at the SRO meetings for the past month was the potential impact of the value management work, with a key interest around the clinical impacts. The new 'Option 4', which will be presented in agenda item 4, appears to have a lesser impact on clinical than other presented options.
 - Another key topic has been the Interprofessional Learning Centre (ILC) and how it will be funded, as the Infrastructure and Investment subcommittee have commented that there would be no additional funding for NDH and seeking alternative funding will be difficult.
- The floor was opened for wider discussion. Key points to note include:
- NOTED** comments from Monique Fowler advising that an introduction meeting with the Infrastructure and Investment Subcommittee was held in July, where an overview of the capital envelope was provided along with noting papers on the NDH governance and value management, and the other delivery programmes. The subcommittee were grateful for the papers and provided their thoughts, but no decisions have been made by them yet.
 - NOTED** the current members of the Infrastructure and Investment Subcommittee are Rob Campbell, as Chair, Amy Adams, Karen Poutasi, and Scott Pritchard.

The Executive Steering Group members:

- NOTED** the update from Helen Telford.

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Programme Director Update

Received an update from Tony Lloyd, key points to note include:

- The four major focuses since the last meeting were progressing the redesign of the Inpatient Building, closing out steel, finalising the reviews of façade offers, and continuation of piling at the Outpatient Building site.
- Discussions are on-going for façade procurement, with the tech review for the alternative company's submission expected by 12th August.
- There was a delay in the arrival of the repaired 14T hammer. The 12T has driven the piles to a certain depth, with the 14T hammer expected to arrive 10th August to be used to drive the piles the rest of the way in.

Inpatient Building Update:

- The RCP Inpatient Building status report was taken as read, key points from discussion:
 - **NOTED** that to reduce programme impact some design activities are occurring in parallel by utilising existing resources, rather than standing them down.
 - **DISCUSSED** recent changes in the market have enabled the ability to mitigate time impacts by designing and building in parallel. This is due to fees being more known and the increased likelihood of receiving fixed price lump sums. Noting, however, that there are still some unknowns.
 - **NOTED** modularisation is being investigated, which could increase cost savings and reduce clinical impacts.
 - **NOTED** RLB recently attended a CPB meeting where they talked with the contractors individually, allowing them to discuss their processes and understand where current confusion in issued instructions was occurring.
 - **NOTED** changes in sub-trade pricing. Plumbing and Data has reduced, while Mechanical is ⁹⁽²⁾_(i) over, and changes to Electrical are currently unknown due to lack of information.
 - **NOTED** Evan Davies and Tony Lloyd met with the consultant companies leads in Auckland last week.

Outpatient Building Update:

- The RCP Outpatient Building status report was taken as read.

Health & Safety & Environment:

- The Health, Safety, and Environment update was taken as read, key points from discussion:
 - **NOTED** there were no Health, Safety, and Environment issues to report in current reporting period, possibly due to decrease in activity waiting for 14T hammer.
 - **NOTED** the sample report from the Christchurch project was provided in the paper pack as an example of possible alternative Health and Safety reporting for the project.
 - **NOTED** comments from Robert Rust, via Evan Davies, that he prefers the Christchurch project example and would like to see a version customised to the New Dunedin Hospital project.
 - **DISCUSSED** the need for reporting to be consistent across the Infrastructure and Investment Group's 107 projects, while also providing more detail about trends.
 - Tony Lloyd advised moving forward that both reports will be provided for ESG meetings.
 - **DISCUSSED** that even though Health and Safety legislation does not include mental wellbeing as a reporting requirement, there is interest in seeing reporting on the mental wellbeing of workers.

Marcus Read, Darryl Haines, Trevor Boustead, and Ron Hicks joined the meeting at 11:30

Value Management:

Received a presentation from Marcus Read, Darryl Haines, Trevor Boustead, and Ron Hicks which outlined in terms of the Value Management:

- The focus areas and work occurring since the July ESG meeting.
- An overview and comparison of the current value management options and the reduced structural design options.
 - Option 1: Current Design
 - Option 3: Additional Clinical Optimisation
 - Option 4: Building Services Optimisation

- The current site plan vs the site plan for option 3 and option 4.
- Plans of each floor for option 4.
- A site cross section for options 3 and 4.

The Chair opened the floor for wider discussion. Key points to note include:

- **NOTED** to reduce space the heat pumps have been moved to the roof, and to reduce noise most are located on the Bow Lane side.
- **DISCUSSED** that there is a limited number of places for the generators to be located. The proposed location for the generators, in the northern corner, would be inexpensive as the cabling can be run under the road.
- **NOTED** that option 4 provides a possible cost saving of \$90-\$100m. The exact number is not yet known as there have been minor changes to the option 4 design since the last cost review, which requires the numbers to be run again, as well as some design decisions still needing agreement from the Southern District.
- **DISCUSSED** that even with a reduced pathology in option 4, a full pathology unit would still need to be located elsewhere, off site, and would likely not be funded by Te Whatu Ora.
- **NOTED** that discussions are on-going around whether a small area for mental health/dementia will be part of the design or if these services will solely be based out in the community.
- **NOTED** the concerns around potential risks relating to reduced services, beds, and workspace when compared to the previous accepted design.
- **NOTED** that if there is a definable reduction in services it should be clearly reported so that those who must make the final decision are fully informed. If the final option is not consistent with the design outlined in the Detailed Business Case, then the ESG cannot approve it and the decision will then need to be pushed up to Cabinet.
- **NOTED** to reduce the impact on the construction programme the review of the current value management options needed to happen quickly, with a detailed report presented to the ESG near the end of the process.
- **NOTED** Dr Nick Baker and Dr Margaret Wilsher should be involved in the review of the value management options to provide an external clinical view.
- **DISCUSSED** the need to work in parallel with mana whenua around the Māori models of care. Marcus Read advised he will discuss the value management options with Justine Camp.
- **DISCUSSED** who should lead the communication phase to liaise with the Southern District teams about the decisions and what the messaging should be. Helen Telford advised she would step into the role and facilitate meetings locally.

Next Steps:

- Facilitate review meetings with the Southern District teams as well as Dr Nick Baker and Dr Margaret Wilsher.
- Provide a detailed report back to ESG.

The Executive Steering Group members:

- **NOTED** the updates on progress.

Marcus Read, Darryl Haines, Trevor Boustead, and Ron Hicks left the meeting at 12:35

5 Financial Report

The report was taken as read, key points from discussion:

- Key focus for current reporting period was on scheduling, measuring, and pricing for subcontractor tenders, with the first trades for the Outpatient Building now out to market.
- S9(2)(b)(ii)
[Redacted]
[Redacted]
[Redacted]
- RLB continue to monitor forecasts, with no significant change being seen this period. Concerns about the changes in exchange rates and difference in risk profile between current pricing and pricing next year remain.

The Executive Steering Group members:

- **NOTED** the financial report update.

Southern District Change Programme – Bimonthly Updates

Received an update on the Te Whatu Ora - Southern Change Programme from Hamish Brown, interim Southern District Director. The report was taken as read, key points to note from discussion:

- **DISCUSSED** concerns arising from the transition to Te Whatu Ora – Health New Zealand. Key concerns were:
 - The decision-making process is taking longer, and how decisions are made is not clear, with the change to a district and region model.
 - Winter pressure reporting and directives are North Island centric and are not taking into consideration South Island and Southern District impacts.
- **NOTED** that some of these concerns may be addressed once an operating model has been decided.

The Executive Steering Group members:

- **NOTED** the update on SDHB Change Programme progress.

Other Business

- No items were raised for discussion.

The meeting closed at 01:23

Released under the Official Information Act 1982

Closed Action Points

REF	ITEM	FIRST RAISED	STATUS	ACTION REQUIRED	RESPONSIBLE	ACTION BY	DUE BY	PRIORITY	UPDATE/STATUS	ACTION BY	DATE CLOSED
ESG 080722 - 01	Health, Safety and Environment Report	8/07/2022	In progress	Robert Rust to provide a different HSE report template for the project team to complete and present alongside the current HSE report at the next meeting.	ESG	Robert Rust	9/08/2022	Normal	Feedback and examples were provided by Robert Rust to project team.		9/08/2022

Open Action Points

REF	ITEM	FIRST RAISED	STATUS	ACTION REQUIRED	RESPONSIBLE	ACTION BY	DUE BY	PRIORITY	UPDATE/STATUS	ACTION BY
ESG-100321-06	Delegation of Authority	10/03/2021	In progress	Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back on to ESG.	MOH	Monique F	8/07/2022 TBC	Normal	09/08/22 - Currently on hold pending the outcome/s of the operational model working group. - There is work being undertaken for governance of MHIP and RHRP that could influence NDH.	Monique F
ESG-060421-09	ESD Workshop	6/04/2021	In progress	Schedule a sustainability session to ensure the building is appropriate as possible and meeting government standards.	MOH	Tony LL / Marcus Read (RCP)	11/06/2021 09/11/2021 TBC	Normal	Workshop deferred until design reset complete.	Tony LL / Marcus Read (RCP)
ESG-110521-06	Resourcing	11/05/2021	In progress	Requested to receive a project team resource structure for the next meeting.	MOH	Tony LL	11/06/2021 10/09/2021 TBC	Normal	A revised project team structure continues to be worked through with Helen Telford and Monique Fowler	Tony LL
ESG-160222-03	iHNZ/HNZ Transition	16/02/2022	In progress	John Hazeldine, Acting DDG Infrastructure, to invite the new HNZ leadership to a future ESG meeting to discuss future governance arrangements.	MOH	Monique F	TBC	Normal	09/08/22 - Monique advised Rob Campbell suggested he and members of the subcommittee could come to Dunedin to meet the team. - Logistics to be investigated to align visit with an ESG meeting.	Monique F
ESG-160222-05	Site Wide Mana Whenua Design	16/02/2022	In progress	NDH Design Team to provide advice on how mana whenua requirements are being integrated into the design of the hospital (in conjunction with the ESD workshop to be scheduled with ESG).	MOH	Tony LL	20/04/2022 TBC	Normal	Deferred until design reset complete.	Tony LL
ESG-130622-02	Digital Budget Comparison	13/06/2022	In progress	The Chair of the ESG would like a report from RLB comparing the cost difference between the current budget for digital in the NDH project and proposed Digital Programme budget of the Detailed Digital Business Case.	RLB	Neil O'Donnell	TBC	Normal	09/08/22 - Still being worked through by Neil O'Donnell and Tony Lloyd - Discussed that there would be benefit if the workstreams were connected as what is currently proposed for digital is not clear to Neil or the infrastructure workstream team.	Tony LL / Neil O'Donnell

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1	<p>Welcome & Apologies Tony Lanigan and Dean Fraser were noted as apologies. Blake Lepper joined late at 10:40am</p> <p>Register of Interests The Register of Interests was noted, and no new declarations were required.</p> <p>August 2022 Minutes The Executive Steering Group: ACCEPTED the 9 August 2022 minutes as a true and accurate record. NOTED overview of the Open Action Points from Tony Lloyd, Programme Director.</p> <table border="1"> <thead> <tr> <th>REF</th> <th>ITEM</th> <th>ACTION REQUIRED</th> <th>RESPONSIBLE</th> <th>UPDATE/STATUS – 09/09/22</th> </tr> </thead> <tbody> <tr> <td>ESG-100321-06</td> <td>Delegation of Authority</td> <td>Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back to ESG.</td> <td>Monique F</td> <td> <p>Open</p> <ul style="list-style-type: none"> Currently on hold pending request to the Te Whatu Ora Board for HNZ contractors to hold financial delegated authority. This will require approval by Joint Ministers. Transitional issues around decision making and approval processes continue to be worked through with the various project teams. </td> </tr> </tbody> </table>				REF	ITEM	ACTION REQUIRED	RESPONSIBLE	UPDATE/STATUS – 09/09/22	ESG-100321-06	Delegation of Authority	Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back to ESG.	Monique F	<p>Open</p> <ul style="list-style-type: none"> Currently on hold pending request to the Te Whatu Ora Board for HNZ contractors to hold financial delegated authority. This will require approval by Joint Ministers. Transitional issues around decision making and approval processes continue to be worked through with the various project teams.
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ESG-060421-09	ESD Workshop	Schedule a sustainability session to ensure the building is appropriate as possible and meeting government standards.	Tony L / Marcus Read (RCP)	On Hold
ESG-110521-06	Resourcing	Requested to receive a project team resource structure for the next meeting.	Tony L	Closed <ul style="list-style-type: none"> The revised project team resource structure has been identified and presented to the project team and main consultants on 31st August. The expectations, roles, and responsibilities were clearly articulated. The project structure has been split with Jim Coard as Project Director of Inpatient Building, Andrew Holmes as Project Director of Outpatient Building, and Kieran Reilly as Project Manager of the Dairy Building/Other. The roles of Design Director and Construction Director have been removed. Monique Fowler noted that she is working with Tony Lloyd to make sure employees get pastoral care. A copy of the project team resource structure will be circulated to the ESG.
ESG-160222-03	iHNZ/HNZ Transition	John Hazeldine, Acting DDG Infrastructure, to invite the new HNZ leadership to a future ESG meeting to discuss future governance arrangements.	Monique F	On Hold <ul style="list-style-type: none"> The Capital and Infrastructure Committee are awaiting the outcome of the Operating Model workstream.
ESG-160222-05	Site Wide Mana Whenua Design	NDH Design Team to provide advice on how mana whenua requirements are being integrated into the design of the hospital (in conjunction with the ESD workshop to be scheduled with ESG).	Tony L	Closed <ul style="list-style-type: none"> Agreed to close action point and it will be addressed and presented as part of re-design. NOTED comments that the design team and Aukaha have been in communication during re-design in consultation with the Māori Models of Care. Evan Davies commented that when working with the Māori Models of Care that care is taken to ensure any parallel processes are progressing at the same time.
ESG-130622-02	Digital Budget Comparison	The Chair of the ESG would like a report from RLB comparing the cost difference between the current budget for digital in the NDH project and proposed Digital Programme budget of the Detailed Digital Business Case.	Tony Lloyd /Neil O'Donnell	Open <ul style="list-style-type: none"> Continues to be a work in progress. Tony Lloyd will connect with Bridget Dickson and the Digital team. DISCUSSED the potential for future governance issues if the two projects are not aligned and the need for digital representation at the meetings.

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HNZ Transition - Update

- NOTED** work on the Operating Model remains in progress, key points include:
 - A report back to the Cabinet Priorities Committee will occur alongside the Capital Settings paper.
 - Stakeholder engagement is ongoing with feedback on what the model needs to consider, received Thursday 8th September and further feedback on the domains due in the next two weeks.
 - The report is being written by Monique Fowler, Aaron Matthews, and Ernst Young.
 - Expected to be completed and a roadmap produced by October.

	<ul style="list-style-type: none"> The Chair thanked Monique Fowler for the update and noted that once construction of the Outpatient Building is in train there needs to be robust systems in place to allow for quick decision making and approvals. Monique Fowler acknowledged these comments. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> NOTED the updates on progress.
<p>3</p>	<p>SRO Update</p> <ul style="list-style-type: none"> Helen Telford advised strategies for internal and external project communication are being reviewed and feedback will be provided at the next meeting. The Chair noted that the Executive Steering Group can express a view but do not have a public role nor will make public comments. There needs to be a local spokesperson for the project. Pete Hodgson noted that the communication strategy is reviewed every two years but never acted on and that the project has lost the relationship with the media. Peter Bramley advised the project needs to be proactive with communications to provide assurance and clarity for the community. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> NOTED the discussion.
<p>4</p>	<p>Programme Director Update</p> <p><u>Outpatient Building Update:</u></p> <ul style="list-style-type: none"> Construction Contract: <ul style="list-style-type: none"> 9(2)(i) Critical path has been hit with the current proposed programme shifting 6-months to November 2025. Façade procurement: <ul style="list-style-type: none"> NOTED a paper was circulated to the Executive Steering Group prior to the meeting requesting endorsement for Southbase Construction to engage SRG Global as their Outpatient Building façade contractor. DISCUSSED the timeline of façade procurement leading to current discussions and endorsement. DISCUSSED potential issues that could arise from unsuccessful tenderers once façade contract award is made public. NOTED Health Legal and the Infrastructure and the Investment Group Commercial, Construction and Procurement team have reviewed and advised the façade RFP process was undertaken correctly. The Executive Steering Group endorsed Southbase Construction to engage SRG Global as their façade contractor for the Outpatient Building. NOTED piling is currently behind programme but is not near critical path. The issue with the hammer has been resolved which has allowed piling work to increase over the previous weeks. NOTED the residual design issues have been resolved for Outpatient Detailed Design and the report will be ready to present to Executive Steering Group by the next meeting. NOTED the latest fast-track consents have been approved without objections. DISCUSSED how the project is currently tracking against the programme. The Chair commented that we are now at a point where stakes can be put in the ground for programme and expectations can be made. There is an expectation the Outpatient Building needs to be operating before December 25th, 2025. <p><u>Health & Safety & Environment:</u></p> <ul style="list-style-type: none"> The Health, Safety, and Environment update was taken as read, key points from discussion: <ul style="list-style-type: none"> NOTED there were three Health and Safety events in current reporting period. Two related to piling and one related to procedure. DISCUSSED whether the Executive Steering Group should be concerned that there are unsafe practices occurring on site. Matt Allen advised that RCP and Andrew Holmes do not have concerns that this is happening. The Chair requested the piling incidents to be investigated fully and a report provided at the next Executive Steering Group.

- **NOTED** work is on-going to improve the Health and Safety reporting and to ensure the two reports do not conflict with each other. Benchmarking data is still being worked on.

Marcus Read, Kris Thomas, Darryl Haines, Trevor Boustead, Bill Gregory, Paul Tonkin, Richard Wager, Jenny Fisher, Joe Mihaljevic, and Karen Curtis joined the meeting at 11:35am

Inpatient Building Update:

- The RCP Inpatient Building status report was taken as read.
- The 'Value Management Report and Recommendation' paper was taken as read, key points from discussion:
 - Tony Lloyd thanked the Southern District team, Nick Baker, and Margaret Wilsher for their involvement in the value management process/review.
 - Tony Lloyd provided an overview of the changes in option 4.3, noting the removal of the Mental Health Services of Older People IPU has been removed and the redistribution of collaborative space due to the removal of the Pavilion.
 - **NOTED** the Executive Steering Group cannot approve a redesign, it can only make recommendations.
 - **NOTED** comments from the Te Whatu Ora Southern team:
 - Hamish Brown noted this is a difficult decision to make due to papers being provided 36 hours prior to the meeting and it appears the \$90m savings have been achieved by moving items to other budget lines. Due to the amount of risk to programme he is not in a position where he can recommend this option to the Capital and Infrastructure Committee.
 - Shelia Barnett acknowledged the design team have done the best job they can with the least amount of impact, but the clinical risks are too large and unacceptable.
 - Bridget Dickson added that the non-quantifiable risk is the stakeholders.
 - Pete Hodgson noted the bed reduction is unacceptable and that the option is silent on operational expenditure savings.
 - **DISCUSSED** that reductions for the Mental Health Services of Older People IPU were offered up by Te Whatu Ora Southern but not the full deletion of the IPU from the building.
 - **DISCUSSED** the potential costs for Dairy Building to be fitted out. Current estimate from CPB is 9(2)(i) for fit out as an office space. Further discussion occurred around moving the kitchen to the Dairy Building to free up space for a reduced Mental Health Services of Older People IPU.
 - **DISCUSSED** releasing contingency to retain some clinical services and beds.
 - **DISCUSSED** the risks involved with going back to concept design. Robert Rust commented that similar conversations are being had in Australia on multiple projects; it can be done but there is risk.
 - The Chair noted that given the task set by Joint Ministers a good outcome has been reached, it is not an acceptable outcome, but it meets the requirements of the task.
 - Monique Fowler commented that the capital and operational expenditure risks need to be clearly outlined in the options put forward to Joint Ministers.
- A late paper by Pete Hodgson, outlining an alternative value management option, was circulated at the beginning of the meeting. Pete Hodgson spoke to this paper and provided an overview, key points to note:
 - There is a potential \$78m saving by:
 - Removing, cold shelling or staging components of the original design which would save \$35m
 - Outsourcing the Bow Lane building which would save \$43m in capital expenditure.
 - The gross and net savings would be the same resulting in no wastage due to redesign.
 - Clinical services could be appropriately staged but fundamentally preserved, resulting in the noted 'red' and most of the 'amber' clinical risks no longer arising.

The Chair opened the floor for wider discussion. Key points to note include:

- Hamish Brown, Bridget Dickson, and Shelia Barnett support this alternative option and would like it presented to Joint Ministers for consideration.
- **DISCUSSED** the alternative option is more palatable with more savings on elements known. However, further exploration needs to occur for third party funding viability.
- **DISCUSSED** the need to review and consider both capital and operational expenditure costs and that the outcome from the design optimisation process will result in better value for money.

- **NOTED** the Executive Steering Group recommended option will be presented to the Te Whatu Ora Board for consideration before seeking approval of the Joint Ministers.
- **NOTED** the Executive Steering Group will recommend option 4.3, subject to the removed beds being added back in and a space for a reduced Mental Health Services of Older People IPU included in the design. A revised option 4.3, with these inclusions, is to be circulated to the Executive Steering Group members for formal endorsement.
- **NOTED** the final recommendation was required by 7 October for the Capital and Infrastructure Committee meeting on 13 October.
- Hamish Brown requested more information regarding the redundancy and resilience under option 4.3. Richard Wager provided an overview, key points to note include:
 - Reduction in heat pumps, but number of boilers remains the same.
 - Reduction in logistic lifts.
 - Water tank storage reduced from 48 hours to 24 hours.
- Hamish Brown noted these changes will raise the overall risk profile.
- Neil O'Donnell noted the changes to services generated a \$4-5m saving.
- **DISCUSSED** the proposed water storage changes still meet the New South Wales standards, but these standards have not been tested in a colder climate like Dunedin.

Next Steps:

- Provide a report back to Executive Steering Group regarding Piling H&S incident.
- A revised option 4.3 will be circulated to the Executive Steering Group.

The Executive Steering Group:

- **NOTED** the updates on progress.
- **ENDORSED** Southbase Construction to engage SRG Global as the façade contractor for the Outpatient Building.
- **ENDORSED** the 'Recommended Scheme' (Option 4.3), subject to the inpatient bed number being increased from 354 to 386 and the reinsertion of a space with beds for the Mental Health Services of Older People IPU (24 removed).
- **RECOMMEND** the release of contingency to fund the 32 inpatient medical surgical beds and for the re-insertion of a space and beds for the Mental Health Services of Older People IPU.
- **NOTED** the paper from Pete Hodgson outlining alternative cost saving options.

The Executive Steering Group Supporting Direction:

- The design team to investigate the appropriate space and number of beds to be re-inserted for the Mental Health Services of Older People IPU and report back.

Paul Tonkin left the meeting at 12:45pm

Marcus Read, Kris Thomas, Darryl Haines, Trevor Boustead, Bill Gregory, Richard Wager, Jenny Fisher, Joe Mihaljevic, and Karen Curtis left the meeting at 1:30pm

5 Financial Report

The report was taken as read, key points from discussion:

- There has been a 12% increase in general market, non-residential, costs since last year. Concerns about the changes in exchange rates, market pricing, and inflationary wage pressures remain.
- The September reports will be split into Outpatient Building and Inpatient Building, with any site wide costs being included in the Inpatient Building report.
- Robert Rust commented he would like to see a breakdown of the Outpatient Building trades/tenders, which Neil O'Donnell advised is currently being worked on.
- Work is ongoing with trades to reduce the amount of risk being priced into costs, as some can be passed onto the client. Matt Allen noted that RCP are needing to review tender costs submissions thoroughly to ensure risk is not being double-dipped.
- Due to historic variations and allocation of fees for the redesign there was an increase in contingency spend for the month.

	<p>The Executive Steering Group members:</p> <ul style="list-style-type: none">• NOTED the financial report update.
6	<p>Other Business</p> <ul style="list-style-type: none">• NOTED potential dates for the 2023 meetings will be compiled offline.• DISCUSSED preference for meeting days. Monique Fowler noted the Capital and Infrastructure Board meeting the second Thursday of each month, with papers due the Friday beforehand, so meetings should be planned around those timeframes.
<p>The meeting closed at 01:57pm</p>	

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Closed Action Points

REF	ITEM	FIRST RAISED	STATUS	ACTION REQUIRED	RESPONSIBLE	ACTION BY	DUE BY	PRIORITY	UPDATE/STATUS	ACTION BY	DATE CLOSED
ESG-110521-06	Resourcing	11/05/2021	In progress	Requested to receive a project team resource structure for the next meeting.	MOH	Tony LL	11/06/2021 10/09/2021 TBC	Normal	<p>09/09/22</p> <ul style="list-style-type: none"> - The revised project team resource structure has been identified and presented to the project team and main consultants on 31st August. - The project structure has been split with Jim Coard as Project Director of Inpatient Building, Andrew Holmes as Project Director of Outpatient Building, and Kieran Reilly as Project Manager of the Dairy Building/Other. - The roles of Design Director and Construction Director have been removed. - Monique Fowler noted that she is working with Tony Lloyd to make sure employees get pastoral care. 	Tony LL	9/09/2022
ESG-160222-05	Site Wide Mana Whenua Design	16/02/2022	In progress	NDH Design Team to provide advice on how mana whenua requirements are being integrated into the design of the hospital (in conjunction with the ESD workshop to be scheduled with ESG).	MOH	Tony LL	20/04/2022 TBC	Normal	<p>09/09/22</p> <ul style="list-style-type: none"> - Agreed to close action point and it will be addressed and presented as part of re-design. 	Tony LL	9/09/2022

Open Action Points

REF	ITEM	FIRST RAISED	STATUS	ACTION REQUIRED	RESPONSIBLE	ACTION BY	DUE BY	PRIORITY	UPDATE/STATUS	ACTION BY
ESG-100321-06	Delegation of Authority	10/03/2021	In progress	Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back on to ESG.	MOH	Monique F	8/07/2022 TBC	Normal	<p>09/09/22</p> <ul style="list-style-type: none"> - Currently on hold pending decision by the Te Whatu Ora Board regarding asking the Minister of Health for delegated authority for contractors. - Transitional issues around decision making and approval processes continue to be worked through with the various project teams. 	Monique F
ESG-060421-09	ESD Workshop	6/04/2021	In progress	Schedule a sustainability session to ensure the building is appropriate as possible and meeting government standards.	MOH	Tony LL / Marcus Read (RCP)	11/06/2021 09/11/2021 TBC	Normal	<p>09/09/22</p> <ul style="list-style-type: none"> - Workshop remains deferred until design reset complete. 	Tony LL / Marcus Read (RCP)
ESG-160222-03	iHNZ/HNZ Transition	16/02/2022	In progress	John Hazeldine, Acting DDG Infrastructure, to invite the new HNZ leadership to a future ESG meeting to discuss future governance arrangements.	MOH	Monique F	TBC	Normal	<p>09/09/22</p> <ul style="list-style-type: none"> - The Capital and Infrastructure Committee are awaiting the outcome of the Operating Model workstream. 	Monique F
ESG-130622-02	Digital Budget Comparison	13/06/2022	In progress	The Chair of the ESG would like a report from RLB comparing the cost difference between the current budget for digital in the NDH project and proposed Digital Programme budget of the Detailed Digital Business Case.	RLB	Neil O'Donnell	TBC	Normal	<p>09/09/22</p> <ul style="list-style-type: none"> - Continues to be a work in progress. - Tony Lloyd will connect with Bridget Dickson and the Digital team. - Discussed the potential for a governance issue for the future if the two projects are not aligned and the need for digital representation at the meetings. 	Tony LL / Neil O'Donnell

EXECUTIVE STEERING GROUP

Minutes

Date	Tuesday, 11 October 2022	
Time	10:30am to 1:30pm	
Location	NDH PMO Boardroom - Dunedin 9(2)(g)(ii)	
Invitees	<p>Members Evan Davies (Chair) Dr Margaret Wilsher Dr Tony Lanigan Dr Nick Baker Robert Rust Dean Fraser</p> <p>Ex officio Helen Telford (SRO, Health NZ) Hamish Brown (Interim Southern District Director, Health NZ)</p> <p>Observers Blake Lepper (Te Waihanga, Infrastructure Commission) Robyn Shearer (DCE – Sector Support and Infrastructure & DDG – DHB Performance and Support, Ministry of Health) Pete Hodgson (Chair, Local Advisory Group) Warner Peel (Analyst – Health, The Treasury)</p>	<p>Attendees Monique Fowler (Acting Director Delivery - HIU, Health NZ) Tony Lloyd (NDH Programme Director, Health NZ) Bridget Dickson (Programme Director, Southern District, Health NZ) Matt Allen (Director, RCP) – <i>Item 4</i></p> <p>Secretariat Caleb Barone (Project Coordinator, Health NZ)</p> <p>Apologies Sheila Barnett (Chair Clinical Leadership Group, Southern District, Health NZ) Neil O'Donnell (Director, RLB) John Hazeldine (Chief Advisor and Group Manager - Health Infrastructure, Ministry of Health)</p>

- 1 **Welcome & Apologies**
Shelia Barnett, Neil O'Donnell, and John Hazeldine were noted as apologies.

Register of Interests

The Register of Interests was noted, and the following declarations were made:

- 9(2)(a)

September 2022 Minutes

The Executive Steering Group:

ACCEPTED the 9 September 2022 minutes as a true and accurate record.

NOTED overview of the Open Action Points from Tony Lloyd, Programme Director.

REF	ITEM	ACTION REQUIRED	RESPONSIBLE	UPDATE/STATUS – 11/10/22
ESG-100321-06	Delegation of Authority	Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back to ESG.	Monique F	<p>Open</p> <ul style="list-style-type: none"> The Te Whatu Ora Board have requested delegated authority for contractors from the Minister of Health Further updates will be covered in agenda item 2.
ESG-060421-09	ESD Workshop	Schedule a sustainability session to ensure the building is appropriate as possible and meeting government standards.	Tony L / Marcus Read (RCP)	<p>On Hold</p>

ESG-160222-03	iHNZ/HNZ Transition	John Hazeldine, Acting DDG Infrastructure, to invite the new HNZ leadership to a future ESG meeting to discuss future governance arrangements.	Monique F	On Hold <ul style="list-style-type: none"> The Capital and Infrastructure Committee are awaiting the outcome of the Operating Model workstream.
ESG-130622-02	Digital Budget Comparison	The Chair of the ESG would like a report from RLB comparing the cost difference between the current budget for digital in the NDH project and proposed Digital Programme budget of the Detailed Digital Business Case.	Tony Lloyd /Neil O'Donnell	Open <ul style="list-style-type: none"> Continues to be a work in progress.

2

HNZ Transition - Update

- **NOTED** report backs on governance for Te Whatu Ora and New Dunedin Hospital remain in progress. Advice has been provided to the Minister of Health, as well as continued conversations occurring between the Minister, the Te Whatu Ora Board Chair, and the Ministry of Health. It is unknown what has been discussed to date or if further advice is required.
- **NOTED** work on the Operating Model remains in progress, key points include:
 - The report back on the Operating Model has been deferred to the December cabinet meeting
 - Future governance arrangements are currently unknown for projects like the New Dunedin Hospital project and Hospital Redevelopment Partnership Group.
 - Jeremy Holman has been announced as the Te Whatu Ora Chief Infrastructure and Investment Officer, starting on the 5/12/2022. Graham Smith, current interim Chief, will be returning to his position at TAS.
- The Chair asked that once governance arrangements are identified there be a joint meeting between the Executive Steering Group and Te Whatu Ora Executive Leadership Team.
- The Chair noted the models developed over the recent periods are unlikely to be adopted by Te Whatu Ora due to high levels of reliance on external governance being disliked. However, believes there will be a view by decision makers not to disrupt NDH as much as possible.

The Executive Steering Group members:

- **NOTED** the updates on progress.

3

SRO Update

Received an update from Helen Telford, Senior Responsible Owner, key points to note include:

- There has been a lull in activity pending the outcomes of current decisions with the Capital and Infrastructure Committee and Te Whatu Ora Board.
- Concerns around the delay in the Inpatient Building value management paper not going to Joint Ministers until November, meaning there will be delays in re-engaging with stakeholders until late November/early December.
- The Interprofessional Learning Centre is being progressed as an independent project; however, it is currently paused awaiting discussions with Te Whatu Ora.
- There is an upcoming MOU meeting with representatives from Te Whatu Ora and Te Aka Whai Ora attending.
- The project communications approach continues to be developed, with good case studies being observed recently of information that has or has not been pre-emptively released.

The floor was opened for wider discussion. Key points to note include:

- There was discussion regarding the Ministry of Health attending the ESG meetings going forward as an observer and advisor to the Minister of Health. The Chair commented that the Capital Investment Committee also has an observer role, outlined in the Terms of Reference, which is fulfilled by himself and Dr Margaret Wilsher.

The Executive Steering Group members:

- **NOTED** the update from Helen Telford.

4

Programme Director Update

Health & Safety & Environment:

- The Health, Safety, and Environment update was taken as read, key points from discussion:
 - **NOTED** the Incident Report and Investigation paper for the September piling-casing incident.
 - **DISCUSSED** concerns raised by ESG members regarding the damage to the fences that occurred, the dangers involved with lifting, and the significant damage that could have occurred if a person had been hit.
 - **NOTED** the ESG want assurance that the circumstances leading to the incident will not occur again.
 - **DISCUSSED** the response plan following the incident. Matt Allen advising there was immediate action by taken by CERES/March to inform the project team as well as sending out a notice and holding verbal discussions with staff who work on-site.
 - **NOTED** the written plan was adequate but onsite execution was lacking, with the piling case involved previously used for testing, had been cut with a new hole cut.
 - **DISCUSSED** the two additional Health & Safety non-conformities mentioned in the report.
 - **DISCUSSED** Worksafe have a matrix available that outlines when incidents need to be reported to them and that this incident did not meet those conditions and was not reported.
- The Executive Steering Group requested a detailed report back at the next meeting regarding the piling-case incident and any other Health & Safety concerns.

Robyn Shearer joined the meeting at 11:00am

- Robyn Shearer provided an overview of changes at the Ministry of Health since the transition of functions to the new crown entities, key points to note include:
 - The new key focus areas and functions in particular strategy, policy, legislature, and system performance.
 - The Ministry of Health remains an advisor to the Minister of Health and will continue to work with agencies and the new crown entities to ensure they are supported.
 - The Ministry is keen to remain in a supportive role with the New Dunedin Hospital project and sees the role of observer assisting with that.
- Discussion occurred regarding concerns around communication and unclear relationships between Te Whatu Ora, Te Aka Whai Ora, Ministry of Health, and Mana Whenua and how these can be fostered.

Robyn Shearer left the meeting at 11:38am

Outpatient Building Update:

- The RCP Outpatient Building status report was taken as read.
- **DISCUSSED** the Outpatient Building Construction Contract:
 - 45% of pricing has been confirmed.
 - The current Pre-Construction Services Contract has been extended until 31 October.
 - A paper requesting permission for the contract to be signed by Te Whatu Ora is going to the Capital and Infrastructure Committee on 13 October, then will be presented to Te Whatu Ora Board on 28 October for approval.
- **DISCUSSED** the current decision-making structure is not fit for purpose for the project and needs to be streamlined if possible. Monique Fowler advised that the Te Whatu Ora Board have sought approval for contractors to have delegations which could alleviate some of the current issues.
- **NOTED** there are on-going discussions around what needs approval by the Te Whatu Ora Board and what could be delegated down.
- **NOTED** tendering is underway and that there have been small cost increases above RLB's forecast.
- **NOTED** piles are going deeper than expected, with some being driven down 22 metres.
- **DISCUSSED** difference between Practical Completion and Go Live, with the current Practical Completion date being 23/12/2025.

<ul style="list-style-type: none"> • DISCUSSED delay in final detailed design report being presented to ESG and concerns around disparities in expectations between project team and designers. Tony Lloyd advised that disparities are being worked through and the expectations going forward have been made clear. <p><u>Inpatient Building Update:</u></p> <ul style="list-style-type: none"> • The RCP Inpatient Building status report was taken as read. • DISCUSSED the current timeline for a decision on the value management paper. The paper is planned to be discussed at the Capital and Infrastructure Committee on 13 October, then pending approval, will be presented to Te Whatu Ora Board on 28 October before their recommendation is presented to Joint Ministers. • NOTED the clinical impact statement is attached as an appendix to the value management paper, and that pathology is the only concern not being addressed by the additional work outlined in the statement. • NOTED the Te Whatu Ora Board agreed to the Data and Digital revised stage 1 scope and funding request and is now with Joint Ministers for approval. Following this, four change requests from the Data and Digital team, relating to larger server room space and increased cell coverage have been approved by the project team. • NOTED the previously approved resource consents for the Inpatient Building require amendments, as per the council, which the project team are progressing. • NOTED comments from Tony Lloyd that the opportunity to incorporate modularisation into suites has been lost, so looking into modularisation of services instead. • DISCUSSED the need to provide feedback to the Clinical Leadership Group, via Shelia Barnett, to encourage engagement. • NOTED the project team are satisfied with the current level of engagement with the Data and Digital workstream. Identifying that the two programmes were more closely aligned than previously thought. <p>Next Steps:</p> <ul style="list-style-type: none"> • Provide a report back to ESG regarding Piling H&S incident. <p>The Executive Steering Group:</p> <ul style="list-style-type: none"> • NOTED the updates on progress.
<p>5 Southern District Change Programme – Bimonthly Updates</p> <p>Received an update on the Te Whatu Ora - Southern Change Programme from Hamish Brown, interim Southern District Director. The report was taken as read, key points to note from discussion:</p> <ul style="list-style-type: none"> • An EPMO has been stood up, but it is unclear how this will fit in with Te Whatu Ora. • Sara Kidd, who stood up the EPMO, will be seconded to the New Dunedin Hospital PMO with a focus on capturing key strategic changes from the current hospital to the new hospital. • It is unclear how to invest at the local level and influence decisions, under Te Whatu Ora, due to the focus being at a regional level. • Due to capital budget constraints, stemming from transfer to Te Whatu Ora, the new Medical Assessment Unit has been moved from next to ED to the 6th floor. • Dr Nick Baker asked if more data and trend analysis can be provided in reporting to show the changes and improvements. Hamish Brown advised this can be provided. • Discussion occurred regarding the use of external assistance when transferring to the new building to minimise the programmes high levels of risk. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • NOTED the update on Southern District Change Programme progress
<p>Other Business</p> <ul style="list-style-type: none"> • DISCUSSED the current programmes are out of date and it is unknown when updated versions will be made available due to the current delay caused by the design programme and value management work.
<p>The meeting closed at 12:30pm</p>

Closed Action Points:

Open Action Points:

REF	ITEM	FIRST RAISED	STATUS	ACTION REQUIRED	RESPONSIBLE	ACTION BY	DUE BY	PRIORITY	UPDATE/STATUS	ACTION BY
ESG-100321-06	Delegation of Authority	10/03/2021	In progress	Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back on to ESG.	MOH	Monique F	8/07/2022 TBC	Normal	11/10/22 - Remains on hold. The Te Whatu Ora Board have requested delegated authority for contractors from the Minister of Health - Transitional issues around decision making and approval processes continue to be worked through with the various project teams.	Monique F
ESG-060421-09	ESD Workshop	6/04/2021	In progress	Schedule a sustainability session to ensure the building is appropriate as possible and meeting government standards.	MOH	Tony LL / Marcus Read (RCP)	11/06/2021 09/11/2021 TBC	Normal	11/10/22 Workshop remains deferred until design reset complete.	Tony LL / Marcus Read (RCP)
ESG-160222-03	iHNZ/HNZ Transition	16/02/2022	In progress	John Hazeldine, Acting DDG Infrastructure, to invite the new HNZ leadership to a future ESG meeting to discuss future governance arrangements.	MOH	Monique F	TBC	Normal	11/10/22 - The Capital and Infrastructure Committee are awaiting the outcome of the Operating Model workstream.	Monique F
ESG-130622-02	Digital Budget Comparison	13/06/2022	In progress	The Chair of the ESG would like a report from RLB comparing the cost difference between the current budget for digital in the NDH project and proposed Digital Programme budget of the Detailed Digital Business Case.	RLB	Neil O'Donnell	TBC	Normal	11/10/22 - Continues to be a work in progress.	Tony LL / Neil O'Donnell

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EXECUTIVE STEERING GROUP Minutes

Date	Friday, 11 November 2022	
Time	10:30am to 1:30pm	
Location	NDH PMO Boardroom - Dunedin 9(2)(g)(ii)	
Invitees	<p>Members Evan Davies (Chair) Dr Margaret Wilsher Dr Tony Lanigan Dr Nick Baker Robert Rust Dean Fraser</p> <p>Ex officio Helen Telford (SRO, Health NZ)</p> <p>Observers Blake Lepper (Te Waihangā, Infrastructure Commission) John Hazeldine (Chief Advisor and Group Manager - Health Infrastructure, Ministry of Health) Pete Hodgson (Chair, Local Advisory Group) Warner Peel (Analyst – Health, The Treasury)</p>	<p>Attendees Monique Fowler (Acting Director Delivery - HIU, Health NZ) Tony Lloyd (NDH Programme Director, Health NZ) Bridget Dickson (Programme Director, Southern District, Health NZ) Sheila Barnett (Chair Clinical Leadership Group, Southern District, Health NZ) Neil O'Donnell (Director, RLB) Matt Allen (Director, RCP) – item 4 Darryl Haines (Warren and Mahoney) – item 4 Ron Hicks (HDR) – item 4 Karen Curtis (HDR) – item 4</p> <p>Secretariat Caleb Barone (Project Coordinator, Health NZ)</p> <p>Apologies Hamish Brown (Interim Southern District Director, Health NZ)</p>

- 1 **Welcome & Apologies**
Hamish Brown was noted as an apology. Margaret Wilsher joined the meeting late.
- Register of Interests**
The Register of Interests was noted, and no new declarations were required.
- October 2022 Minutes**
The Executive Steering Group:
ACCEPTED the 11 October 2022 minutes as a true and accurate record.
NOTED overview of the Open Action Points from Tony Lloyd, Programme Director.

REF	ITEM	ACTION REQUIRED	RESPONSIBLE	UPDATE/STATUS – 11/11/22
ESG-100321-06	Delegation of Authority	Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back to ESG.	Monique F	Open <ul style="list-style-type: none"> The outcome from the request to the Te Whatu Ora Board regarding delegations to contractors is unknown. Awaiting feedback from the meeting and/or the meeting minutes. Further updates will be covered in agenda item 2.
ESG-060421-09	ESD Workshop	Schedule a sustainability session to ensure the building is appropriate as possible and meeting government standards.	Tony L / Marcus Read (RCP)	On Hold <ul style="list-style-type: none"> Remains on hold
ESG-160222-03	iHNZ/HNZ Transition	John Hazeldine, Acting DDG Infrastructure, to invite the new HNZ leadership to a future ESG meeting to discuss future governance arrangements.	Monique F	On Hold <ul style="list-style-type: none"> Remains on hold The Capital and Infrastructure Committee are awaiting the outcome of the Operating Model workstream.

ESG-130622-02	Digital Budget Comparison	The Chair of the ESG would like a report from RLB comparing the cost difference between the current budget for digital in the NDH project and proposed Digital Programme budget of the Detailed Digital Business Case.	Tony Lloyd /Neil O'Donnell	<p>Closed</p> <ul style="list-style-type: none"> • Agreed to close action point noting the action could be reopened in the future. • NOTED continues to be a work in progress between the project team and the Digital team.
<p>2</p> <p>HNZ Transition - Update</p> <ul style="list-style-type: none"> • NOTED the Operating Model has been approved by the Te Whatu Ora Chief Executive and will next be reviewed by the Cabinet committee. • NOTED the Chair and Robert Rust have seen the draft operating model due to being members of the working group. • DISCUSSED the proposed changes to project governance, under Te Whatu Ora, key points to note include: <ul style="list-style-type: none"> ○ The NDH ESG will remain in place with an altered reporting line directly to the Te Whatu Ora Board. ○ The NDH ESG will be responsible for the three project workstreams, these being infrastructure, digital, and transformation/workforce. ○ Concerns were raised about where the accountability for the project would lie and whether there will be one project budget or a budget per workstream. ○ The Capital and Infrastructure Committee will act as oversight for all major Te Whatu Ora infrastructure projects. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • NOTED the updates on progress. 				
<p>3</p> <p>SRO Update</p> <p>Received an update from Helen Telford, Senior Responsible Owner, key points to note include:</p> <ul style="list-style-type: none"> • The Te Whatu Ora Board Chair, Rob Campbell, attended the 8 November NDH SRO meeting. Key points discussed at the SRO meeting include: <ul style="list-style-type: none"> ○ The Inpatient Building value management exercise and the paper that was presented at the Te Whatu Ora Board meeting. ○ The NDH MOU and the parties involved. ○ Concerns around the Outpatient Building tender pricing. ○ The Te Whatu Ora decision making/approval process. ○ Plans for the Interprofessional Learning Centre (ILC) and the Business Case being developed. ○ Other projects being managed by the Southern District. • Naomi Ferguson is the new Chair of the Capital and Infrastructure Committee, replacing Rob Campbell. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • NOTED the update from Helen Telford. 				
<p>4</p> <p>Programme Director Update</p> <p><u>Inpatient Building Update:</u></p> <ul style="list-style-type: none"> • The RCP Inpatient Building status report was taken as read. • Tony Lloyd provided an overview of the value management process so far, from the endorsement of Option 4.3 to the development of the current Option 4.5a. • NOTED a report is being drafted, between the Ministry of Health and the Infrastructure and Investment Group, to Joint Ministers advising the outcome of the value management review, the current value management options, and seeking a decision on a preferred option. • NOTED the Southern District PMO have been briefed on Option 4.5a and have provided feedback which is currently being reviewed and incorporated. • NOTED the demo work for the Inpatient Building slab is planned to commence in December. • NOTED modular pods had been investigated under the value management process, however the cost to 				

implement exceeded the potential savings due to the current stage of the project.

- **NOTED** the design team have been asked to investigate the prefabrication of materials as a potential cost saving.
- **NOTED** Kris Thomas, RCP Inpatient Building lead for RCP, will be leaving the project in December.

Darryl Haines, Ron Hicks, and Karen Curtis joined the meeting at 11:05am

- **Received** a presentation from Darryl Haines, Ron Hicks, and Karen Curtis which outlined in terms of the Value Management:
 - Summary responses to key items of the Southern clinical impact statement.
 - A comparison between the Detailed Business Case and Option 4.5a
 - The site floor plans and site cross section of Option 4.5a
 - The matters to be resolved in the preliminary design phase.

The Chair opened the floor for wider discussion. Key points to note include:

- **DISCUSSED** possible alternative uses for the shelled PET-CT space.
- **DISCUSSED** the potential to include a large decontamination shower in the cold ambulance bay in case of industrial accident. The design team have noted and will take away for review.
- **DISCUSSED** the impact on cultural narrative due to the removal of the pavilion building and the façade changes. Dean Fraser requested to be involved in discussions with Aukaha regarding the cultural narrative and design. The Chair requested, when appropriate, the ESG be briefed on the cultural narrative changes.
- **DISCUSSED** deferring the planned clinical user engagement workshops until a decision from Joint Ministers is known. Noting February 2023 would be the earliest the user engagement workshops could be rescheduled.

Darryl Haines, Ron Hicks, and Karen Curtis left the meeting at 12:10pm

Health & Safety & Environment:

- The Health, Safety, and Environment update was taken as read, key points from discussion:
 - Tony Lloyd provided an overview of a health and safety incident that occurred 31 October involving a Stillson wrench and resulted in a worker requiring medical treatment.
 - **NOTED** the 31 October incident was reported to WorkSafe who advised it was not notifiable.
 - **DISCUSSED** how do non-notifiable incidents currently get shared within the sector, what were the contractual obligations for reporting Health & Safety matters, and the benefits if there was a repository where these reports could be stored and shared. The Chair asked Tony Lloyd and Monique Fowler to take this back to Te Whatu Ora for discussion.
 - **NOTED** Tim Barry has left the Infrastructure and Investment Group and a replacement Health and Safety Lead is being recruited.
 - **NOTED** Te Whatu Ora have developed a Lessons Learned framework.
 - **DISCUSSED** the need for informal Health & Safety audits and reports. Tony Lloyd advised Andrew Holmes does currently performs informal audits of the Outpatient Building site.
 - **NOTED** comments from Matt Allen advising he will investigate importing similar methodology used on other RCP projects, where other contractors report observations, into this project.
 - **DISCUSSED** implementing site inspection/walk-throughs an hour prior to each PCG meeting similar to those held on the Waipapa project.

Outpatient Building Update:

- The RCP Outpatient Building status report was taken as read.
- **DISCUSSED** Outpatient Building piling:
 - The 14T hammer is pushing piles deeper than anticipated
 - Pile driving is expected to be completed by 18 November.
 - All piles are expected to be inspected and approved by 30 November.
- **DISCUSSED** the submissions received from recent sub-trade tenders and the increase in pricing compared to the forecast, key notes to include:
 - Submissions for electrical, mechanical, and plumbing produced the highest increases ranging from

9(2)(b)(ii) over forecast.

- Pricing received for the special service trades (IT medical, gases etc) were relatively in line with forecast.
- **DISCUSSED** inflation, interest rate increase, wage increases, exchange rate changes, and the long entry period before work would commence as possible causes for the increase in sub-trade pricing.
- **DISCUSSED** the potential impact the pricing received poses for forecasted pricing of the Inpatient Building, and whether a paragraph needs to be added into the report to Joint Ministers advising this as a potential future issue.
- **NOTED** the Te Whatu Ora Board and Capital and Infrastructure Committee have made it clear they are willing to take on more risk than the Ministry of Health previously.
- **NOTED** comments from Robert Rust advising of cost escalations being experienced in New South Wales, Australia, and the substantial backlog of projects across the regions.

Sheila Barnett left the meeting at 12:45pm

Financial Update:

- The financial report was taken as read.

The Executive Steering Group:

- **NOTED** the updates on progress.

5 **Other Business**

- **NOTED** the permanent Te Whatu Ora Chief Infrastructure and Investment Officer, Jeremy Holman, starts in the role 5/12/2022.
- **DISCUSSED** alternating between in-person and virtual meetings for 2023, with January being in-person.

The meeting closed at 01:00pm

Released under the Official Information Act 1982

Closed Action Points:

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ESG-130622-02	Digital Budget Comparison	13/06/2022	In progress	The Chair of the ESG would like a report from RLB comparing the cost difference between the current budget for digital in the NDH project and proposed Digital Programme budget of the Detailed Digital Business Case.	RLB	Neil O Donnell	TBC	Normal	11/11/22 - Agreed to close action point noting the action could be reopened in the future. - Continues to be a work in progress between the project team and the Digital team.	Tony LL / Neil O Donnell	11/11/2022

Open Action Points:

REF	ITEM	FIRST RAISED	STATUS	ACTION REQUIRED	RESPONSIBLE	ACTION BY	DUE BY	PRIORITY	UPDATE/STATUS	ACTION BY
ESG-100321-06	Delegation of Authority	10/03/2021	In progress	Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back on to ESG.	Te Whatu Ora	Monique F	8/07/2022 TBC	Normal	11/11/22 - Remains on hold. The outcome from the request to the Te Whatu Ora Board regarding delegations to contractors is unknown. Awaiting feedback from the meeting and/or the meeting minutes.	Monique F
ESG-060421-09	ESD Workshop	6/04/2021	In progress	Schedule a sustainability session to ensure the building is appropriate as possible and meeting government standards.	Te Whatu Ora	Tony LL / Marcus Read (RCP)	11/06/2021 09/11/2021 TBC	Normal	11/11/22 Workshop remains deferred until design reset complete.	Tony LL / Marcus Read (RCP)
ESG-160222-03	iHNZ/HNZ Transition	16/02/2022	In progress	John Hazeldine, Acting DDG Infrastructure, to invite the new HNZ leadership to a future ESG meeting to discuss future governance arrangements.	Te Whatu Ora	Monique F	TBC	Normal	11/11/22 - Remains on hold. The Capital and Infrastructure Committee are awaiting the outcome of the Operating Model workstream.	Monique F

EXECUTIVE STEERING GROUP Minutes

Date	Tuesday, 13 December 2022	
Time	10:30am to 1:30pm	
Location	NDH PMO Boardroom - Dunedin 9(2)(g)(ii)	
Invitees	<p>Members Evan Davies (Chair) Dr Margaret Wilsher Dr Nick Baker Robert Rust Dean Fraser</p> <p>Ex officio Helen Telford (SRO, Health NZ)</p> <p>Observers John Hazeldine (Chief Advisor and Group Manager - Health Infrastructure, Ministry of Health) Pete Hodgson (Chair, Local Advisory Group) Warner Peel (Analyst – Health, The Treasury)</p>	<p>Attendees Monique Fowler (Acting Director Delivery - HIU, Health NZ) Tony Lloyd (NDH Programme Director, Health NZ) Bridget Dickson (Programme Director, Southern District, Health NZ) Neil O'Donnell (Director, RLB) Jim Coard (IB Project Director, Health NZ) Andrew Holmes (OB Project Director, Health NZ) Matt Allen (Director, RCP)</p> <p>Secretariat Caleb Barone (Project Coordinator, Health NZ)</p> <p>Apologies Dr Tony Lanigan Hamish Brown (Interim Southern District Director, Health NZ) Blake Lepper (Te Waihanga, Infrastructure Commission) Sheila Barnett (Chair Clinical Leadership Group, Southern District, Health NZ)</p>
1	<p>Welcome & Apologies Tony Lanigan, Hamish Brown, Blake Lepper, and Sheila Barnett were noted as apologies. Warner Peel joined the meeting late.</p> <p>Register of Interests The Register of Interests was noted, and no new declarations were required. 9(2)(a)</p> <p>November 2022 Minutes The Executive Steering Group: ACCEPTED the 11 November 2022 minutes as a true and accurate record. NOTED overview of the Open Action Points from Tony Lloyd, Programme Director and Monique Fowler, Acting Director Delivery:</p> <ul style="list-style-type: none"> • <u>ESG-100321-06 (Delegation of Authority):</u> <ul style="list-style-type: none"> ○ The Minister has approved the request to delegate authority to contractors within Te Whatu Ora and the decision now sits with the Te Whatu Ora Board. ○ The Board has asked the Te Whatu Ora Executive Leadership to discuss and present why/who delegations should be provided for. ○ The new Chief Infrastructure and Investment Officer has been briefed on the delegations required for the Infrastructure and Investment Group and is attending the 13 December ELT meeting to discuss. • <u>ESG-060421-09 (ESD Workshop):</u> <ul style="list-style-type: none"> ○ Agreed to close action point noting the action will be incorporated and presented as part of BAU for the design reset. • <u>ESG-160222-03 (iHNZ/HNZ Transition):</u> <ul style="list-style-type: none"> ○ Discussed as part of agenda item 2. 	

<p>2</p>	<p>HNZ Transition - Update</p> <ul style="list-style-type: none"> • DISCUSSED the proposed changes to project governance, under Te Whatu Ora, key points to note include: <ul style="list-style-type: none"> ○ A paper on broader governance within Te Whatu Ora is progressing through The Minister of Health. ○ The Chair noted that he has received a briefing on the proposed new structure and Terms of Reference for the Executive Steering Group and has been invited to remain as the Chair. The Chair is currently reviewing the proposal. ○ Pete Hodgson commented it would be beneficial for the project for the Chair to remain, as another major change to the project will be disruptive. • NOTED the report advising the outcome of the value management review and the current value management options was finalised and sent to Joint Ministers in early December. Joint Ministers have a meeting planned for Thursday 15 December to discuss the paper and expect to provide their decision by the end of the year. • DISCUSSED the content of the report and the options presented, key points to note include: <ul style="list-style-type: none"> ○ NOTED three options were put forward to Joint Ministers for consideration, these were: <ul style="list-style-type: none"> ▪ Option A – Continue with current design ▪ Option B – Design reset (Option 4.5A) ▪ Option C – Current design with more shelled space with staged development ○ DISCUSSED if the ESG could be provided a copy of the report so that they can understand what was presented and the final options. Monique Fowler noted she did not see the final paper, with the Ministry of Health and Treasury recommendations, before it went to Joint Ministers. ○ NOTED comments from Tony Lloyd that regardless of decision from Joint Ministers, the design and project team has been working on plans for all three options so once a decision is known, work can progress with minimal delay. • NOTED Jeremy Holman, Chief Infrastructure and Investment Officer, started on the 5/12/2022, coming to Te Whatu Ora from Crown Infrastructure Partners. Jeremy's key focus, at the moment, is implementing the operating model changes. • The Chair asked for Jeremy Holman to be invited to attend an ESG meeting early next year. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • NOTED the updates on progress.
<p>3</p>	<p>SRO Update</p> <p>Received an update from Helen Telford, Senior Responsible Owner, key points to note include:</p> <ul style="list-style-type: none"> • NOTED the Southern value management user group meetings have been moved to the last week of January 2023, noting it is not expected these meetings will need to be moved again as the decision from Joint Ministers is expected by the end of the year. • NOTED the NDH MOU has been reviewed and the updated MOU should be signed by the end of the year. • NOTED the NDH Disputes Advisory Board (DAB) visited the office and Outpatient Building site for their November quarterly meeting. Nothing to note from the quarterly meeting. • NOTED an options workshop with Mana Whenua is being organised, with a time and date still to be decided. • NOTED the ILC remains ongoing as an independent project and that there has been a recent increase in communications and interest around the ILC Business Case. • NOTED the Local Advisory Group (LAG) are reviewing their structure. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • NOTED the update from Helen Telford.
<p>4</p>	<p>Programme Director Update</p> <p><u>Inpatient Building Update:</u></p> <ul style="list-style-type: none"> • The RCP Inpatient Building status report was taken as read. • NOTED Ceres will be putting up hoardings in early January then will start demo work for the Inpatient Building. This work can proceed as planned regardless of decision by Joint Ministers as the resource consent for demolition will not be affected.

- **NOTED** programme delay for the Inpatient Building is now 10 months due to delays in the report being provided to Joint Ministers.
- **NOTED** the review of the delivery model is still underway. A proposal has been received from CPB but has not yet been reviewed. Will be reviewed and presented back in the new year.
- **NOTED** a detailed design coordination programme for consultants has been produced and is currently being reviewed before being supplied to Woods Harris.
- 9(2)(i)
- **NOTED** budget remains an ongoing and serious concern due to the pricing increases seen recently for Outpatient Building trades.
- **DISCUSSED** whether Joint Ministers will be provided an update on the ongoing challenges arising from the pricing for Outpatient Building trades. John Hazeldine noted that Joint Ministers have been advised in the report about current pricing challenges, but it was not quantified by numbers.
- **DISCUSSED** whether the risks noted in the RCP Inpatient Building status report were static, noting that they are not and were the top 5 identified at a recent risk workshop.
- **DISCUSSED** ongoing challenges with the Government procurement processes and restrictions of the procurement rules.
- **NOTED** it is difficult to obtain tender submissions from three suppliers and it would be useful to be able to discuss with suppliers directly. Monique Fowler noted that procurement rule exceptions can be utilised but require supporting evidence. The Chair asked that any issues with procurements or the procurement rules should be brought to the ESG for discussion and support.

Health & Safety & Environment:

- The Health, Safety, and Environment update was taken as read, key points from discussion:
 - **NOTED** Ceres/March teams have incorporated feedback from ESG and there have been no incidents on site since the last meeting.
 - **NOTED** Piling for the Outpatient Building has been completed and all bearing tests have been passed. Ceres will finalise move onto the Inpatient Building site after the holiday period.
 - **NOTED** Southbase Construction are ready to take over the Outpatient Building site which will occur after the holiday break.

Outpatient Building Update:

- The RCP Outpatient Building status report was taken as read.
- **NOTED** there has been a tough start to next phase due to façade changes and the gravity and seismic restraint detail causing agitation while working through the shop drawing process.
- **DISCUSSED** if there is 2 months further delay because the report notes Southbase was meant to be occupying the Outpatient Building site by end of November. Tony Lloyd advised there is no delay to programme as the site handover is underway and whether fully occupying in December or early January the programme remains the same for Southbase.
- **NOTED** the Detailed Design report is almost finalised, current draft is being reviewed by project team.
- **DISCUSSED** how best to engage people in Health, Safety, and Wellbeing given a lot of people will eventually be mobilised across both building sites. Dean Fraser comments he was a part of workshops recently, on a different job, which utilised VR headsets to engage and encourage Health and Safety practices. Tony Lloyd expressed interest in this and asked to speak with Dean post meeting to discuss further.

9(2)(i)

Financial Update:

- The financial report was taken as read.

9(2)(i)

- **NOTED** cross building meetings for certain trades/services like lifts and nurse call have been occurring between

	<p>Southbase, CPB, and consultants.</p> <p>The Executive Steering Group:</p> <ul style="list-style-type: none"> • NOTED the updates on progress.
<p>5</p>	<p>Outpatient Main Contractor Construction – SP2</p> <p>9(2)(i) [REDACTED]</p> <ul style="list-style-type: none"> ■ [REDACTED] <ul style="list-style-type: none"> ■ [REDACTED] ■ [REDACTED] ■ [REDACTED] ■ [REDACTED] <ul style="list-style-type: none"> • NOTED tendering occurred at the worst time, where the NZD was at its lowest in 10 years. Neil O'Donnell noted that the pricing being presented is what was received and the best that could be obtained during this period. • DISCUSSED the alternative to not endorsing would be to retender and re-engage the market. However, it was agreed by ESG members doing this would be unproductive as it is unlikely to produce a major difference in pricing but would extend the programme. • DISCUSSED the possibility to question the poor exchange rate at time of tendering during negotiations with sub-trades if they are planning on procuring overseas. Neil O'Donnell advised this discussion is already occurring. • NOTED the project team have done the best they can to battle cost escalation and are continuing to review where cost savings can be made. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • ENDORSED the award of Separable Portion 2 to the construction contract with Southbase Construction Ltd, noting that the market conditions were such that the costs, while extraordinary, were well tested and that the Project Team had undertaken all endeavours to ensure they provided as much value for money as possible. • [REDACTED] • NOTED all SP2 trade recommendations will be resolved by the end of March 2023. • 9(2)(i) [REDACTED] • NOTED a reassessment of all contingencies will be conducted once the Inpatients Design Reset / Optimisation process is confirmed and completed. • 9(2)(i) [REDACTED]
<p>6</p>	<p>Southern District Change Programme – Bimonthly Updates</p> <p>Received an oral update on the Te Whatu Ora - Southern Change Programme from Bridget Dickson, Programme Director. Key points to note from discussion:</p> <ul style="list-style-type: none"> • NOTED the team have reflected on the feedback received from the ESG, internal teams, and wider Te Whatu Ora teams regarding the reporting being produced and have decided to pause the use of the reporting system, Cascade, to perform a review and refresh. • NOTED the next report produced will be in February. • NOTED who can enter and moderate information via the Cascade system will be reviewed as part of the reporting refresh. • DISCUSSED the PMO's concerns around the change reporting, which is linked to the benefits noted in the Detailed Business Case, and the Outpatient transition plan. Noting reporting responsibilities are currently unclear on what sits with Southern and what sits with the regional and national Te Whatu Ora teams. • NOTED the PMO will seek guidance from the ESG on what information they want to see reported and what could possibly be missing, noting they are working to ensure the reporting produced aligns with the other

	<p>workstreams, e.g., Digital.</p> <p>The Executive Steering Group members:</p> <ul style="list-style-type: none">• NOTED the update on Southern District Change Programme progress
7	<p>Other Business</p> <ul style="list-style-type: none">• DISCUSSED the 2023 meeting dates and confirmed the January meeting will be in-person.• The Chair asked that once a decision from Joint Ministers is received that it be circulated to the ESG members.• THANKED ESG members, attendees and wider team for their contribution and support during a challenging year.
<p>The meeting closed at 12:25pm</p>	

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Closed Action Points:

REF	ITEM	FIRST RAISED	STATUS	ACTION REQUIRED	RESPONSIBLE	ACTION BY	DUE BY	PRIORITY	UPDATE/STATUS	ACTION BY	DATE CLOSED
ESG-060421-09	ESD Workshop	6/04/2021	In progress	Schedule a sustainability session to ensure the building is appropriate as possible and meeting government standards.	Te Whatu Ora	Tony LL / Marcus Read (RCP)	11/06/2021 09/11/2021 TBC	Normal	13/12/22 - Agreed to close action point noting the action will be incorporated and presented as part of BAU for the design reset.	Tony LL / Marcus Read (RCP)	11/11/2022

Open Action Points:

REF	ITEM	FIRST RAISED	STATUS	ACTION REQUIRED	RESPONSIBLE	ACTION BY	DUE BY	PRIORITY	UPDATE/STATUS	ACTION BY
ESG-100321-06	Delegation of Authority	10/03/2021	In progress	Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back on to ESG.	Te Whatu Ora	Monique F	8/07/2022 TBC	Normal	13/12/22 - Remains on hold. - The Minister has approved the request to delegate to authority contractors within Te Whatu Ora and the decision now sits with the Te Whatu Ora Board. - The Board has asked the Te Whatu Ora Executive Leadership to discuss and present why/who delegations should be provided for. - The new Chief Infrastructure and Investment Officer has been briefed on the delegations required for the Infrastructure and Investment Group and is attending the 13 December ELT meeting to discuss.	Monique F
ESG-160222-03	iHNZ/HNZ Transition	16/02/2022	In progress	John Hazeldine, Acting DDG Infrastructure, to invite the new HNZ leadership to a future ESG meeting to discuss future governance arrangements.	Te Whatu Ora	Monique F	TBC	Normal	13/12/22 - Remains on hold. - The Chair has been briefed on the proposed new ESG structure and Terms of Reference - A paper on broader governance within Te Whatu Ora is progressing through parliament	Monique F

EXECUTIVE STEERING GROUP

Minutes

Date	Tuesday, 24 January 2023	
Time	10:30am to 1:30pm	
Location	NDH PMO Boardroom - Dunedin 9(2)(g)(ii)	
Invitees	<p>Members Evan Davies (Chair) Dr Margaret Wilsher Dr Nick Baker Robert Rust Dean Fraser</p> <p>Ex officio Helen Telford (SRO, Health NZ)</p> <p>Observers Blake Lepper (Te Waihangā, Infrastructure Commission) John Hazeldine (Chief Advisor and Group Manager - Health Infrastructure, Ministry of Health) Pete Hodgson (Chair, Local Advisory Group)</p>	<p>Attendees Monique Fowler (Acting Director Delivery - IIG, Health NZ) Tony Lloyd (NDH Programme Director, Health NZ) Bridget Dickson (Programme Director, Southern District, Health NZ) Neil O'Donnell (Director, RLB) Matt Allen (Director, RCP)</p> <p>Secretariat Caleb Barone (Project Coordinator, Health NZ)</p> <p>Apologies Dr Tony Lanigan Hamish Brown (Interim Lead Hospital & Specialist, Southern District, Health NZ) Warner Peel (Analyst – Health, The Treasury) Sheila Barnett (Chair Clinical Leadership Group, Southern District, Health NZ)</p>
1	<p>Welcome & Apologies The Chair welcomed all in attendance to a new year.</p> <p>Tony Lanigan, Hamish Brown, Warner Peel, and Sheila Barnett were noted as apologies. Blake Lepper and Monique Fowler joined the meeting late.</p> <p>Register of Interests The Register of Interests was noted, and no new declarations were required.</p> <p>November 2022 Minutes The Executive Steering Group: ACCEPTED the 13 December 2022 minutes as a true and accurate record.</p> <p>NOTED overview of the Open Action Points from Tony Lloyd, Programme Director and Monique Fowler, Acting Director Delivery:</p> <ul style="list-style-type: none"> • <u>ESG-100321-06 (Delegation of Authority):</u> <ul style="list-style-type: none"> ○ There is no update for this action point. Monique Fowler noted the new Chief Infrastructure and Investment Officer will make it a focus area to resolve. • <u>ESG-160222-03 (iHNZ/HNZ Transition):</u> <ul style="list-style-type: none"> ○ John Hazeldine noted a paper is being drafted regarding governance changes and is expected to go to the Ministers office for review by end of January then to Cabinet in February. ○ DISCUSSED when the governance changes could come into effect, noting comments from the Chair and John Hazeldine that it will likely be by the March Executive Steering Group meeting. ○ The Chair noted that everything continues as is, regarding the Executive Steering Group, until the group is advised otherwise. ○ DISCUSSED the draft terms of reference documents seen by the Chair and Helen Telford. ○ NOTED comments from Pete Hodgson regarding the experiences of the previous Southern Partnership Group incorporating the three workstreams. ○ DISCUSSED concerns about incorporating the service transformation workstream, noting comments 	

	<p>that only a small amount can be achieved at the local level, with the majority of service transformation occurring at the regional and national levels.</p> <ul style="list-style-type: none"> ○ NOTED comments from Bridget Dickson that Southern are looking at splitting transformation into transition and transformation, with the focus being on transition.
2a	<p>HNZ Transition Update</p> <ul style="list-style-type: none"> • The Chair moved agenda item 2 to later in the meeting due to Monique Fowler not yet being present.
3	<p>SRO Update</p> <p>Received an update from Helen Telford, Senior Responsible Owner, key points to note include:</p> <ul style="list-style-type: none"> • NOTED the mayors within the Otago region have taken on an advocacy role with respect to the proposed \$90m savings. Hamish Brown and Bridget Dickson have responded to the Dunedin Mayor, while Helen Telford and Pete Hodgson noted they have spoken with the mayors in the surrounding areas. • NOTED Hamish Brown's role has been reduced under the Te Whatu Ora operating model, which has impacted decision making for the Southern district. Hamish's title is now interim lead hospital and specialist. <p>The Chair opened the floor for wider discussion. Key points to note include:</p> <ul style="list-style-type: none"> • DISCUSSED the different groups within the Te Whatu Ora decision making workflow and the potential risk this causes with delays in decisions being approved. Noting decisions may need to progress through the Te Whatu Ora Executive Leadership Team, Capital and Infrastructure Committee, the Te Whatu Ora Board, as well as being consulted with Te Aka Whai Ora. • The Chair reiterated his understanding that the Executive Steering Group would continue to have the authority to implement and achieve the Business Case but will not have any further delegated authority. • NOTED the Executive Steering Group members are happy for draft papers to be altered and different options to be proposed to decision makers if the statements and endorsements made by the Executive Steering Group remain intact and accurate. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • NOTED the update from Helen Telford.
4a	<p>Programme Director Update</p> <p><u>Inpatient Building Update:</u></p> <ul style="list-style-type: none"> • The RCP Inpatient Building status report was taken as read. • NOTED on December 22, 2022, Joint Ministers approved Option 4.5a, accepting the \$90m savings and adding \$110m to the project budget. Project budget is now \$1.58b. • NOTED a discussion and reorientation meeting with consultants is booked for the afternoon, 24 January 2023, in preparation for accelerating the structure to reduce time lost. • DISCUSSED whether the reset project budget is now sufficient, with concerns raised about costs of getting trades and services to Dunedin as well as the current trades available in the area. • NOTED modularised services are still being investigated for HVAC, electrical, and gases. However, modularisation cannot be considered for bathrooms as this would require going back to the building structure. • Pete Hodgson noted he has told the mayors in the region that in his view the decision would not be changed. • NOTED Ceres are setting up on site on the Cadbury block and are expected to mobilise and begin breakdown of the slab by end of January 2023. <p><i>Blake Lepper joined the meeting at 11:26</i></p> <p><i>Monique Fowler joined the meeting at 11:38</i></p>
2b	<p>HNZ Transition Update – 11:40</p> <ul style="list-style-type: none"> • The Chair provided an overview to Monique Fowler of what was discussed prior to her joining the meeting. • NOTED an updated delegated authority policy will be implemented July 1st, 2023. • NOTED comments from Monique Fowler that the changes to governance will be communicated to the Executive Steering Group members in the next week or two then a timeframe will be established to implement the change. The project tolerances set by the SRO will be incorporated into the new Terms of Reference for the 'Project Steering Group'. • The Chair noted that currently the decision-making process is opaque with decisions cascading upwards

without visibility on final decisions being fed back to the Executive Steering Group. The Chair and Monique Fowler agreed to discuss this further offline.

- **DISCUSSED** the need for a solid communication strategy going forward to ensure positive and proactive communications are being released. Monique Fowler noted the communications team has been nationalised and an Infrastructure and Investment Group communication strategy is being developed which will include a New Dunedin Hospital communications plan.
- The Chair reiterated that the role of the Executive Steering Group is not to have a public face or to provide commentary.
- **NOTED** there is still confusion for some external stakeholders and staff, not involved in the user groups, which has led to an increase in 'one-liners' in the media and people still referring to outdated information.
- **NOTED** the Infrastructure and Investment Group is working with the Ministers office to proactively release briefings.
- **DISCUSSED** that the increase in budget should have been seen as a positive story, but due to the current negative media there is a risk that stakeholders and staff will not want to be involved in the project.

The Executive Steering Group members:

NOTED the discussion and updates on progress.

4b Programme Director Update Continued

Health & Safety & Environment:

- The Health, Safety, and Environment update was taken as read, key points from discussion:
 - **DISCUSSED** the Worksafe inspection completed on December 13, 2022. Noting in the morning the site was compliant but when the inspector arrived in the afternoon one of the fences had been removed leaving a trench open. A sustained compliance letter was issued by Worksafe, and Ceres have removed the individual responsible from the site.
 - **NOTED** Ceres will have a replacement project manager in place by the end of January 2023.
 - **NOTED** daily HS&E checks by RCP will be increased to ensure standards are increased and maintained.
 - The Chair noted, due to the previous issues that have been reported, that an increased focus on Health, Safety, and Environment is required and the Executive Steering Group need to continue to be kept informed going forward.

Outpatient Building Update:

- The RCP Outpatient Building status report was taken as read.
- **NOTED** Southbase Construction are now established on the Outpatient Building site.
- **NOTED** Separable Portion 2 (SP2) was approved and issued to Southbase on time, noting SP2 was over budget but work to reduce costs continues.
- **NOTED** Separable Portion 3 (SP3) needs to go to the Te Whatu Ora Board for approval.
- 9(2)(i)
- **DISCUSSED** SRG's performance, noting they have incorporated the programme and are interacting with management and the design teams well.
- **NOTED** comments from Pete Hodgson that he negotiated a 9(2)(i) agreement with Quinn Henderson, Southbase Construction CE, last year to work with Work Force Central (WFC) who will provide workers, toolbox talks, and increase the team diversity.
- **DISCUSSED** possible delays or issues in approval for SP3, noting savings are still being investigated.
- **NOTED** comments from Monique Fowler that Board approval could possibly be granted in advance of the final number being known, which should reduce any potential delays.
- The Chair asked Tony Lloyd to provide an overview of how both sites will look in the next 6-9 months. Key points to note include:
 - For the Inpatient Building, demolition work will be the main area of progress.
 - For the Outpatient Building, the ground beams will be installed and by the end of the year some frames and double columns will be in place.
- **DISCUSSED** the potential cost issue related to the passive fire certification and the additional tests required to

	<p>meet new standards. It was noted the Christchurch Hospital project experienced the same issue.</p> <p><u>Financial Update:</u></p> <ul style="list-style-type: none">• The financial report was taken as read. <p>The Executive Steering Group: NOTED the updates on progress.</p>
7	<p>Other Business</p> <ul style="list-style-type: none">• The Chair noted that Tony Lloyd will be reviewing the current timing of meetings to ensure the start and end times suit all members and attendees.
The meeting closed at 12:10	

Released under the Official Information Act 1982

Closed Action Points:

Open Action Points:

REF	ITEM	FIRST RAISED	STATUS	ACTION REQUIRED	RESPONSIBLE	ACTION BY	DUE BY	PRIORITY	UPDATE/STATUS	ACTION BY
ESG-100321-06	Delegation of Authority	10/03/2021	In progress	Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back on to ESG.	Te Whatu Ora	Monique F	8/07/2022 TBC	Normal	24/01/23 - Remains on hold, with no update provide in the January meeting	Monique F
ESG-160222-03	iHNZ/HNZ Transition	16/02/2022	In progress	John Hazeldine, Acting DDG Infrastructure, to invite the new HNZ leadership to a future ESG meeting to discuss future governance arrangements.	Te Whatu Ora	Monique F	TBC	Normal	24/01/23 - Remains on hold. - John Hazeldine noted a paper is being drafted regarding governance changes and is expected to go to the Ministers office for review by end of January then to Cabinet in February. - Changes to governance expected to be in place by March meeting	Monique F

Released under the Official Information Act 1982

EXECUTIVE STEERING GROUP Minutes

Date	Tuesday, 21 February 2023	
Time	10:30am to 1:30pm	
Location	NDH PMO Boardroom - Dunedin 9(2)(g)(ii)	
Invitees	<p>Members Dr Margaret Wilsher (Chair) Dr Nick Baker Robert Rust Dean Fraser</p> <p>Ex officio Helen Telford (SRO, Health NZ) Hamish Brown (Interim Southern District Director, Health NZ)</p> <p>Observers John Hazeldine (Chief Advisor and Group Manager - Health Infrastructure, Ministry of Health) Pete Hodgson (Chair, Local Advisory Group) Warner Peel (Analyst – Health, The Treasury)</p>	<p>Attendees Monique Fowler (Acting Director Delivery - IIG, Health NZ) Tony Lloyd (NDH Programme Director, Health NZ) Bridget Dickson (Programme Director, Southern District, Health NZ) Sheila Barnett (Chair Clinical Transformation Group, Southern District, Health NZ) Matt Allen (Director, RCP)</p> <p>Secretariat Caleb Barone (Project Coordinator, Health NZ)</p> <p>Apologies Evan Davies Dr Tony Lanigan Neil O'Donnell (Director, RLB) Blake Lepper (GM Infrastructure Delivery, Te Waihangā - Infrastructure Commission)</p>
1	<p>Welcome & Apologies <i>Margaret Wilsher is acting as Chair for the meeting.</i></p> <p>The Chair opened the meeting with karakia.</p> <p>Evan Davies, Tony Lanigan, Neil O'Donnell, and Blake Lepper were noted as apologies. Warner Peel joined the meeting late.</p> <p>Register of Interests The Register of Interests was noted, and no new declarations were required.</p> <p>November 2022 Minutes The Executive Steering Group: DISCUSSED two minor wording changes to the 24 January 2023 minutes requested by Pete Hodgson. ACCEPTED these changes and the 24 January 2023 minutes as a true and accurate record. NOTED overview of the Open Action Points from Tony Lloyd, Programme Director and Monique Fowler, Acting Director Delivery:</p> <ul style="list-style-type: none"> • <u>ESG-100321-06 (Delegation of Authority):</u> <ul style="list-style-type: none"> ○ There is no update for this action point. Monique Fowler noted a workshop is being organised in late February/early March to discuss and present options to Te Whatu Ora regarding financial delegations. • <u>ESG-160222-03 (iHNZ/HNZ Transition):</u> <ul style="list-style-type: none"> ○ Monique Fowler noted a contract has been sent to Evan Davies, inviting him to be the Independent Chair of the New Dunedin Hospital Project Steering Group (NDH PSG). Once the contract is agreed a review will be completed to expand and update the PSG members in accordance with the PSG Terms of Reference (ToR) and ensuring membership covers the other workstreams which will be incorporated into the PSG. ○ DISCUSSED how mana whenua representation will be structured under the new PSG. Noting comments from Monique Fowler that Te Aka Whai Ora is being consulted, and there is a 	

	<p>placeholder in the PSG ToR for mana whenua representation as each PSG will have differing mana whenua requirements and interests.</p> <ul style="list-style-type: none"> ○ NOTED progressing the paper regarding governance changes has been delayed due to the change in Minister of Health. The paper is now expected to go to the Ministers office by end of February.
<p>2</p>	<p>HNZ Transition – Update</p> <ul style="list-style-type: none"> • This agenda item was covered under the Action Point <i>ESG-160222-03</i> discussion. However, additional points to note include: <ul style="list-style-type: none"> ○ NOTED Jeremy Holman, Chief Infrastructure and Investment Officer, is currently working on developing and implementing the Infrastructure and Investment Group Operating Model, with an expected consultation period of 6 to 12 weeks. ○ NOTED Jeremy Holman will be attending the March ESG meeting, via Zoom. • ACTION POINT: ESG secretariat to send out the Te Whatu Ora Operating Model to ESG members. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • NOTED the update from Monique Fowler.
<p>3</p>	<p>SRO Update</p> <p>Received an update from Helen Telford, Senior Responsible Owner, key points to note include:</p> <ul style="list-style-type: none"> • NOTED the cabinet shuffle has resulted in a new Minister of Health, Minister Verrall, who has a clinical background and high level of interest in the NDH project. • NOTED the SRO working group is committed to moving forward with the option chosen by Joint Ministers but would like commitment from the project there will be no further value management in the future. • NOTED issues regarding delegations and external communications for the project are ongoing, acknowledging that Monique Fowler is working on resolutions. • NOTED the signing of the updated NDH MOU has been postponed to an undecided date, due to the Te Whatu Ora CE being unavailable. • NOTED the ILC continues to move ahead with the team having their first gateway planning meeting. The gateway review is currently planned for May 2023. <p>The Chair opened the floor for wider discussion. Key points to note include:</p> <ul style="list-style-type: none"> • Monique Fowler noted the cabinet paper regarding governance is not a noting paper only. There is a template for the new PSGs going forward and NDH will be a good test on how projects will be structured in future. • DISCUSSED the benefits of having a Minister with clear clinical connections. The Chair asked if this connection is via Sheila Barnett as the Clinical Transformation Group Chair. Sheila Barnett noted that she was able to speak with Minister Verrall during her Dunedin visit and the Minister has also spoken with 5 senior clinicians. • NOTED comments from Pete Hodgson: <ul style="list-style-type: none"> ○ Minister Verrall has asked him to lead communication and engagement for the project, noting the Minister has also contacted the Te Whatu Ora Board Chair to advise of this request. He will be looking at hiring a part-time resource to assist with this request. ○ There was good engagement at the recent Local Advisory Group (LAG) meeting. He has also set-up two public engagements later this month, one at the Otago Museum in Dunedin and another in Wanaka. • The Chair asked Monique Fowler and Pete Hodgson to discuss offline how to align the project communication teams/plans. • DISCUSSED the benefits of setting time aside each meeting to discuss recent communications and engagement, as well as key messages that can be shared. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • NOTED the update from Helen Telford.
<p>4</p>	<p>Programme Director Update</p> <p><u>Inpatient Building Update:</u></p> <ul style="list-style-type: none"> • The RCP Inpatient Building status report was taken as read.

- Received an update from Tony Lloyd, key points to note include:
 - Design continues. However, there are concerns about the programme and how it is currently split, which will be discussed at a meeting with the design team set for Wednesday 22 February.
 - The user group process has recommenced and appears to be going well. Bridget Dickson agreed and noted some users were concerned and anxious due to comments seen in the public and media but were pleased the changes were not as bad as publicised. However, user groups have identified some areas that need focus which will be addressed with the design team.
 - A meeting is being set-up with CPB to discuss their current and future contracting for the NDH project.
- **DISCUSSED** how mana whenua is currently being incorporated into the design, as the original renders contained a lot of mana whenua design.
- Tony Lloyd noted Aukaha are engaged to incorporate mana whenua into design, and he would like to discuss offline with Dean Fraser how he sees mana whenua engagement should be working.
- The Chair noted she has been given contact details for Joseph Tyro, Te Aka Whai Ora Infrastructure Lead – Te Wai Pounamu, to pass onto Tony Lloyd.
- **ACTION POINT:** The Chair requested a standing agenda item to review/discuss mana whenua engagement be added for future meetings.
- **NOTED** work is underway reviewing piling design for the Inpatient Building and whether piling material can be procured locally or elsewhere, as well as the lead time for procurement.

Health & Safety & Environment:

- The Health, Safety, and Environment update was taken as read, key points from discussion:
 - **NOTED** Southbase Construction have taken control of the Outpatient Building site.
 - **NOTED** daily site visits continue to be conducted by Andrew Holmes and RCP. Site appears well run and clean.
 - **NOTED** concerns from Tony Lloyd regarding 'O-Week' and that students may attempt to jump the fences. These concerns have been passed onto the teams managing each site.
 - **NOTED** Work Force Central are opening their new site office, with both main contractors represented.

Outpatient Building Update:

- The RCP Outpatient Building status report was taken as read.

Financial Update:

- The financial report was taken as read.
- **DISCUSSED** the true cost of the project will not be known until 2029, current estimated completion.
- **NOTED** RLB have incorporated the \$90m savings into the financial report and are using information available within the wider RLB group to forecast runoff.
- **DISCUSSED** the permanent and temporary cost savings under Option 4.5a, key points to note include:
 - Pete Hodgson noted there is a public focus on the temporary cost savings, including the cold shells and PET scanner. He noted the project needs to be weary of any cuts to collaborative workspace or FF&E.
 - Tony Lloyd noted there is a lot of items that have been keep or put back in, as part of Option 4.5a, and the proposed changes remaining were those offered up by the Southern District team.
 - Sheila Barnett noted that the proposed 6% loss in collaborative workspace, as a cost saving, is not viable and all proposed collaborative workspace in the original design is still required.
 - **DISCUSSED** that nothing critical has been locked out of design and that some shelled spaces can be brought forward for use, except for those intended as theatres or MHSOP beds as they are occupied.
 - Dean Fraser noted that he, like Pete Hodgson, continues to be contacted about the design changes and would appreciate a quick-reference list of comments that can be used to counter misinformation.
- **ACTION POINT:** The Chair requested a paper be provided to the ESG outlining how the various communication teams for the project (Te Whatu Ora, mana whenua, and LAG) will be joined together and work collaboratively.
- **DISCUSSED** the communication strategy for the NDH project. Noting comments from Monique Fowler that the NDH communication strategy has been developed, is in use, and agreed that congruence is required between the different communication teams/channels.

	<p>The Executive Steering Group:</p> <ul style="list-style-type: none"> • NOTED the updates on progress.
5	<p>Southern District Change Programme – Bimonthly Updates</p> <p>Received an oral update on the Te Whatu Ora - Southern Change Programme from Hamish Brown, Interim Lead Hospital & Specialist - Southern. Key points to note from discussion:</p> <ul style="list-style-type: none"> • NOTED the Outpatient Building Transition Plan is on-going. • NOTED updated Models of Care reporting is on-going with a draft being prepared for the April meeting. The team is keen to understand who will be remaining on and joining the PSG. • DISCUSSED the new general medical ward opened on Level 6 of current hospital and that the first health hub is under construction. • DISCUSSED the difficulties experienced in current operating environment due to bed restrictions, access to medical staff, lack of D6 availability within the Southern district, as well as two recent code reds and 9 helicopter transfers. • NOTED funding was secured to stop Waitaki Oamaru Hospital from going into receivership. • NOTED an update from Pete Hodgson regarding the ILC project, regarding the current timeline and land issues. He asked John Hazeldine for assistance with progressing the Detailed Business Case before the election. • DISCUSSED comments from Pete Hodgson asking that the updates for Digital and Workforce/Organisational Change are displayed more prominently in the agenda. • ACTION POINT: Digital and Workforce & Organisational Change to be added as standing agenda items. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • NOTED the update on Southern District Change Programme progress
6	<p>Other Business</p> <ul style="list-style-type: none"> • NOTED the start time for the March ESG meeting is being moved to 11am, from 10:30am, due to flight availability.
<p>The meeting closed at 11:50</p>	

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Closed Action Points:

Open Action Points:

REF	ITEM	FIRST RAISED	STATUS	ACTION REQUIRED	RESPONSIBLE	ACTION BY	DUE BY	PRIORITY	UPDATE/STATUS	ACTION BY
ESG-100321-06	Delegation of Authority	10/03/2021	In progress	Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back on to ESG.	Te Whatu Ora	Monique F	8/07/2022 TBC	Normal	21/02/23 - Remains on hold, with no update provide in the February meeting	Monique F
ESG-160222-03	iHNZ/HNZ Transition	16/02/2022	In progress	John Hazeldine, Acting DDG Infrastructure, to invite the new HNZ leadership to a future ESG meeting to discuss future governance arrangements.	Te Whatu Ora	Monique F	TBC	Normal	21/02/23 - Remains on hold. - Monique Fouwler noted the contract for the PSG Independent Chair has been sent. - Changes to governance are still expected to be in place by March meeting - John Hazeldine noted the paper regarding governance changes has been delayed due to change in Minister of Health, and is now expected to go to the Ministers office for review by end of February.	Monique F
ESG-210223-01	Te Whatu Ora Operating Model	21/02/2023	In progress	ESG secretariat to send out the Te Whatu Ora Operating Model to ESG members.	Te Whatu Ora	Caleb Barone	28/03/2023	Normal		
ESG-210223-02	Mana Whenua Design Engagment	21/02/2023	In progress	The Chair requested a standing agenda item to review/discuss mana whenua engagement be added for future meetings.	Te Whatu Ora	Tony Lloyd	28/03/2023	Normal		
ESG-210223-03	Project Communication Alignment	21/02/2023	In progress	The Chair requested a paper be provided to the ESG outlining how the various communication teams for the project (Te Whatu Ora, mana whenua, and LAG) will be joined together and work collaboratively.	Te Whatu Ora	Monique F/ Tony Lloyd	28/03/2023	Normal		
ESG-210223-04	Digital and Workforce & Organisational Change	21/02/2023	In progress	Digital and Workforce & Organisational Change to be added as standing agenda items.	Te Whatu Ora	Tony Lloyd	28/03/2023	Normal		

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EXECUTIVE STEERING GROUP Minutes

Date	Tuesday, 28 March 2023	
Time	11:00am to 1:30pm	
Location	NDH PMO Boardroom - Dunedin 9(2)(g)(ii)	
Invitees	<p>Members Evan Davies (Chair) Dr Margaret Wilsher Dr Tony Lanigan Dr Nick Baker Robert Rust</p> <p>Ex officio Hamish Brown (Interim Lead Hospital & Specialist Southern District, Health NZ)</p> <p>Observers Blake Lepper (GM Infrastructure Delivery, Te Waihanga - Infrastructure Commission) John Hazeldine (Chief Advisor and Group Manager - Health Infrastructure, Ministry of Health) Pete Hodgson (Chair, Local Advisory Group) Warner Peel (Analyst – Health, The Treasury)</p>	<p>Attendees Monique Fowler (Acting Director Delivery - IIG, Health NZ) Tony Lloyd (NDH Programme Director, Health NZ) Bridget Dickson (Programme Director, Southern District, Health NZ) Matt Allen (Director, RCP) Jeremy Holman (Chief Infrastructure and Investment Officer, Health NZ) – <i>Item 2</i> Marcus Read (Director, RCP) – <i>Item 4</i> Darryl Haines (Principal, Warren and Mahoney) – <i>Item 4</i> Patrick Ng (Chief Digital Officer, Southern District, Health NZ) – <i>Item 5</i> Lance Elder (Director Digital Transformation, Southern District, Health NZ) – <i>Item 5</i></p> <p>Secretariat Caleb Barone (Project Coordinator, Health NZ)</p> <p>Apologies Dean Fraser Sheila Barnett (Chair Clinical Transformation Group, Southern District, Health NZ) Neil O'Donnell (Director, RLB)</p>
1	<p>Welcome & Apologies Margaret Wilsher opened the meeting with karakia.</p> <p>Dean Fraser, Neil O'Donnell, and Sheila Barnett were noted as apologies. Jeremy Holman joined late.</p> <p>Register of Interests The Register of Interests was noted, and no new declarations were required. However, it was discussed and agreed to remove the following interests from the register:</p> <ul style="list-style-type: none"> • Christchurch Hospital Redevelopment Partnership Group for Evan Davies, Margaret Wilsher, and Tony Lanigan. • Capital Investment Committee for Evan Davies and Margaret Wilsher. • Ministry of Health National Asset Management Plan (NAMP) Reference Group for Tony Lanigan. <p>February 2023 Minutes The Executive Steering Group: ACCEPTED the 21 February 2023 minutes as a true and accurate record. NOTED overview of the Open Action Points from Tony Lloyd, Programme Director and Monique Fowler, Acting Director Delivery:</p> <ul style="list-style-type: none"> • <u>ESG-100321-06 (Delegation of Authority):</u> <ul style="list-style-type: none"> ○ NOTED framework for project delegations is being developed. ○ NOTED giving delegations to contractors will be raised with the Capital and Infrastructure Committee, noting there are some Te Whatu Ora Board members who are uncomfortable with giving contractors delegations. 	

- **DISCUSSED** concerns about the number of delegation and approval points above the ESG, which are adding layers of decision making and time for decisions to be executed efficiently.
- **NOTED** there is now a general delegation policy between the Te Whatu Ora Board and the Chief Executive, which will make it easier to bring decision making to the Infrastructure and Investment Group level.
- **DISCUSSED** the Outpatient Building paper for Separable Portion 3 needing to go to the Te Whatu Ora Board and how that could cause a delay in pricing acceptance. Tony Lloyd noted there is a requirement to report to the Board for Separable Portion 3, because originally there was only 2 tranches.
- **NOTED** a comment from John Hazeldine that there is a workshop on 4 April between Te Whatu Ora and Manatu Hauora on how to work more in parallel.
- ESG-210223-0 (Delegation of Authority):
 - **NOTED** a paper has not been prepared for this meeting, however there is a greater level of comms alignment from last month, with a more collaborative approach being undertaken.
 - The Chair asked if a note could be produced advising how comms is being aligned.
 - **NOTED** comments from Monique Fowler that she has requested the Head of the Te Whatu Ora communications team to advise who are the key people dealing with what and when for the NDH project.
 - **NOTED** Monique Fowler and Dan Pallister-Coward are the Te Whatu Ora spokespeople for the NDH project. Pete Hodgson is the Chair and spokesperson for the Local Advisory Group (LAG)
- ESG-160222-03 (iHNZ/HNZ Transition):
 - It was agreed this Action Point could be closed and any updates would be covered under the standing agenda item.
- ESG-210223-01 (Te Whatu Ora Operating Model):
 - The Te Whatu Ora Operating Model document was distributed to the ESG members, it was agreed this Action Point could be closed.
- ESG-210223-02 (Mana Whenua Design Engagement):
 - 'Mana Whenua Design Engagement' has been added as a standing agenda item, it was agreed this Action Point could be closed.
- ESG-210223-04 (Digital and Workforce & Organisational Change):
 - 'Data & Digital' and 'Workforce & Organisational Change' have been added as standing agenda items, it was agreed this Action Point could be closed.

2 Te Whatu Ora – Health NZ Transition Update

- **NOTED** the Te Whatu Ora Operating Model document distributed to the ESG members was the model developed by the Infrastructure Future State Operating Model Working Group.
- **NOTED** Jeremy Holman, Chief Infrastructure and Investment Officer, is currently developing an operating model for the Infrastructure and Investment Group. A draft structure was presented to staff at the recent Te Whatu Ora all staff hui.
- **NOTED** consultation on the Infrastructure and Investment Group Operating Model is expected to begin late May through until June, with implementation of the final version most likely in August.
- **NOTED** there will be four regional infrastructure and investment leads to oversee and deliver smaller projects through their regions.
- **DISCUSSED** whether there will be local/district leads and how the projects will be linked together. Monique Fowler noted the current IIG operating model draft does not go down to that level.
- **DISCUSSED** maintenance of assets will sit at a regional level, with support from local leads.
- **NOTED** the Te Whatu Ora Board is the PCBU for Te Whatu Ora.
- **NOTED** developing project governance for Tranche 1 of the Regional Hospital Redevelopment Programme is underway, with both SROs identified.
- **DISCUSSED** progress on new project governance for the New Dunedin Hospital project, key points to note

include:

- **NOTED** this is the last meeting for the current Executive Steering Group.
- **DISCUSSED** the roles and expertise of the new Project Steering Group (PSG).
- **NOTED** Dan Pallister-Coward, Te Whatu Ora HSS Regional Director – Te Wai Pounamu, will be the Hospital Specialist Services (HSS) representative on the PSG and accountable for Models of Care, supported by Bridget Dickson.
- **NOTED** the appointment letters and invites for PSG members are being drafted.
- **DISCUSSED** having a workshop/induction prior to the first PSG meeting to bring all members up to date with the project.
- **DISCUSSED** concerns that the changes to project governance affects the independent oversight the current ESG provides, due to the new PSG having more Te Whatu Ora employees as members.
- **NOTED** the new structure is the preferred structure for major projects moving forward.
- **DISCUSSED** concerns that how detailed into transformation/transition the PSG will need to be is unknown and whether oversight only applies up until the building/s is complete or beyond. Monique Fowler commented it is only until the building/s is completed and it is not the intention for the PSG to be responsible for transformation beyond the build.

Jeremy Holman joined the meeting at 11:49am

The Executive Steering Group members:

- **NOTED** the update from Monique Fowler.

3 Programme Director Update

Inpatient Building Update:

- The RCP Inpatient Building status report was taken as read.
- Received an update from Tony Lloyd, key points to note include:
 - Ceres have established themselves on site and are operating well.
 - Currently 6 weeks ahead of schedule for height consent.
 - **DISCUSSED** pathology, key points to note include:
 - The project team and Te Whatu Ora Southern are working together to bring in a third party to review the pathology area.
 - The current pathology contract holder, Southern Community Labs, has been involved in meetings around acute services and tests.
 - The Te Whatu Ora Southern team recently went to Queensland and saw the new equipment being used and are now discussing options with the FFE team. Margaret Wilsher commented most multifunctional machines are leased, so would be added Opex costs.
 - An independent review is underway on the use of the smaller bedside machines for test, rather than a lab. The report is expected within a month.
 - **DISCUSSED** it is not possible to make the machines earthquake resilient, to the same standard as the building.
 - Round 2 of user groups has started and is going well, with good feedback being received. Bridget Dickson agreed and noted pathology is the main concern that is being brought up by users.
 - Revised fee proposals have been received from main consultants and are being worked through by RCP and RLB.
 - Discussions are continuing with CPB about current and future contracting, with another meeting scheduled for 1 April.
 - Work is underway for the Dairy Building with a proposal sent to CPB for consideration.
 - **DISCUSSED** all of the Dairy Building is planned to be used, first by CPB as office space during the build then converted to collaborative space etc for Te Whatu Ora Southern.

Health & Safety & Environment:

- The Health, Safety, and Environment update was taken as read.

Outpatient Building Update:

- The RCP Outpatient Building status report was taken as read.
- 9(2)(i)
- **DISCUSSED** project delegation and whether the team have authority to deal with the EOT claim promptly. Tony Lloyd advised the EOT claim is being actioned as per the process set in the contract, which is sending it to the ETC first then once a decision is made it will be brought to ESG for agreement.
- Monique Fowler noted the project team can sign off on the claim if non-financial, but anything financial needs to go to herself or Jeremy Holman for sign off.

Financial Update:

- The financial report was taken as read.
- **DISCUSSED** the Outpatient Building cost is higher than expected and a paper detailing scale of the cost is being written then will be presented to the PSG for endorsement. The Chair noted the paper could be distributed via email for endorsement, earlier than the next meeting, if needed.
- Robert Rust noted the current presentation of the risk register is confusing and cannot understand why some significant items for the Inpatient Building have been excluded. Tony Lloyd advised he will discuss with RLB and have the register updated and better presented at the next meeting.

The Executive Steering Group:

- **NOTED** the updates on progress.

Mana Whenua Design Engagement

4

Marcus Read and Darryl Haines joined the meeting at 12:22pm

- First meeting next week with Aukaha (representing local mana whenua). Meeting will be about what can be put back in to incorporate the cultural narrative.

Received an oral update on the Mana Whenua Design Engagement from Marcus Read (RCP) and Darryl Haines (Warren and Mahoney). Key points to note from discussion:

- Outpatient Building:
 - **NOTED** nearing the final stages for the facades. The patterns for the western louvres and SS panels are being sampled and layout of the white ceramic textured tiles is being explored.
 - **NOTED** Aukaha, RCP, and Warren and Mahoney meet last week to work through the next steps for design input into the fitout, including ceiling patterns, carved column, and feature timber wall.
- Inpatient Building:
 - **NOTED** following the optimisation instruction at the end of 2022, a codesign collaboration has been agreed with Aukaha for the year ahead.
 - **NOTED** meetings were previously held with Aukaha on 10 August and 29 September 2022 to discuss optimisation and mana whenua expressed desire to be located on the ground floor, adjacent the North entry.
 - **NOTED** the façade is being co-designed with the Outpatient Building and will have two interlinking panels.
 - **NOTED** mana whenua remain comfortable with the Whakatuputupu narrative despite the pavilion building being deleted.

The Chair opened the floor for wider discussion. Key points to note include:

- **NOTED** comments from Marcus Read that 70% of what was previously designed incorporating mana whenua remains and mana whenua have agreed that the cultural narrative did not need to be rewritten.
- **DISCUSSED** how mana whenua is being engaged by the Southern PMO. Bridget Dickson noted the chairs of the local rūnaka have been involved in the development of the Outpatient Building transition plan, and over the last year members of Aukaha have attended meetings and are working with the team to ensure treaty obligations are met.

Jeremy Holman left the meeting at 12:25pm

Marcus Read and Darryl Haines left the meeting at 12:33pm

	<p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • NOTED the update on design engagement with Mana Whenua.
5	<p>Data and Digital Update</p> <p><i>Patrick Ng and Lance Elder joined the meeting at 12:35pm</i></p> <p>Received an oral update on Data & Digital from Patrick & Lance. Key points to note from discussion:</p> <ul style="list-style-type: none"> • NOTED the Minister of Health has received and read a paper that requests [redacted] of funding for stage 1 of the digital programme, which has been aligned to the completion of the Outpatient Building. • NOTED the Minister raised questions concerning Te Whatu Ora's commitment to investing in the future transforming digital solutions, which were answered by members of the national Data and Digital team. • NOTED following a Request for Proposal for a digital infrastructure delivery partner (DIDP), shortlisting and the submission of a finalised offer, a preferred DIDP has been selected and contract negotiations are underway. • NOTED What is currently being used and how it could be scaled for NDH is being reviewed. The team have received guidance from members of the national Data and Digital team to identify what core clinical solutions should be invested in for the Inpatient Building. • NOTED that there is currently a gap as nobody currently has or uses a contemporary electronic medical record (EMR). How this is invested in nationally will be a key focus. <p>The Chair opened the floor for wider discussion. Key points to note include:</p> <ul style="list-style-type: none"> • DISCUSSED the gradient of change for the Southern team, noting current guidance and funding received was to adapt the existing technology to suit the Outpatient Building and the Inpatient Building will be part of the national work on core clinical solutions for new hospital buildings. • DISCUSSED if new systems are installed, they need to be checked prior with current FFE equipment for compatibility issues. • NOTED WPS, Peter Ganter, and Lance Elder are working collaboratively on hospital build programme as current design development work is underway. • DISCUSSED that storage of paper medical records is not part of the new build. The Southern team have been scanning new paperwork, using the same system previously implemented in 2017 at Te Whatu Ora Te Taiuhu (Nelson Marlborough), and look to be fully digital by mid-year. • DISCUSSED a set of base documents for each workstream under the new PSG needs to be part of induction for all members. <p><i>Patrick Ng and Lance Elder left the meeting at 12:50pm</i></p> <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • NOTED the update on Data and Digital.
6	<p>Workforce & Organisational Change Update</p> <p>Received an oral update on workforce and organisational change from Hamish Brown, Interim Lead Hospital & Specialist - Southern. Key points to note from discussion:</p> <ul style="list-style-type: none"> • NOTED development of the Outpatient Building Transition programme is on-going. • NOTED the Business Case being drafted in preparation to go to the Te Whatu Ora Board, with what additional workforce will be required for a 'minimal', 'good', or 'full' opening. • NOTED an area of risk for workforce is lack of MRT and anaesthetist techs, which now require lengthier courses to become accredited. The Southern team have engaged the Te Whatu Ora Workforce Lead, Ailsa Claire, about this. • NOTED acute services are currently being transitioned to extend day operating hours. • NOTED rural areas are at risk if after hour clinics are made optional as it flows onto the hospitals. • NOTED the design of the Interprofessional Learning Centre (ILC) continues and the land lease has been sorted. <p>The Executive Steering Group members:</p> <ul style="list-style-type: none"> • NOTED the update on Workforce and Organisational Change.
7	<p>Other Business</p>

- **DISCUSSED** the upcoming April and May meeting dates. It was decided to cancel the April meeting and reschedule the May meeting, noting this would be the first meeting for the new governance group.
- **DISCUSSED** Helen Telford's contract ended in February and going forward there will be three SROs, one per workstream, who will sit on the new Project Steering Group.
- The Chair advised he thanked Helen Telford, on behalf of the ESG, for her contribution which the NDH project has benefited from and wished her well on his next steps.

The meeting closed at 13:09

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Closed Action Points:

REF	ITEM	FIRST RAISED	STATUS	ACTION REQUIRED	RESPONSIBLE	ACTION BY	DUE BY	PRIORITY	UPDATE/STATUS	ACTION BY	DATE CLOSED
ESG-160222-03	iHNZ/HNZ Transition	16/02/2022	In progress	John Hazeldine, Acting DDG Infrastructure, to invite the new HNZ leadership to a future ESG meeting to discuss future governance arrangements.	Te Whatu Ora	Monique F	TBC	Normal	28/03/23 - It was agreed this Action Point could be closed and any updates would be covered under the standing agenda item.		28/03/2023
ESG-210223-01	Te Whatu Ora Operating Model	21/02/2023	In progress	ESG secretariat to send out the Te Whatu Ora Operating Model to ESG members.	Te Whatu Ora	Caleb Barone	28/03/2023	Normal	28/03/23 - The Te Whatu Ora Operating Model document was distributed to the ESG members, it was agreed this Action Point could be closed.		28/03/2023
ESG-210223-02	Mana Whenua Design Engagment	21/02/2023	In progress	The Chair requested a standing agenda item to review/discuss mana whenua engagement be added for future meetings.	Te Whatu Ora	Tony Lloyd	28/03/2023	Normal	28/03/23 - Mana Whenua Design Engagment has been added as a standing agenda item, it was agreed this Action Point could be closed.		28/03/2023
ESG-210223-04	Digital and Workforce & Organisational Change	21/02/2023	In progress	Digital and Workforce & Organisational Change to be added as standing agenda items.	Te Whatu Ora	Tony Lloyd	28/03/2023	Normal	28/03/23 - Data & Digital and Workforce & Organisational Change have been added as standing agenda items, it was agreed this Action Point could be closed.		28/03/2023

Open Action Points:

REF	ITEM	FIRST RAISED	STATUS	ACTION REQUIRED	RESPONSIBLE	ACTION BY	DUE BY	PRIORITY	UPDATE/STATUS	ACTION BY
ESG-100321-06	Delegation of Authority	10/03/2021	In progress	Revised arrangements for DoA are currently being worked through with the new SRO and will be reported back on to ESG.	Te Whatu Ora	Monique F	8/07/2022 TBC	Normal	28/03/23 - NOTED framework for project delegations is being developed. - NOTED giving delegations to contractors will be raised with the Capital and Infrastructure Committee, noting there are some Te Whatu Ora Board members who are uncomfortable with giving contractors delegations.	Monique F
ESG-210223-03	Project Communication Alignment	21/02/2023	In progress	The Chair requested a paper be provided to the ESG outlining how the various communication teams for the project (Te Whatu Ora, mana whenua, and LAG) will be joined together and work collaboratively.	Te Whatu Ora	Monique F/ Tony Lloyd	28/03/2023 TBC	Normal	28/03/23 - NOTED a paper has not been prepared for this meeting, however there is a greater level of comms alignment from last month, with a more collaborative approach being undertaken. - The Chair asked if a note could be produced advising how comms is being aligned.	Monique F