
MEMO

To: Board Members
From: Eric Sinclair, GM Finance, Performance & Facilities
Date: 22 August 2018
Subject: **UPDATE: Facilities**

Status

This report contains:

- For decision
- Update
- Regular report
- For information

1. Asbestos Register

Precise Consulting have been contracted to compile a register of the occurrence of asbestos across our campuses. This work has taken longer to complete than planned given a shortage of qualified staff to complete the work.

In July Precise brought on additional staff from its Australian operations to assist the local staff to complete the work. Precise have advised that with the additional staff in place the register will be complete by the end of September 2018.

Once we have the register the next step will be to complete a detailed asbestos management plan where decisions will be required on whether to remove the asbestos or to leave the asbestos (eg where it is well sealed, such as on the roof of George Manson building). It will also be important that the register is available before any maintenance/repair work is completed in case additional work is required to remove the asbestos.

2. Indicative Business Case

The Indicative Business Case (IBC) programme has commenced with the engagement of the Ernst Young team as lead partners and the Programme Director. The Programme Director will be the key point of contact “on-the-ground” and will liaise closely with the Model of Care team.

The IBC team has commenced work and have requested a range of information that will enable NMH to reconfirm the projections made 2-3 years ago in the health needs analysis and the health services planning work that are key informants for the IBC. The Programme Director is currently working on developing a more detailed programme of work for the completion of the IBC and this will be sent to the Board when it is completed.

Discussion was held with key officials from the Ministry of Health and the key health advisor from the Treasury. The objective of the discussions was to ensure that the expectations on what can and will be delivered for the IBC were agreed between all the parties as well as providing a degree of confidence in the NMH/EY team to deliver. The Treasury official noted that we did have a strong team from EY helping us and that helped the overall confidence level.

A key point of the discussion was around the timeframe. It was agreed that to complete all the necessary steps (eg endorsement through the Regional Capital Committee, submission and endorsement from the Capital Investment Committee before a case can go to the Minister and Cabinet) would not be achievable by the November time period. We agreed that we would be in a position, in conjunction with the MOH and Treasury, to provide a strong update, including some key decision aspects from the IBC, in November but the IBC itself is more likely to take an extra 3-4 months to be completed and work through the various endorsement processes.

Following the discussions with MOH/Treasury, the Gateway review that was initially scheduled for early October has been postponed.

Eric Sinclair
GM Finance, Performance & Facilities

RECOMMENDATION:

THAT THE BOARD RECEIVES THE FACILITIES UPDATE.