

## Infrastructure and Investment Group Reporting March 2025

<b>Due to MO:</b>	8 April 2025	<b>Reference</b>	HNZ00083091
<b>To:</b>	Hon Simeon Brown, Minister of Health		
<b>From:</b>	Jeremy Holman, Chief Infrastructure and Investment Officer		
<b>Copy to:</b>	Hon Christopher Bishop, Minister for Infrastructure Hon Matt Doocey, Minister for Mental Health		
<b>Security level:</b>	In Confidence	<b>Priority</b>	Routine
<b>Consulted</b>	N/A		

### Contact for further discussion (if required)

Name	Position	Phone	1st contact
Jeremy Holman	Chief Infrastructure and Investment Officer	s 9(2)(a)	x
Zainab Abbas	Head of Office of the Chief Infrastructure and Investment Officer		

### Attachments

**Appendix 1:** Health Capital Update Monthly Dashboard as at 28 February 2025

**Appendix 2:** National Asset Management Strategy Quarterly Report March 2025

## Purpose

1. This Aide-Mémoire provides you with the:
  - a) Health Capital Update Dashboard as at 28 February 2025 (dashboard), which is attached at Appendix 1, and key updates since the last report
  - b) National Asset Management Strategy (NAMS) Quarterly Report, which is attached at Appendix 2.

## Discussion

2. Health New Zealand | Te Whatu Ora (Health NZ) is delivering approximately 1,200 physical infrastructure capital projects across New Zealand. The dashboard focuses on the 66 in-flight projects that are over \$10 million or funded from the Health Capital Envelope (HCE).
3. For this month, the two slides reporting on the New Dunedin Hospital Inpatient and Outpatient Buildings have been removed from the major programme update. The New Dunedin Hospital project has been temporarily reporting to you on a fortnightly basis. The slides will be added back to the dashboard next month when the New Dunedin Hospital project returns to a monthly reporting cycle.
4. Table 1 below shows the overall status of the 66 in-flight projects. For those rated as Red, plans on resolving their risks to de-escalate overall status are included in Annex 1 to the dashboard. This month three projects shifted into red due to health and safety risks at one site and design and scope issues being worked through at the remaining two.

**Table 1 Project RAG status as at 28 February 2025**

	Green rated projects	Amber rated projects	Red rated projects	Total
Number of projects	29	21	16	66
\$ value	\$1,917 m	\$1,749 m	\$2,774 m	\$6,440 m
Movement	-2	-1	3	-

### Upcoming construction dates

5. Table 2 below provides a list of upcoming construction start or completion dates for the next three months (there are no milestones scheduled for June 2025).

**Table 2 Upcoming key construction dates**

Project	Type	Description	Planned Date
High Dependency Unit, Wellington Regional Hospital (10263)	Practical Completion	Construction of a new high dependency unit (HDU) with capacity for 12 beds.	April 2025
Urgent Interim Works Dunedin - Deferred Main, Gastroenterology, Audiology, ICU (10027)	Practical Completion	Redevelopment of gastroenterology, audiology and ICU facilities, and a deferred maintenance programme at Dunedin Hospital.	April 2025

Project	Type	Description	Planned Date
New Community Mental Health Facility, Manaia House (30025)	Practical Completion	Purchase and fit-out of a building in Whangārei to co-locate and integrate community-based mental health and addiction services.	April 2025
Boiler Replacement, Wairau Hospital, Blenheim (30024)	Practical Completion	Replacement of boilers with an energy efficient, sustainable option.	April 2025
Kaitiā Hospital Weathertightness Remediation (30026)	Construction Start	Weatherproofing to extend building lifespan.	April 2025 (depending on contract award in the next weeks)
Te Whare Maiangiāngi Acute Mental Health Inpatient Unit, Tauranga (30003)	Construction Start	New build of a 24-bed mental health and addiction service facility.	May 2025
Lower Hutt Special Care Baby Unit and Maternity Facilities Upgrade (30016)	Construction Start	Facility redevelopment to improve care and outcomes for hapu mama, pepe and whanau.	May 2025
Acute Adult Mental Health Facility, Palmerston North Hospital (10020)	Practical Completion	New build of Acute Adult Mental Health facility currently on the main campus.	May 2025
Te Puna Waiora Mental Health Facility and Te Puna Wai Katea (Tukapa House), Taranaki Base Hospital (30033)	Practical Completion	Refurbishment and upgrade of mental health facility.	May 2025 (Go-live June 2025)

## National Asset Management Strategy Quarterly Report

6. The National Asset Management Strategy (NAMS) will provide a consistent approach to managing the health infrastructure assets across the country, lifting the asset management maturity by taking a national approach to the health infrastructure challenges and future-proofing our facilities.
7. The key focus of the NAMS is the current work underway (Horizon 1: now to June 2025) and Horizon 2 (2025 to 2028) - getting the foundations right. This will then inform the later years (Horizon 2) and reach our goal of a core level of maturity by year six (2030).
8. You have requested a quarterly update on the progress on implementing the NAMS, including our work underway. A first quarterly report is attached as Appendix 2. We will continue to provide you with quarterly reporting on the progress of the NAMS, with the next report due in early July.

## Next steps

9. We will provide you with the Health Capital Update Dashboard based on March 2025 assurance reporting in early May 2025.
10. We will provide you with the next NAMS quarterly report in July 2025.
11. We will work with your office to proactively release the reports on the Health NZ website.



# *Health Capital Update Monthly Dashboard*

as at 28 February 2025

# Health Infrastructure Portfolio

as at 28 February 2025

Section 1: Overall Summary

Section 2: Project Health Status

Section 3: Financial Summary

Section 4: Strategic Alignment

Section 5: Major Programmes

Section 6: Schedule

Section 7: Performance Measures

Section 8: Progress Shots

Annexes

# Section 1: Overall Summary

In-flight Project Count



Total In-flight Project Fund



Projects in RED RAG Status

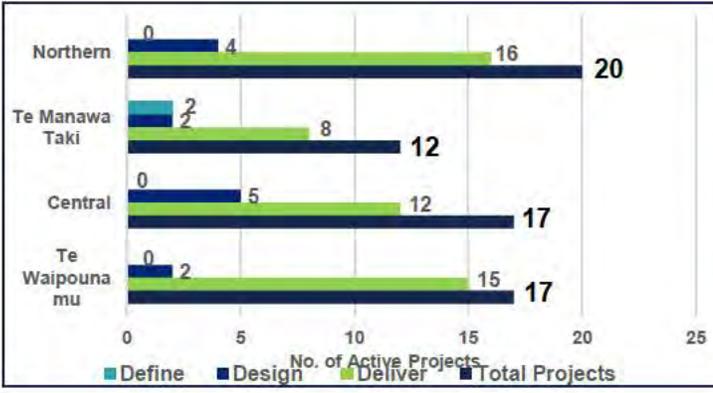


## Portfolio Highlights

- The Infrastructure and Investment Group (IIG) is delivering approximately 1,200 capital projects across New Zealand. This report focuses on the 66 in-flight projects that are over \$10 million or are funded from the Health Capital Envelope (HCE).
- The number of projects with Red RAG status has increased by three from 13 to 16, with all three now Red rated projects requiring decisions from the Regional DCEs to de-escalate.
- One project has reached Practical Completion: Acute Mental Health Unit Tranche 1 - Enabling Works, Hutt Valley (30015)
- Two projects have moved from Design to Deliver following the start of their main procurement process:
  - Waitematā Infrastructure Services Programme (ISP) Tranche 1B (10247)
  - New Dunedin Hospital, Inpatient Building (100251)
- s 9(2)(b)(ii)
- A total of 25 health and safety incidents (up four from 21 last month) were reported from the 23 in-flight projects using Procure construction management and Datix RL6 health and safety software (see graph below).

## Key Achievements

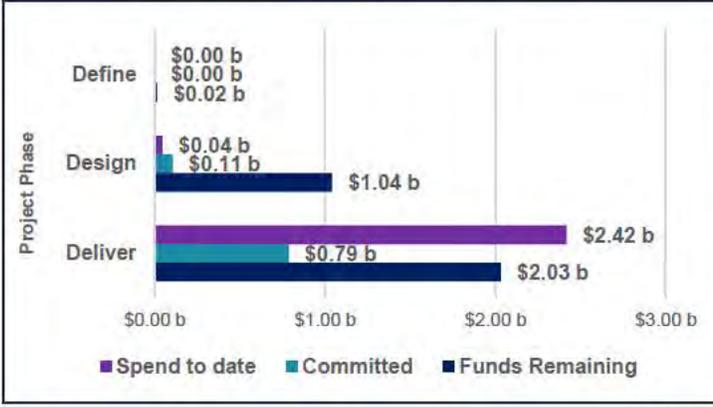
- Acute Mental Health and Addictions Facility (Te Whare Awhiora), Gisborne Hospital (10207) - Practical Completion was achieved on 24 February 2025, but as the emergency generator is not on site the project will not enter Debrief until next month.
- Facilities Infrastructure Remediation Programme - Tranche 2 (10056) - Tunnel construction complete.
- Grow Manukau at Manukau Health Park (10209) – the Blessing Ceremony for the East Building was held on 21 February. Ophthalmology (Module 6) achieved "Go Live" on 26 February.
- Central Otago Primary Birthing Unit (30030) - railing is complete for the Wānaka heli-pad.



## Project Lifecycle

This graph shows the total number of in-flight projects by project phase under each region.

*NB: Projects that have reached 'Practical Completion', i.e., when the building and fit out is complete, are no longer considered active even though they might not have gone live yet.*



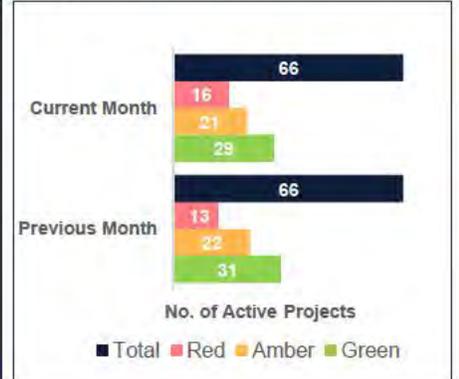
## Project Financials

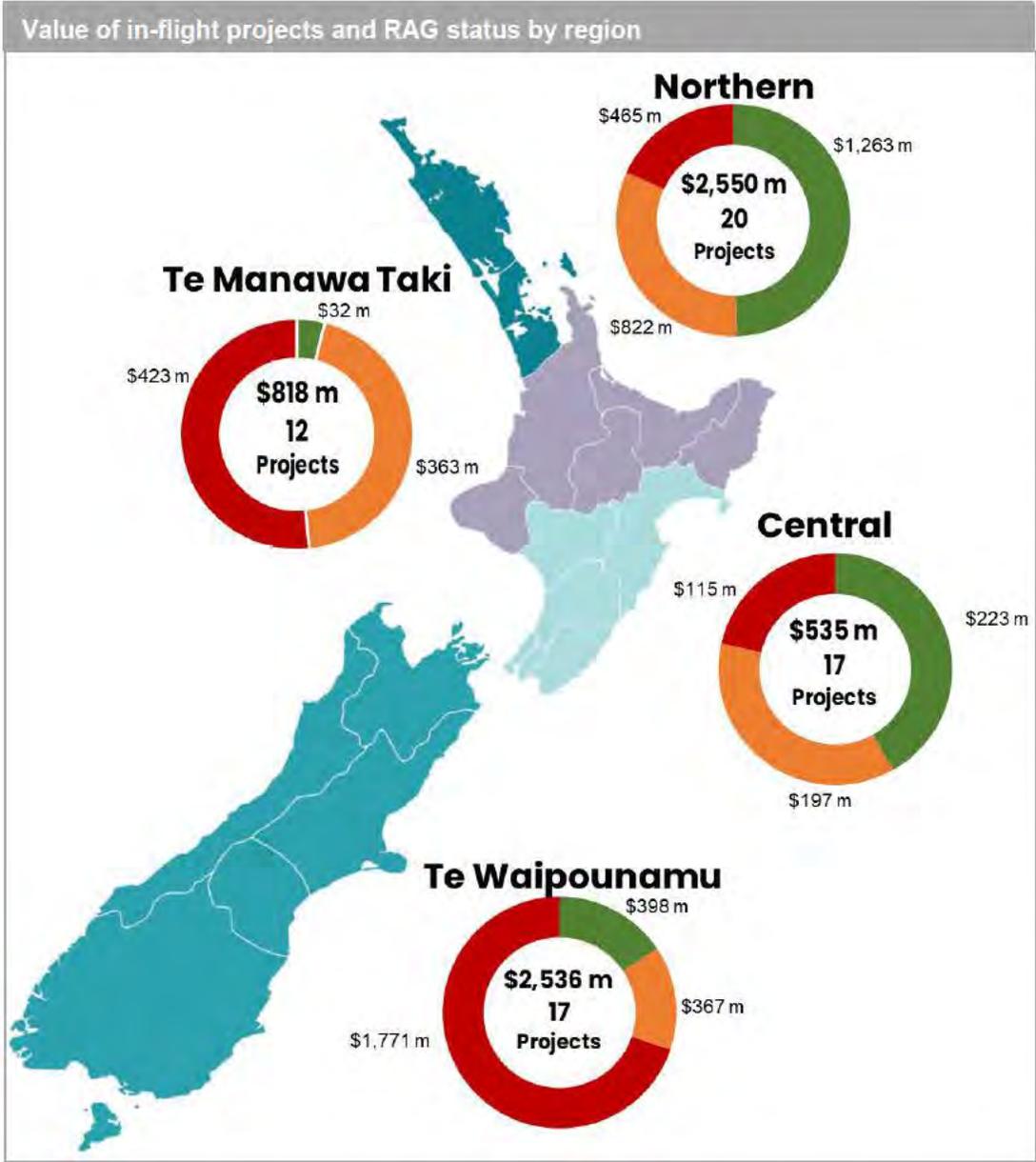
This graph shows the financial details of the total active projects by project phase.

*NB: These are in-flight projects that are over \$10 million or funded from the Health Capital Envelope (HCE).*



## Project Health Status





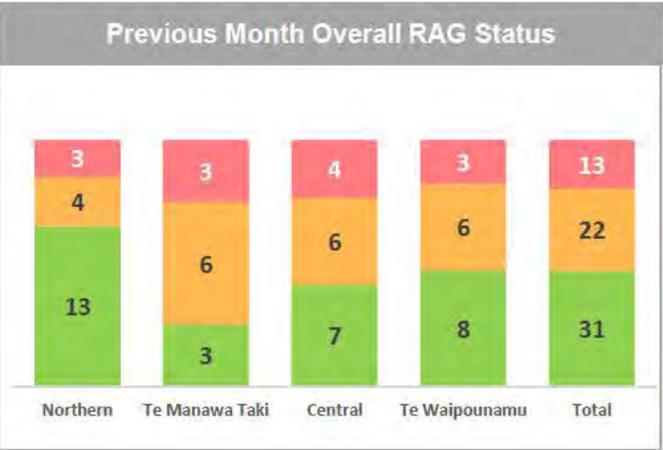
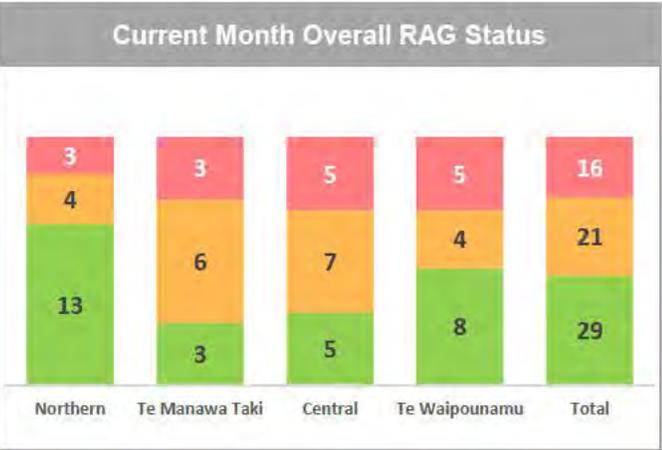
### Project Health Status Highlights

This section focuses on the overall health status of the projects and any movements compared to the previous month. Details are shown in the following slide.

Three projects moved from Amber to Red. One project is experiencing cost increases after a health and safety incident relating to intumescent paint fumes, and two other projects are on hold whilst issues with deciding on preferred option, developing a service model/concept design, scope etc are worked through.

Project Phase	Define	Design	Deliver	Total
Number of Projects	2	13	51	66
\$ value	\$15 m	\$1,191 m	\$5,234 m	\$6,440 m
Net Movement	-	-1	-	-1

Overall Status	Green	Amber	Red	Total
Number of Projects	29	21	16	66
\$ value	\$1,917 m	\$1,749 m	\$2,774 m	\$6,440 m
Net Movement	-2	-1	3	-



ID	Project Name	Previous Month	Current Month	Commentary
<b>Amber to Red</b>				
10007	Christchurch Hospital Redevelopment, Tower 3	Amber	Red	s 9(2)(f)(iv), s 9(2)(b)(ii), s 9(2)(j)
10261	Dunedin Hospital Sterile Services Unit (SSU)	Amber	Red	The project remains <b>ON HOLD</b> while awaiting a decision on the preferred option. The delay will have an impact on schedule and has the potential to also impact the budget.
30045	Waimarino Health Centre Extension	Amber	Red	s 9(2)(b)(ii), s 9(2)(f)(iv), s 9(2)(j)
<b>Green to Amber</b>				
10260	Interventional Radiology Unit Upgrade - Phase 3, Wellington Regional Hospital	Green	Amber	s 9(2)(f)(iv), s 9(2)(b)(ii), s 9(2)(j)

**Red Rated Projects**

The number of projects that remained in overall Red RAG status consecutively for over six months has increased by three (from nine to 12). Three projects have been added upon reaching a total of seven months of overall Red RAG status.

At least three projects are anticipated to be subject to decisions made in March and the second quarter of 2025 that will affect their RAG status and will remove them from this list.

No projects have been Red rated for four to six months only and therefore the number of long-term Red rated projects (seven months and more) will not increase over the next three months.

**Red Rated Projects by Period**



**Projects rated Red for more than six months**

ID	Project Name	Sched.	Scope	Budget	Current Action
<b>Under \$10 million</b>					
30013	Procedure Rooms Upgrade, Hawke's Bay Hospital	Red	Red	Red	Confirmation of scope and budget due to be submitted to the Minister in March 2025.
<b>Over \$10 million</b>					
100251	New Dunedin Hospital (Inpatient Building)	Red	Amber	Red	s 9(2)(b)(ii), s 9(2)(f)(iv), s 9(2)(j)
10079	Taranaki Base Hospital Redevelopment - Project Maunga - Stage 2	Red	Red	Red	Review of the forecast and cost risks indicates an increase to the forecast of \$59.197 million. A request for additional funding is expected to go to the Commissioner and Minister in April 2025.
10225	New Specialised Rehabilitation Centre (SRC), Manukau Health Park	Red	Amber	Red	s 9(2)(b)(ii), s 9(2)(f)(iv), s 9(2)(j)

## Projects rated Red for more than six months contd.

ID	Project Name	Sched.	Scope	Budget	Current Action
Over \$10 million					
10238	Construction of Waitākere Primary Birthing Unit	Red	Amber	Red	s 9(2)(f)(iv), s 9(2)(b)(ii), s 9(2)(j)
10246	Christchurch Hospital Endoscopy Expansion	Amber	Amber	Red	s 9(2)(b)(ii), s 9(2)(f)(iv), s 9(2)(j)
10218	Surgical Services Expansion Project (SSEP), Hawke's Bay Hospital	Red	Amber	Red	A Change Request regarding a reduction in scope will be submitted to Ministers in May 2025.
30004	Te Toki Maurere Acute Mental Health Unit Redevelopment - Whakatāne	Red	Red	Red	s 9(2)(f)(iv), s 9(2)(b)(ii), s 9(2)(j)
300151	Acute Mental Health Unit Tranche 2 - Main Works, Hutt Valley	Red	Green	Red	Following a peer review of the developed design and value engineering, we are expecting an additional \$10-15 million to deliver the project, subject to submissions made through the tender process. A paper is due to go the Funding Board on 3 April and the decision will be reflected in the next Health Capital Update.
30032	New Child and Youth Health Community Hub	Red	Red	Red	s 9(2)(b)(ii), s 9(2)(f)(iv), s 9(2)(j)
10026	Keeping the Lights on - Stage 2 (Dunedin Hospital Transition Programme - Maintenance) (Critical Infrastructure Works)	Red	Red	Amber	s 9(2)(f)(iv), s 9(2)(b)(ii), s 9(2)(j)
10209	Grow Manukau at Manukau Health Park	Red	Amber	Amber	s 9(2)(f)(iv), s 9(2)(b)(ii), s 9(2)(j)

**Actual vs. Forecast Spend**

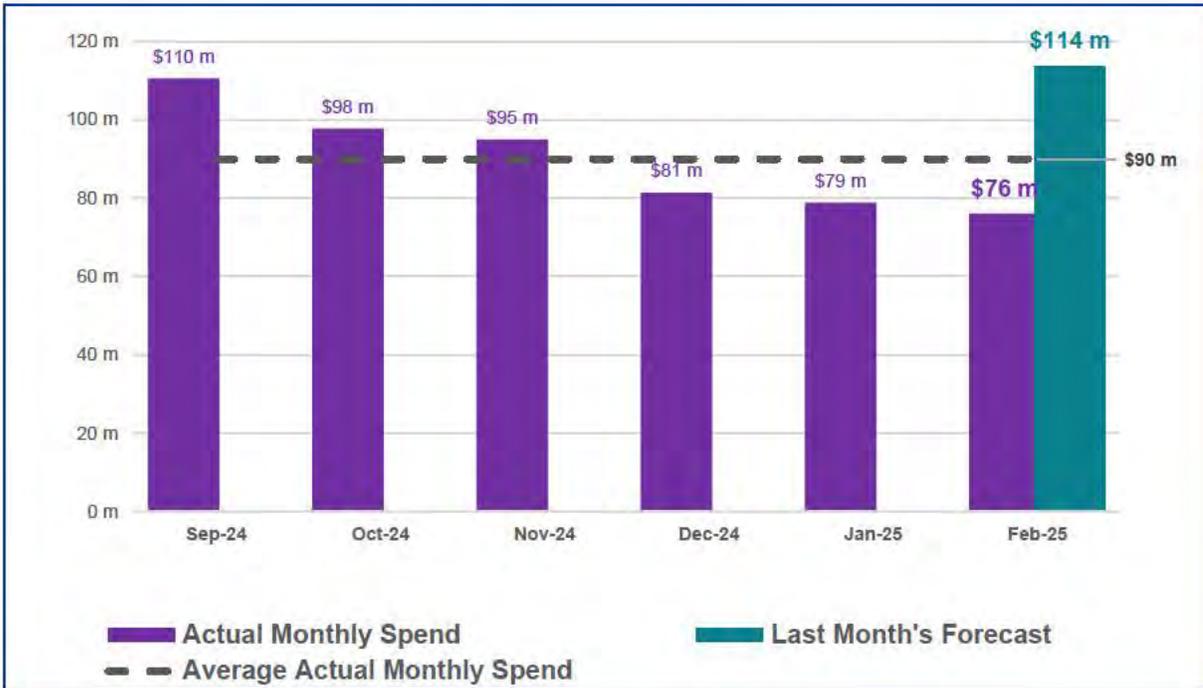
The actual spend for February 2025 is \$76 million. This is well under the rolling monthly average for the past six months of \$90 million. This is \$3 million less than the previous month and is the result of significant underspends by a number of large projects. In a year-on-year comparison, \$77.4 million was reported in actual spend in February 2024 against a forecast spend of \$100 million. The monthly average spend this time last year was \$82 million.

The net variance between the actual spend versus forecast spend has increased from \$26 million in January to \$38 million this month (and up slightly from \$35 million in December 2024), which equates to 33%. These continued large variances are driven primarily by a small number of large projects with ongoing forecasting difficulties or issues regarding the invoicing of claims in the same reporting month. Further details on cashflow variance can be found on the next page.

**Forecast Spend**

The monthly forecast from February 2025 for the next six months has been amended from the January forecasts. Forecasts are lower for the next two months but then increase again. The March forecast is down by 7% and April by 1%. Increases in forecasts over the next three months range from 3% to 7% until they converge in August.

This month's forecasts are 19% to 36% above the current average monthly spend of \$90 million. This is a wider disparity than the previous month when the forecasts ranged 20% to 31% above the average monthly spend of \$91 million. While disappointing and below expectations, the monthly actual spend should increase in future months and narrow the average variance with forecast spend. Forecasting issues with big projects such as Christchurch Tower 3 remain and this is now projecting a cost overrun.



**Cashflow Variance**

The cashflow variance for February after calculating both underspend and overspend was \$37.7 million. For that period there are nine projects with an underspend of more than \$1 million, which totaled a combined \$38 million. s 9(2)(b)(ii), s 9(2)(j)

s 9(2)(b)(ii), s 9(2)(j)

**Portfolio Financial by Region**

	Northern	Te Manawa Taki	Central	Te Waipounamu	Total
<b>Actual Spend to date*</b>	\$1,682 m	\$554 m	\$431 m	\$1,638 m	\$4,304 m
<b>Prev. Month*</b>	\$1,638 m	\$539 m	\$422 m	\$1,628 m	\$4,228 m
<b>Actual Spend this month</b>	\$44 m	\$14 m	\$8 m	\$10 m	<b>\$76 m</b>

**Actual Spend to date by Region**



s 9(2)(b)(ii)

## Project change requests with near-term submission dates for Ministerial approval

District	Project Name	Change Sought	Funding Sought	Estimated Date to Ministers
Te Matau a Māui Hawke's Bay	Procedure Rooms Upgrade, Hawke's Bay Hospital	Scope Change	\$0	Mar-25
Taranaki	Taranaki Base Hospital Redevelopment - Project Maunga - Stage 2	Funding increase from HCE	\$59.197 m	May-25
s 9(2)(f)(iv), s 9(2)(b)(ii), s 9(2)(j)				
Taranaki	Linear Accelerators	Funding increase from depreciation	\$1.73 m	Jun-25
Te Matau a Māui Hawke's Bay	Surgical Services Expansion Project (SSEP)	Funding or scope change (depreciation)	\$0.18 m	Jun-25

## Projects with business cases with near-term submission dates for Ministerial approval

District	Project Name	Business Case Type	Appropriated Crown Funding	Indicative Date for HNZ Approval	Estimated Date to Ministers
Capital & Coast	Wellington ED Refurbishment	DBC	\$40	Nov-24	Mar-25
Nelson Marlborough	Project Whakatapuranga - Nelson Hospital Redevelopment	DBC	\$73 m	Feb-25	Mar-25
Te Toka Tumai Auckland	Facilities Infrastructure Remediation Programme (FIRP) Tranche 3	DBC	\$0	Nov-24	Mar-25
National	Interim inpatient bed capacity	PBC	\$0	Mar-25	Mar-25
Te Toka Tumai Auckland	Interventional Radiology	SSBC	\$0	Feb-25	Apr-25
Hutt Valley*	Mental Health Unit	SSBC	\$38 m	Apr-25	May-25
MidCentral	Palmerston North CT	SSBC	\$0	Apr-25	May-25
Waitaha Canterbury	Christchurch NICU	SSBC	\$0	May-25	Jun-25

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

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

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

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

Abbreviations: SSBC Single Stage Business Case, ImBC Implementation Business Case, DBC Detailed Business Case, PBC Programme Business Case  
Q1 and Q2 refer to the calendar year

In-flight projects that contribute towards the Health Targets

Portfolio contribution to the five health targets

The total number of projects mapped against the health targets has decreased by one from 37 to 36. Health Targets were only established in the last two years and therefore some of the legacy projects were not aligned to these targets when they started.

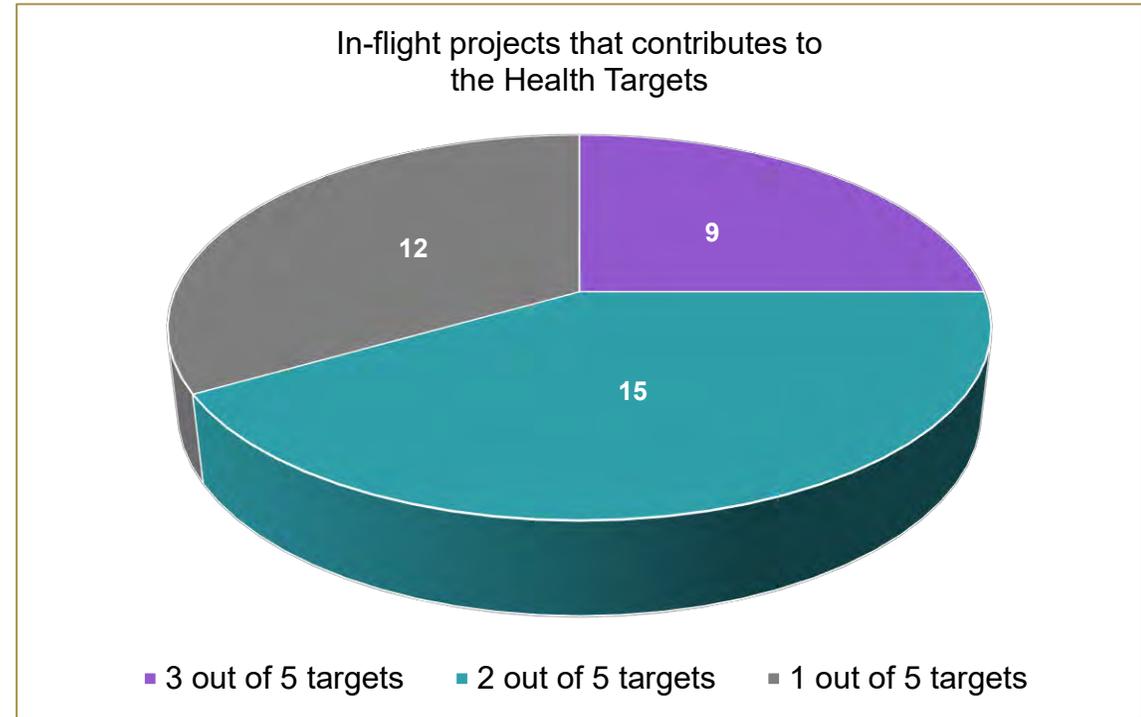
Of the 36 projects contributing to the health targets:

- 25% contribute towards three out of the five targets
- 42% towards two out of the five targets and
- 33% towards at least one target.

30 projects could not be mapped against these targets due to the nature of these projects i.e. remediation, refurbishment, seismic work.

As an enabling function, the IIG will continue to have projects of this nature that do not directly contribute to the Health Targets.

The list of 36 in-flight projects that contribute to the Health targets is shown on the next page.



## In-flight projects that contribute towards the Health Targets

HNZ ID	Project Name	Health Targets					Contribution to Targets	Region
		1	2	3	4	5		
10230	Project Pihi Kaha - Whangārei Hospital Redevelopment		✓	✓	✓		3/5	Northern
10045	Acute Radiology Unit Relocation, Middlemore Hospital	✓		✓	✓		3/5	Northern
10079	Taranaki Base Hospital Redevelopment - Project Maunga - Stage 2		✓	✓	✓		3/5	Te Manawa Taki
10239	Tauranga Hospital Redevelopment		✓	✓	✓		3/5	Te Manawa Taki
10256	Wellington Regional Hospital ED Refurbishment (Front of Whare)		✓	✓	✓		3/5	Central
10260	Interventional Unit Upgrade Phase 3, Wellington Regional Hospital	✓		✓	✓		3/5	Central
10243	Project Whakatapuranga (Nelson Hospital Redevelopment)		✓	✓	✓		3/5	Te Waipounamu
10025	New Dunedin Hospital (Outpatient Building)		✓	✓	✓		3/5	Te Waipounamu
100251	New Dunedin Hospital (Inpatient Building)		✓	✓	✓		3/5	Te Waipounamu
10050	E Tū Wairua Hinengaro - Forensic Psychiatric Services Facilities Replacement, Mason Clinic, Auckland			✓	✓		2/5	Northern
10209	Manukau Superclinic Expansion			✓	✓		2/5	Northern
10225	New Specialised Rehabilitation Centre (SRC)			✓	✓		2/5	Northern
30002	Starship Pediatric Intensive Care Unit (PICU) Bed Expansion and Atrium Redevelopment			✓	✓		2/5	Northern
30025	New Community Mental Health Facility, Manaia House			✓	✓		2/5	Northern
102116	Radiation Oncology Project	✓			✓		2/5	Northern
10073	Adult Mental Health Facility - Tranche 1			✓	✓		2/5	Te Manawa Taki
10075	Mauri Ora - Mental Health and Addictions Inpatient Facility Replacement			✓	✓		2/5	Te Manawa Taki
30003	Te Whare Maiangiangi Remediation and Expansion - Tauranga			✓	✓		2/5	Te Manawa Taki
10020	Acute Adult Mental Health Facility, Palmerston North Hospital			✓	✓		2/5	Central
10263	High Dependency Unit, Wellington Regional Hospital		✓	✓			2/5	Central
30013	Procedure Rooms Upgrade, Hawke's Bay Hospital			✓	✓		2/5	Central
10007	Christchurch Hospital Redevelopment, Tower 3			✓	✓		2/5	Te Waipounamu
10027	Urgent Interim Works - Deferred Main, Gastroenterology, Audiology, ICU			✓	✓		2/5	Te Waipounamu
10246	Christchurch Hospital Endoscopy Expansion			✓	✓		2/5	Te Waipounamu
102117	Linear Accelerators	✓					1/5	Te Manawa Taki
10204	Manaaki Hōhono - Construction of inpatient ward and ICU, Waitākere Hospital			✓			1/5	Northern
10238	Construction of Waitākere Primary Birthing Unit			✓			1/5	Northern
10208	Radiology Facilities Redevelopment, Hawke's Bay Hospital	✓					1/5	Central
10218	Surgical Services Expansion Project (SSEP), Hawke's Bay Hospital			✓			1/5	Central
30016	Maternity Ward and Neonatal Unit Upgrade			✓			1/5	Central
102118	Linear Accelerator & Bunker Installation, Hawke's Bay Hospital	✓					1/5	Central
300151	Te Whare Ahuru Acute Mental Health Unit Replacement Tranche 2 - Main Works				✓		1/5	Central
10266	Temporary Inpatient Unit, Hawke's Bay Hospital			✓			1/5	Central
10112	Te Rau Kawakawa Buller Integrated Family Health Centre (IFHC)			✓			1/5	Te Waipounamu
30020	Nelson Hospital ED Reconfiguration		✓				1/5	Te Waipounamu
30030	Rural Primary Birthing Units in Central Otago			✓			1/5	Te Waipounamu

## Section 4: Strategic Alignment contd.

### Health Targets

#### 1) Faster cancer treatment

90 per cent of patients to receive cancer management within 31 days of the decision to treat.

#### 2) Shorter stays in emergency departments

95 per cent of patients to be admitted, discharged or transferred from an ED within six hours.

#### 3) Shorter wait times for treatment

95 per cent of patients to wait less than four months for elective treatment.

#### 4) Shorter wait times for first specialist assessment (FSA)

95 per cent of patients to wait less than four months for an FSA

#### 5) Improved immunisation for children

95 per cent of children to be fully immunised at 24 months of age.

### Linear Accelerator Programme – contribute towards Health Target 1

#### 1) Faster cancer treatment

90 per cent of patients to receive cancer management within 31 days of the decision to treat.

Health NZ is enabling the Health Target 'Faster Cancer Treatment' by delivering the approved LINAC projects and developing business cases for additional LINAC capacity.

The Linear Accelerator programme is managed individually in each region and not as a programme.

There have been no changes to RAG status or delivery dates since last month.

### Progress on in-flight project under Linear Accelerator Programme

Area	Project Name	Project Stage	No. of LINAC Machines	s 9(2)(b)(ii), s 9(2)(f)(iv)	Forecast Go-Live	RAG Status		
						Time	Scope	Budget
Te Tai Tokerau Northland	Radiation Oncology Project	Delivery	1		Jun-26	Amber	Green	Green
Taranaki	Linear Accelerators	Delivery	1		Nov-25	Amber	Green	Amber
Te Matau a Māui Hawke's Bay	Linear Accelerator & Bunker Installation, Hawke's Bay Hospital	Preliminary Design	1		Jul-27	Amber	Green	Green

# Project Pihi Kaha - Whangārei Hospital Redevelopment

Replacement of a large section of the main hospital block to address building issues and increase capacity.

Phase: Design

Section 5: Major Programmes

Section 5.1: Regional Hospital Redevelopment Programme

Overall	Schedule	Budget	Scope	Risk	Issues
Amber	Amber	Amber	Amber	Green	Green

## Overall Project Status

The February reporting period prioritised continued focus across Tira Ora construction along with continuing with our immediate priorities across Pukauakaua with the primary focus on design activities. Tira Ora early civil works has progressed well and to plan with the project team continuing to work collaboratively across the various aspects of delivery. The project remains on track.

Pukauakaua has progressed well. It has seen a continued focus across our infrastructure and campus design, and the concept design of our acute services building along with the ward tower and car park design.

Further work has continued across Pihi Kaha's construction partner procurement strategy in conjunction and co-ordination with the broader RHRP procurement process.

## Scope

The project will replace a large section of the main hospital block and includes:

- Project Pukauakaua – Acute Services Building for theatres, ED, ICU, a coronary care unit, a cardiac catheter laboratory, radiology and support services, as well as design (but not construction) of a ward tower adjacent to the acute services building. This would accommodate four medical-surgical wards and an acute assessment unit to allow for decommissioning the end-of-life surgical wing. Ward Tower construction, necessary to deliver on objectives, is not currently part of the approved scope
- Rebuilds to make space for the acute services building: 'Project Tira Ora – Child Health Centre' and 'Project Te Whaea o te Iwi – Whanau House'.

s 9(2)(g)(i)

Budget		Milestone	Forecast	Baseline
Total Budget	\$759 m	Design End	s 9(2)(f)(iv)	
Actual Spend	\$9 m	Procurement Contract Award		
Forecast Spend	\$1.5 m	Delivery Start		
March-25		Delivery End		
		Go-live		

\*The procurement model is an Early Contractor Involvement (ECI) model. Therefore, this date may fall before the Design End forecast date.  
ECI definition: Early involvement on general construction, new builds, refurbishments or remediation of buildings or infrastructure where design is not sufficiently developed, and contractor input is required or there are opportunities for Health NZ to explore value engineering with a preferred contractor.

Financial Summary
s 9(2)(b)(ii), s 9(2)(f)(iv), s 9(2)(j)
s 9(2)(f)(iv), s 9(2)(b)(ii), s 9(2)(j)

Commercial / Contractor Performance
s 9(2)(b)(ii)

# Project Whakatapuranga (Nelson Hospital Redevelopment)

Phase: Design

Design and construction of a new Inpatient building, Energy Centre and refurbishment of existing clinical buildings across the campus to address seismic issues and critical services infrastructure.

Overall	Schedule	Budget	Scope	Risk	Issues
Green	Green	Green	Green	Green	Amber

## Overall Project Status

The Detailed Business Case (DBC) for Phase 2 is complete and under consideration. The bid for Budget 25 is in progress. If approved, the baselines in this report will be updated to reflect the DBC timelines and scope (currently based on the Programme Business Case approved option).

Works on the George Manson Building to address the Earthquake Prone Building notices are on hold due to access constraints in the clinical wards. This issue has been escalated to IIG leadership and the Regional DCE. Enabling works are progressing starting with demolition and site clearance. Design is in the early stages focused on services infrastructure and setting up the campus for success with long term strategies for development, parking, and required resilience and redundancy for services and structures. The Digital team is continuing with their current state analysis, and the Planning, Funding and Outcomes team is developing Model of Care plans, as well as assisting with campus decanting and facilitating construction.

## Scope

Phase 1 - Design and enabling works to facilitate a campus redevelopment programme.

s 9(2)(g)(i)

Budget	
Total Budget	\$73 m
Actual Spend	\$3.5 m
Forecast Spend Mar-25	\$1 m

Milestone	Forecast	Baseline
Design End	s 9(2)(f)(iv)	
Procurement Contract Award		
Delivery Start		
Delivery End		
Go-live		

## Financial Summary

s 9(2)(b)(ii), s 9(2)(j)

## Commercial / Contractor Performance

s 9(2)(b)(ii), s 9(2)(j)

# Tauranga Hospital Redevelopment

Phase: Define

Redevelopment of Tauranga Hospital.

Overall	Schedule	Budget	Scope	Risk	Issues
Green					

## Overall Project Status

The overall masterplan is complete. A peer review and further technical investigations with the design consortium have not started yet. The health planning functional design briefs are now complete, and the town planner has been engaged to review the master plan. Further technical inputs are required to prepare the business case, and these will be predominantly conducted by the design consortium.

## Scope

An Approval to Initiate was issued by the Health NZ Board in September 2023. The scope of the current phase is to prepare a Programme Business Case (PBC) that investigates, evaluates and proposes a long-term investment pathway for the redevelopment of the Tauranga Hospital Campus.

s 9(2)(g)(i)

Milestone	Forecast	Baseline
Site master planning	Q2 2025	Q2 2025
Programme business case	s 9(2)(f)(iv)	
Enabling works start		
Design start		

## Financial Summary

s 9(2)(b)(ii), s 9(2)(j)

## Commercial / Contractor Performance

s 9(2)(b)(ii), s 9(2)(j)

s 9(2)(g)(i)

# Te Mataua a Maui Hawke's Bay Fallen Soldiers' Memorial Hospital Redevelopment

Phase: Identify

Redevelopment of Hawke's Bay Fallen Soldiers' Memorial Hospital.

Overall	Schedule	Budget	Scope	Risk	Issues
Amber				Amber	Amber

Overall Project Status
<p>Master planning has been completed to account for the staged approach and the RHRP Design team has been appointed. Revised costings have been completed. Health planners (TSA Riley) are completing the Functional Design Brief and Schedule of Accommodation, due to be complete at the end of May. The Design team (Jacobs) have been commissioned to progress design planning.</p> <p>The Project Steering Group has been appointed. This group will also oversee key tactical projects on site, including LINAC and Radiology. The current focus is to complete key Phase 0 planning documents so that an Approval to Initiate can be developed for the Commissioner's consideration.</p>

Scope
<p>The current phase of works is focused on the development of initial planning documents that will support the proposed request to Commissioner for 'Approval to Initiate' the project and the development of a Programme Business Case (PBC).</p>

s 9(2)(g)(i)

Milestone	Forecast	Baseline
Design End	s 9(2)(f)(iv)	
Procurement Contract Award		
Delivery Start		
Delivery End		
Go-live		

Financial Summary
s 9(2)(b)(ii), s 9(2)(j)

Commercial / Contractor Performance
s 9(2)(b)(ii), s 9(2)(j)

# Palmerston North Hospital Redevelopment

Phase: Define

## Section 5.1: Regional Hospital Redevelopment Programme contd.

Project Ka Ora Kainga Rua - redevelopment of Palmerston North Hospital.

Milestone	Forecast	Baseline
Design End	s 9(2)(f)(iv)	
Procurement Contract Award		
Delivery Start		
Delivery End		
Go-live		

Overall	Schedule	Budget	Scope	Risk	Issues
Amber				Amber	Amber

Overall Project Status
<p>Site master planning is complete, with only peer review of the estimate and sign-off of the cultural narrative outstanding.</p> <p>In March, Jacobs will start the review of the master plan and existing facilities and infrastructure. TSA will also start work on the functional briefing.</p>

Financial Summary
s 9(2)(b)(ii), s 9(2)(j)

Scope
<p>The scope of the current phase of work is to prepare the preliminary documents for Approval to Initiate the Programme Business Case (PBC). This includes completing site master plans, asset management plans, a data and digital blueprint and an equity plan.</p>

Commercial / Contractor Performance
s 9(2)(b)(ii), s 9(2)(j)

s 9(2)(g)(i)

In-flight projects with upcoming construction starts or practical completions within the next six months (Indicative dates only)

ID	Project Name	Delivery Start Date	Practical Completion	Go-live Date	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025
30003	Te Whare Maiangiangi Remediation and Expansion - Tauranga	1/04/2025	28/06/2027	19/07/2027	◆			◆	◆	
30026	Kaitaia Hospital Weathertightness Remediation	8/04/2025	1/05/2026	1/05/2026	◆	◆				
30025	New Community Mental Health Facility, Manaia House			14/04/2025	◆					
30016	Maternity Ward and Neonatal Unit Upgrade	5/05/2025				◆				
300151	Acute Mental Health Unit Tranche 2 - Main Works	3/07/2025						◆		
10020	Acute Adult Mental Health Facility, Palmerston North Hospital		6/05/2025	1/08/2025		◆			◆	
30033	Te Puna Waiora Mental Health Facility and Te Puna Wai Katea (Tukapa House)		12/05/2025	10/06/2025		◆	◆			
30013	Procedure Rooms Upgrade, Hawke's Bay Hospital		20/06/2025	3/07/2025			◆	◆		
10240	Renewal of Vertical Transport (Lifts) - Tranche 2		30/07/2025	21/07/2025				◆	◆	
10075	Mauri Ora - Mental Health and Addictions Inpatient Facility Replacement		2/09/2025							◆

Small incremental schedule movements have been identified. A new way of tracking and reporting on schedule movements will be implemented in the coming months.

Construction Start

Practical Completion

Go-Live





**10001 Facilities Infrastructure Remediation Programme - Tranche 1, Auckland**  
*HV switchgear at substation D*



**10056 Facilities Infrastructure Remediation Programme - Tranche 2, Auckland**  
*New pipework risers to the A40 cooling towers*



**10050 E Tū Wairua Hinengaro - Forensic Psychiatric Services Facilities Replacement, Mason Clinic, Auckland**  
*Southern elevation*



**10073 Te Pae Tawhiti Adult Mental Health Facility, Waikato Hospital**  
*AAIF Stage 2 demolition complete*



**10079 Taranaki Base Hospital Redevelopment -  
Project Maunga - Stage 2**  
*East wing building*



**10204 Manaaki Hōhonu - Construction of Inpatient ward and ICU,  
Waitākere Hospital**  
*Main works progress, eastern view*



**10209 Grow Manukau at Manukau Health Park**  
*West build*



**102117 Taranaki Base Hospital Linear Accelerators**  
*Taranaki Cancer Centre camera*



**10112 Te Rau Kawakawa Buller Integrated Family Health Centre**  
*Asbestos removal*



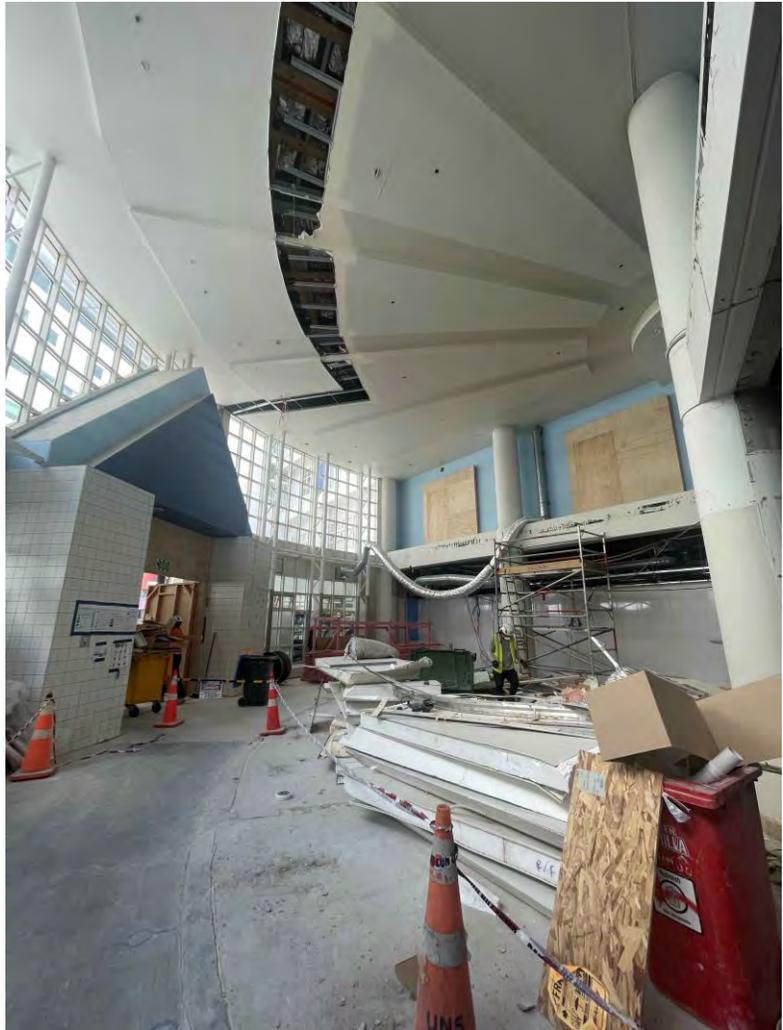
**10218 Surgical Services Expansion Project (SSEP), Hawke's Bay Hospital**



**10263 High Dependency Unit, Wellington Regional Hospital**



**30002 Starship Paediatric Intensive Care Unit (PICU) Bed Expansion and Atrium Redevelopment**



**30033 Te Puna Waiora Mental Health Facility and Te Puna Wai Katea (Tukapa House), Taranaki Base Hospital**



**30041 West Coast Mental Health Unit**



**10025 New Dunedin Hospital Outpatient Building**  
*Wall framing ongoing*



Health Capital Project Update

Reporting Period: Period ending 28 February 2025

	ID	REGION	LOCATION/ CAMPUS	BUSINESS CASE NAME	BUSINESS CASE STAGE	FORECAST BUSINESS CASE COMPLETION	TOTAL FUNDING ALLOCATED	s 9(2)(b)(ii), s 9(2)(f)(iv)	PREVIOUS MONTH OVERALL RAG STATUS	CURRENT MONTH OVERALL RAG STATUS	REASON FOR CURRENT MONTH OVERALL RED RAG STATUS
									Green	Green	N/A
DEFINE	10239	Te Manawa Taki	Hauora a Toi Bay of Plenty	Tauranga Hospital Redevelopment, Tranch 1	Programme Business Case	Dec-25	TBD		Green	Green	N/A
	30004	Te Manawa Taki	Hauora a Toi Bay of Plenty	Te Toki Maurere AMHU Redevelopment - Whakatane	Single Stage Business Case	TBC	\$15.0 m		Red	Red	s 9(2)(b)(ii), s 9(2)(f)(iv), s 9(2)(j)
							<b>\$15.0 m</b>				

ID	REGION	LOCATION/ CAMPUS	PROJECT NAME	FORECAST DESIGN COMPLETION	FORECAST CONSTRUCTION COMPLETION	TOTAL FUNDING APPROVED	OVERALL PROGRESS (%)	PREVIOUS MONTH OVERALL RAG STATUS	CURRENT MONTH OVERALL RAG STATUS	CURRENT MONTH SCHEDULE STATUS	CURRENT MONTH BUDGET STATUS	CURRENT MONTH SCOPE STATUS	REASON FOR CURRENT MONTH OVERALL RED RAG STATUS
10059	Northern	Counties Manukau	Core Infrastructure Upgrade	Dec-25	Aug-27	\$33.8 m	37%	Amber	Amber	Red	Amber	Green	N/A
10225	Northern	Counties Manukau	New Specialised Rehabilitation Centre (SRC)	Apr-25	Feb-29	\$136.0 m	30%	Red	Red	Red	Red	Amber	s 9(2)(b)(ii), s 9(2)(f)(iv), s 9(2)(j)
10230	Northern	Te Tai Tokerau Northland	Project Pihī Kaha - Whangārei Hospital Redevelopment	Apr-27	Feb-32	\$759.0 m	20%	Amber	Amber	Amber	Amber	Amber	N/A
10252	Te Manawa Taki	Hauora a Toi Bay of Plenty	Bay of Plenty Seismic Strengthening (Building 20 and Kitchen Refurbishment)	Jul-25	Apr-27	\$24.8 m	5%	Amber	Amber	Red	Amber	Amber	N/A
30032	Te Manawa Taki	Tairāwhiti	New Child and Youth Health Community Hub	TBC	TBC	\$5.0 m	50%	Red	Red	Red	Red	Red	s 9(2)(b)(ii), s 9(2)(f)(iv), s 9(2)(j)
10226	Central	Capital, Coast & Hutt Valley	Nga Puna Waiora High Voltage Infrastructure Upgrades, Wellington Regional Hospital	Sep-25	Dec-27	\$25.0 m	38%	Amber	Amber	Amber	Amber	Amber	N/A
30016	Central	Capital, Coast & Hutt Valley	Maternity Ward and Neonatal Unit Upgrade	Dec-24	Apr-27	\$9.5 m	36%	Red	Red	Red	Red	Green	s 9(2)(f)(iv)
30045	Central	Whanganui	Waimarino Health Centre Extension	TBC	TBC	\$3.3 m	10%	Amber	Red	Red	Amber	Red	s 9(2)(b)(ii), s 9(2)(f)(iv), s 9(2)(j)
10266	Central	Te Matau a Māui Hawke's Bay	Temporary Inpatient Unit, Hawke's Bay Hospital	Oct-25	Mar-27	\$28.3 m	0%	Not rated	Amber	Amber	Green	Green	N/A
102118	Central	Te Matau a Māui Hawke's Bay	Linear Accelerator & Bunker Installation, Hawke's Bay Hospital	Dec-25	Mar-27	\$37.1 m	0%	Amber	Amber	Amber	Green	Green	N/A
10243	Te Waipounamu	Nelson Marlborough	Project Whakatapuranga (Nelson Hospital Redevelopment)	Dec-26	Dec-31	\$73.0 m	18%	Green	Green	Green	Green	Green	N/A
10261	Te Waipounamu	Southern	Dunedin Hospital Sterile Services Unit (SSU)	TBC	Apr-26	\$14.0 m	3%	Amber	Red	Red	Amber	Green	ON HOLD while awaiting a decision on the preferred option. Schedule heavily impacted and potentially budget also.
						<b>\$1,149.0 m</b>							

DESIGN

ID		REGION	LOCATION/ CAMPUS	PROJECT NAME	FORECAST CONSTRUCTION COMPLETION	s 9(2)(b)(ii)		OVERALL PROGRESS (%)	s 9(2)(b)(ii)					REASON FOR CURRENT MONTH OVERALL RED RAG STATUS
						TOTAL FUNDING APPROVED	s 9(2)(b) (ii), s 9(2) (f)(iv)		PREVIOUS MONTH OVERALL RAG STATUS	CURRENT MONTH OVERALL RAG STATUS	CURRENT MONTH SCHEDULE STATUS	CURRENT MONTH BUDGET STATUS	CURRENT MONTH SCOPE STATUS	
10045	Delivery	Northern	Counties Manukau	Acute Radiology Unit Relocation, Middlemore Hospital	Mar-26	\$44.5 m		85%	Green	Green	Amber	Green	Green	N/A
10209	Delivery	Northern	Counties Manukau	Grow Manukau at Manukau Health Park	Nov-25	\$316.8 m		62%	Red	Red	Red	Amber	Amber	s 9(2)(b)(ii), s 9(2)(j)
10210	Preliminary Design	Northern	Counties Manukau	Kidz First and McIndoe Building Recladding, Middlemore Hospital	Dec-27	\$41.9 m		25%	Green	Green	Amber	Green	Green	N/A
102101	Delivery	Northern	Counties Manukau	Manukau Elective Surgical Hospital Building Recladding, Manukau Health Park	Apr-26	\$25.1 m		30%	Green	Green	Green	Green	Green	N/A
10068	Delivery	Northern	Te Tai Tokerau Northland	Regional Collaborative Community Care (RCCC)	Mar-25	\$17.1 m		92%	Amber	Amber	Amber	Amber	Green	N/A
10227	Delivery	Northern	Te Tai Tokerau Northland	Regional Network Remediation	Nov-25	\$12.4 m		87%	Amber	Amber	Green	Green	Green	N/A
30025	Delivery	Northern	Te Tai Tokerau Northland	New Community Mental Health Facility, Manaia House	Mar-25	\$21.6 m		90%	Green	Green	Green	Green	Green	Mental Health Project
102116	Delivery	Northern	Te Tai Tokerau Northland	Radiation Oncology Project	Feb-26	\$60.9 m		66%	Green	Green	Amber	Green	Green	N/A
10001	Delivery	Northern	Te Toka Tumai Auckland	Facilities Infrastructure Remediation Programme - Tranche 1	Oct-25	\$301.7 m		90%	Green	Green	Green	Green	Green	N/A
10056	Delivery	Northern	Te Toka Tumai Auckland	Facilities Infrastructure Remediation Programme - Tranche 2	Dec-25	\$369.2 m		90%	Green	Green	Amber	Green	Green	N/A
30002	Delivery	Northern	Te Toka Tumai Auckland	Starship Paediatric Intensive Care Unit (PICU) Bed Expansion and Atrium Redevelopment	Jan-26	\$48.0 m		66%	Green	Green	Green	Green	Green	N/A
30026	Procurement (Main Contractor)	Northern	Te Tai Tokerau Northland	Kaitaia Hospital Weathertightness Remediation	May-26	\$12.9 m		60%	Green	Green	Green	Green	Green	N/A
10050	Delivery	Northern	Waitematā	E Tū Wairua Hinengaro - Forensic Psychiatric Services Facilities Replacement, Mason Clinic, Auckland	Nov-25	\$192.8 m		65%	Green	Green	Green	Green	Green	Mental Health Project
10204	Delivery	Northern	Waitematā	Manaaki Hōhono - Construction of Inpatient ward and ICU, Waitākere Hospital	Aug-26	\$96.4 m		50%	Green	Green	Green	Green	Green	N/A
10238	Procurement (Main Contractor)	Northern	Waitematā	Construction of Waitākere Primary Birthing Unit	Feb-27	\$12.3 m		30%	Red	Red	Red	Red	Amber	s 9(2)(b)(ii), s 9(2)(j)
10241	Procurement (Main Contractor)	Northern	Waitematā	Waitākere – Electrical Infrastructure Upgrade	Dec-25	\$7.2 m		47%	Green	Green	Green	Amber	Green	N/A
10247	Procurement (Main Contractor)	Northern	Waitematā	Waitematā Infrastructure Services Programme (ISP) Tranche 1B	May-26	\$40.9 m		30%	Green	Green	Green	Green	Green	N/A
10075	Delivery	Te Manawa Taki	Lakes	Mauri Ora - Mental Health and Addictions Inpatient Facility Replacement	Sep-25	\$50.0 m		65%	Amber	Amber	Amber	Amber	Green	Mental Health Project
10207	Delivery	Te Manawa Taki	Tairāwhiti	Acute Mental Health and Addictions Facility (Te Whare Awhiora)	Mar-25	\$31.1 m		99%	Amber	Amber	Red	Amber	Green	Mental Health Project

DELIVER

ID		REGION	LOCATION/ CAMPUS	PROJECT NAME	FORECAST CONSTRUCTION COMPLETION	TOTAL FUNDING APPROVED	OVERALL PROGRESS (%)	PREVIOUS MONTH OVERALL RAG STATUS	CURRENT MONTH OVERALL RAG STATUS	CURRENT MONTH SCHEDULE STATUS	CURRENT MONTH BUDGET STATUS	CURRENT MONTH SCOPE STATUS	REASON FOR CURRENT MONTH OVERALL RED RAG STATUS
					s 9(2)(b)(ii)	s 9(2)(b)(ii), s 9(2)(f)(iv)	s 9(2)(b)(ii)						
10258	Delivery	Te Manawa Taki	Tairāwhiti	Generator and Electrical Upgrade and Electrical Supply to Site	Dec-25	\$25.0 m	15%	Amber	Amber	Red	Green	Green	N/A
10079	Delivery	Te Manawa Taki	Taranaki	Taranaki Base Hospital Redevelopment - Project Maunga - Stage 2	Dec-25	\$403.5 m	72%	Red	Red	Red	Red	Red	s 9(2)(b)(ii), s 9(2)(j)
30033	Delivery	Te Manawa Taki	Taranaki	Te Puna Waiora Mental Health Facility and Te Puna Wai Katea (Tukapa House)	May-25	\$9.0 m	75%	Green	Green	Green	Green	Green	Mental Health Project
102117	Delivery	Te Manawa Taki	Taranaki	Linear Accelerators	Oct-25	\$56.1 m	68%	Amber	Amber	Amber	Amber	Green	N/A
10073	Delivery	Te Manawa Taki	Waikato	Adult Mental Health Facility - Tranche 1	Jul-26	\$175.6 m	71%	Amber	Amber	Green	Amber	Green	Mental Health Project
30003	Procurement (Main Contractor)	Te Manawa Taki	Hauora a Toi Bay of Plenty	Te Whare Maiangiangi Remediation and Expansion - Tauranga	Jun-27	\$23.1 m	10%	Green	Green	Green	Green	Green	Mental Health Project
10240	Delivery	Central	Capital, Coast & Hutt Valley	Renewal of Vertical Transport (Lifts) - Tranche 2	Jul-25	\$5.8 m	95%	Green	Green	Green	Green	Green	N/A
10255	Delivery	Central	Capital, Coast & Hutt Valley	Copper Pipes Tranche 2	Dec-26	\$51.8 m	74%	Amber	Amber	Amber	Red	Green	N/A
10260	Delivery	Central	Capital, Coast & Hutt Valley	Interventional Radiology Unit Upgrade - Phase 3, Wellington Regional Hospital	Jun-26	\$20.9 m	31%	Green	Amber	Green	Green	Amber	N/A
10263	Delivery	Central	Capital, Coast & Hutt Valley	High Dependency Unit, Wellington Regional Hospital	Mar-25	\$15.3 m	96%	Green	Green	Green	Green	Green	N/A
10208	Delivery	Central	Te Matau a Māui Hawke's Bay	Radiology Facilities Redevelopment, Hawke's Bay Hospital	Aug-27	\$35.8 m	10%	Green	Green	Green	Green	Green	N/A
10218	Delivery	Central	Te Matau a Māui Hawke's Bay	Surgical Services Expansion Project (SSEP), Hawke's Bay Hospital	Mar-25	\$18.8 m	95%	Red	Red	Red	Red	Amber	Additional funding is required for the plant room fire cell works. Late design decisions are also causing schedule delays. A Change Request regarding an amended scope will be submitted to Ministers in May 2025.
30013	Delivery	Central	Te Matau a Māui Hawke's Bay	Procedure Rooms Upgrade, Hawke's Bay Hospital	TBC	\$3.0 m	45%	Red	Red	Red	Red	Red	A change request was submitted in 2023 but was not actioned. The project has undertaken an updated cost estimate and a scope change request will be submitted to Ministers for a decision in March 2025.
30014	Delivery	Central	Te Matau a Māui Hawke's Bay	Main Electrical Supply Upgrade	Mar-25	\$4.0 m	99%	Amber	Amber	Red	Green	Green	N/A
10020	Delivery	Central	Te Pae Hauora o Ruahine o Tararua MidCentral	Acute Adult Mental Health Facility, Palmerston North Hospital	May-25	\$66.6 m	85%	Green	Green	Green	Green	Green	Mental Health Project
10257	Procurement (Main Contractor)	Central	Te Pae Hauora o Ruahine o Tararua MidCentral	Critical Infrastructure Interim Works, Palmerston North Hospital	Sep-26	\$29.5 m	29%	Amber	Amber	Green	Green	Green	N/A
10256	Delivery	Central	Capital, Coast & Hutt Valley	Wellington Regional Hospital ED Refurbishment (Front of Whare)	May-30	\$40.0 m	4%	Green	Green	Green	Green	Green	N/A
300151	Procurement (Main Contractor)	Central	Capital, Coast & Hutt Valley	Acute Mental Health Unit Tranche 2 - Main Works	Jun-27	\$80.0 m	47%	Red	Red	Red	Red	Green	Mental Health Project: Following a peer review of the developed design and value engineering, there is a need for an additional \$10-15 million to deliver the project. Advice is being prepared.
30020	Delivery	Te Waipounamu	Nelson Marlborough	Nelson Hospital ED Reconfiguration	Mar-26	\$10.6 m	52%	Green	Green	Green	Green	Green	N/A
30021	Delivery	Te Waipounamu	Nelson Marlborough	Upgrade of Mental Health Inpatient Unit (Wahi Oranga)	Mar-25	\$6.5 m	80%	Amber	Amber	Green	Green	Green	Mental Health Project
30024	Delivery	Te Waipounamu	Nelson Marlborough	Wairau Boilers	Mar-25	\$8.1 m	99%	Amber	Amber	Amber	Green	Amber	N/A

DELIVER

DELIVER	ID	REGION	LOCATION/ CAMPUS	PROJECT NAME	FORECAST CONSTRUCTION COMPLETION	TOTAL FUNDING APPROVED	OVERALL PROGRESS (%)	PREVIOUS MONTH OVERALL RAG STATUS	CURRENT MONTH OVERALL RAG STATUS	CURRENT MONTH SCHEDULE STATUS	CURRENT MONTH BUDGET STATUS	CURRENT MONTH SCOPE STATUS	REASON FOR CURRENT MONTH OVERALL RED RAG STATUS	
	10025	Delivery	Te Waipounamu	Southern	New Dunedin Hospital (Outpatient Building)	Jul-26	\$341.7 m	59%	Amber	Amber	Green	Amber	Green	N/A
	100251	Procurement (Main Contractor)	Te Waipounamu	Southern	New Dunedin Hospital (Inpatient Building)	Nov-29	\$1538.3 m	12%	Red	Red	Red	Red	Amber	s 9(2)(f)(iv), s 9(2)(b)(ii), s 9(2)(j)
	10026	Delivery	Te Waipounamu	Southern	Keeping the Lights on - Stage 2 (Dunedin Hospital Transition Programme - Maintenance) (Critical Infrastructure Works)	Dec-25	\$23.6 m	30%	Red	Red	Red	Amber	Red	s 9(2)(b)(ii), s 9(2)(j)
	10027	Delivery	Te Waipounamu	Southern	Urgent Interim Works - Deferred Main, Gastroenterology, Audiology, ICU	Mar-25	\$32.6 m	98%	Green	Green	Green	Green	Green	N/A
	30030	Delivery	Te Waipounamu	Southern	Rural Primary Birthing Units in Central Otago	Jan-27	\$11.0 m	55%	Amber	Amber	Amber	Green	Amber	N/A
	10112	Delivery	Te Waipounamu	Te Tai o Poutini West Coast	Te Rau Kawakawa Buller Integrated Family Health Centre	Jan-26	\$27.3 m	88%	Green	Green	Green	Green	Green	N/A
	30041	Delivery	Te Waipounamu	Te Tai o Poutini West Coast	Mental Health Unit	Jul-26	\$26.3 m	45%	Green	Green	Green	Green	Green	Mental Health Project
	10007	Delivery	Te Waipounamu	Waitaha Canterbury	Christchurch Hospital Redevelopment, Tower 3	Aug-26	\$183.5 m	60%	Amber	Red	Red	Red	Amber	s 9(2)(b)(ii), s 9(2)(f)(iv), s 9(2)(j)
	10220	Delivery	Te Waipounamu	Waitaha Canterbury	Compliance Works Programme	Jun-26	\$76.9 m	70%	Green	Green	Green	Green	Green	N/A
10232	Delivery	Te Waipounamu	Waitaha Canterbury	Hillmorton Acute Adult Facility	Sep-27	\$136.0 m	38%	Green	Green	Green	Green	Green	N/A	
10246	Procurement (Main Contractor)	Te Waipounamu	Waitaha Canterbury	Christchurch Hospital Endoscopy Expansion	Aug-25	\$11.4 m	28%	Red	Red	Amber	Red	Amber	s 9(2)(b)(ii), s 9(2)(j)	
10259	Delivery	Te Waipounamu	Waitaha Canterbury	Child, Adolescent and Family Relocation	Mar-25	\$14.8 m	98%	Green	Green	Green	Green	Green	N/A	
						<b>\$5,215.2 m</b>								

s 9(2)(b)(ii)

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

s 9(2)(b)(ii)

s 9(2)(b)(ii)



# National Asset Management Strategy (NAMŠ)

Quarterly Report – March 2025

# NAMS Quarterly Report: March 2025

## Introduction - National Asset Management Strategy

This National Asset Management Strategy – Infrastructure (NAMS), is about improving the practices and tools that Health New Zealand | Te Whatu Ora (Health NZ) need to better manage all public health infrastructure across the estate. In practical terms, it is about providing the Infrastructure and Investment Group a forward plan and the ability to manage our health facilities so they operate effectively, and efficiently so clinical services can be provided to New Zealanders 24/7.

In taking a national approach to the health infrastructure challenges and future-proofing our facilities, NAMS will provide a consistent approach to managing the health infrastructure assets across the country. NAMS balances four concurrent challenges:

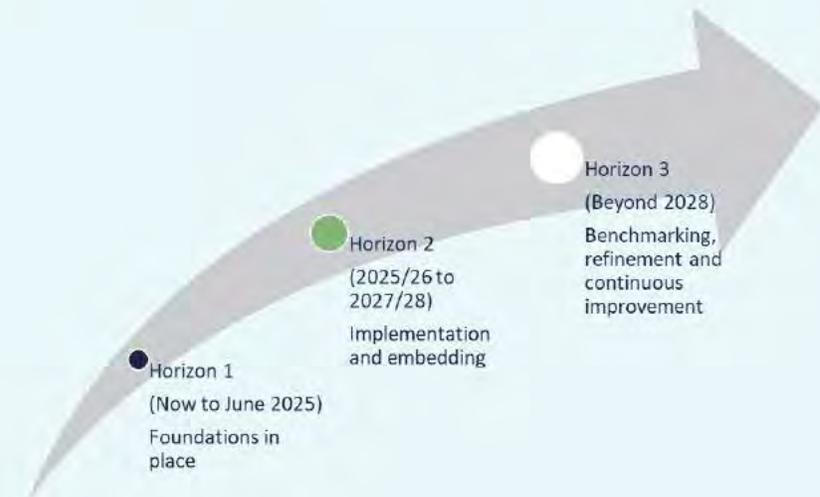
1. Asset management needs to balance the management of risk of asset failure due to the degraded state of the health infrastructure portfolio.
2. The need to improve planning and management of the portfolio to support sustained delivery and financial sustainability.
3. The importance of realigning health infrastructure to support the goals of Pae Ora (Healthy Futures) Act 2022 (Pae Ora).
4. Meeting Government expectations for investment and asset management as contained in 'Cabinet Office Circular: CO (23) 9'.

Achieving the desired uplift, or improvement, in asset management practices will be a multi-year journey. We need a progressive lift in capability and maturity across multiple areas over the next few years to get the foundations right and inform the longer-term plan.

## Our Implementation Roadmap & Workstreams National Asset Management Strategy implementation

The key focus of this NAMS is the current work underway (Horizon 1) and getting the foundations right (Horizon 2). This will then inform the later years (Horizon 3) and reach our goal of a core level of maturity by year six.

The workstreams needed to start the improvement of our asset management practices over the next six years are detailed below. Noting that some foundational workstreams are already under way in Horizon 1 and others will be implemented in Horizon 2.



# NAMS Quarterly Report: March 2025

Pillar	Maturity Activity	Workstream description	Horizon 1 deliverables (before June 2025)	
Understanding requirements	Strategic Direction	W1: Finalise Asset Management Policy	<ul style="list-style-type: none"> <li>Gain Board approval and implement the Asset Management policy</li> </ul>	
	Asset levels of service; Performance Monitoring	W2: Develop an Asset Levels of Service framework	<ul style="list-style-type: none"> <li>Engage with Planning, Funding and Outcomes to understand their clinical service requirements</li> <li>Development asset levels of service framework</li> </ul>	
	Performance Monitoring	W3: Implement a condition assessment programme to baseline the estate	<ul style="list-style-type: none"> <li>Develop condition assessment procedures (completed)</li> <li>Confirm approach to completing the programme of assessments, including resourcing approach (mix of external consultants and internal resources).</li> <li>Finalise NSE approach / process</li> <li>Confirm approach to completing the programme of assessments, including resourcing approach - (drafted)</li> <li>Migrate Condition Assessment procedures into AMIS</li> <li>Develop renewal modelling in AMIS - timing to be confirmed.</li> <li>Develop forms for on-site data capture.</li> </ul>	
Lifecycle management	Managing risk and Resilience	W4: Develop risk management and criticality frameworks	<ul style="list-style-type: none"> <li>Develop and implement a Risk Management Framework</li> <li>Develop an initial Criticality Framework</li> </ul>	
	Managing risk and Resilience	W5: Implementation of further risk and resilience assessment	<ul style="list-style-type: none"> <li>Scope and develop resource plan to deliver further assessments</li> </ul>	
	Operational Planning; Service Delivery models	W6: Develop a Maintenance Strategy	<ul style="list-style-type: none"> <li>Draft stocktakes of campuses, inc. current maintenance expenditure, and maintenance models (in source /outsource / hybrid), depreciation of assets (where applicable, some assets past EOL, share w/ MA in Finance). Purpose is to highlight challenges using this stocktake.</li> <li>Assess extent of deferred maintenance.</li> <li>Draft national maintenance strategy</li> </ul>	
	Developing Asset Management Plans	W7: Development of asset management plans across all campuses (regional/national)	<ul style="list-style-type: none"> <li>Complete stock-take of asset management plans completed to data and their status</li> </ul>	
Asset Management Enablers	Asset Management People	W8: Complete and embed the new IIG structure	<ul style="list-style-type: none"> <li>Complete appointments and leadership structures</li> </ul>	
	Asset Information systems	W9: Implement an Asset Management Information System (AMIS) which includes an asset register and asset data standards)	<ul style="list-style-type: none"> <li>Finalise AMIS requirements, system solution, road map and business case</li> <li>Prepare for a national building plant and Infrastructure (AMIS)</li> <li>Adopt and start implementation of national data standards</li> </ul>	
	Asset Management Improvement	W10: Develop an Audit & Improvement Programme	N/A – first deliverable in Horizon 2	N/A

## General Programme update March 2025

- Steady progress has been made in the three months since the NAMS was approved by the Health NZ Commissioner.
- All the workstreams are progressing on track, except for:
  - W8: Complete and embed the new Infrastructure and Investment Group (IIG) structure which has effective mitigations actively in place.
  - W9: implement AMIS, which is facing challenges to programme time that are being actively managed
- The funding allocation is on budget and is being closely monitored

## Key risks and issues

Below are risks and issues to the implementation of the NAMS that are being closely monitored and managed

- The IIG change process (W8) has a RAG status of amber due to the delays with a proposed structure being released for consultation
  - Mitigation:** Developing the foundational NAMS Horizon 1 in a less collaborative manner than would ideally be done to reduce the impact of limited resources and capacity.
- Capacity of key stakeholders to develop and implement NAMS deliverables in addition to business-as-usual activity.
  - Mitigation:** Short term resource onboarded to support key deliverables and mitigate lack of capacity of key stakeholders

\* W8: Complete and embed the new IIG structure is a key part of a successful NAMS implementation. However, accountability sits outside of the NAMS delivery remit

# NAMS Quarterly Report: March 2025

## Financial Summary Horizon 1 - NAMS implementation

	Last quarter	This quarter
<b>Total funding</b>	\$ -	\$ 1,215,560
<b>Committed to date</b>	\$ -	\$1,207,666 (99%)
<b>Yet to allocate</b>	\$ -	\$7,894
<b>Spend to date</b>	\$ -	\$478,574 (39%)
<b>Left to spend</b>	\$ -	\$736,986



**Note:** Not all of March invoices are received at the time of this report, forecasting shows we are on track for March.

## Milestone Summary Horizon 1 - NAMS implementation

NAMS Milestone Summary	Timeline					
	Feb-25	Mar-25	Apr-25	May-25	Jun-25	RAG
<b>WS1: Asset Management Policy</b>						
Final Draft approved by targeted stakeholder group			●			●
Sponsor/Owner approval			●			●
SLT approval				●		●
Organisational approval (EIT)				●		●
<b>WS2: Asset Management Levels of Service</b>						
Initial stakeholder meetings completed & feedback incorporated into Draft framework			●			●
Second round framework presented to Stakeholders				●		●
Final stakeholder input received with draft Framework and supporting documents complete				●		●
CIC approval paper ready for submission					●	●
<b>WS3: Condition Assessment</b>						
NSE process and procedures finalised			●			●
Data compiled for first two sites				●		●
<b>WS4: Risk Management &amp; Criticality Frameworks</b>						
Regional Leads review and approval - Asset Risk Management framework			●			●
Sponsor/Owner approval - Asset Risk Management framework				●		●
Sponsor/Owner approval - Asset Criticality framework				●		●
Ready for CIC submission - Asset Risk Management framework				●		●
Roll out Commences - Asset Risk Management framework				●		●
CIC approval - Asset Risk Management framework				●		●
Project Complete - Asset Risk Management framework					●	●
<b>WS5: Implementation of Further Risk &amp; Resilience Assessments</b>						
Develop project program		●				●
Draft structure and resource plan template		●				●
Staged engagement workshops				●		●
Draft structure and resource plan template				●		●
<b>WS6: Develop Maintenance Strategy</b>						
Draft stocktake template and review with Head of Infrastructure Asset Management		●				●
Stocktake 80% complete and reviewed with Head of AM				●		●
Draft Maintenance Strategy submitted for review with Head of IAM					●	●
<b>WS7: Develop Asset Management Plans</b>						
n/a Horizon 1						
<b>WS9: Implement the Asset Management Information System</b>						
Develop analytic reports						●
National Rollout of Workflow Management						●
Prepare Oracle eAM as National Asset Register			●			●
Acceptance and cutover of National Asset Register				●		●
On site support and remediation						●
Review and close out						●
<b>WS10: Develop an Audit &amp; Improvement Programme</b>						
n/a Horizon 1						

In confidence