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13 SEP 2019

Ref: H201906270

Response to your request for official information

Thank you for your request for information under the Official Information Act 1982 (the Act) to the Ministry of Health (the Ministry) of 4 July 2019, for:

“Now that PHP NZ has been liquidated, RNZ requests the ministry today provide details and taped comment re the following:

- *Who will now cover any warranty associated with PHP, and its work and the materials in that work?*
- *How does this liquidation limit who the ministry could sue if it chose to in the interests of taxpayers? (thinking re the case of Wgtn DHB suing Mico over pipe problems there)*
- *What impact DOES or MIGHT the liquidation have on:*
 - *Budget*
 - *Expected opening*
 - *Variations to the contract*
 - *Quality of the finished job*

As to the bigger picture re the delayed Acute/Hagley building:

- *Pls provide the latest update on where the problems with the non-spec pipes installed by PHP/CPB are at including:*
 - *What is being removed*
 - *What is being replaced*
 - *What is being left in place, and on what basis i.e. how has it been proved it meets the Building Code?*
- *Pls confirm that the ministry expects the production of Watermark certificates to cover the plumbing products; and pls note if those certificates have been provided as arranged or not*

Pls release to RNZ any previous statements provided to other media, including any OIA material, since January 2019”

All but the last question in this request were responded to on 5 July 2019 by the Ministry's media team.

On 18 July 2019, you further requested the following:

“MOH has asserted all pipework at the Acute build has the Watermark certification.

RNZ requests MOH release the following:

- *The evidence on which the above assertion is made, noting that Watermark cannot, as I understand it, be issued retrospectively*
- *Any advice from Beca to MOH about Watermark and non-conforming plumbing at this project, since October 2018.”*

For the sake of clarity, I have addressed each of your outstanding questions in turn.

1. *“Pls release to RNZ any previous statements provided to other media, including any OIA material, since January 2019”*

The Ministry has interpreted this request to refer to all media responses and Official Information Act responses regarding the acute services building at Christchurch Hospital. In addition to your own initial media query, the Ministry has identified one further media response, and one response to an Official Information Act requests on the subject from other media. These responses are itemised in Appendix One and copies are attached for your reference.

2. *“The evidence on which [the assertion that all pipework at the Acute build has the Watermark certification] is made”*

As per the Ministry’s statement to you on 13 August 2019, a Watermark certification was not a requirement for this project, and the installed pipe work does not have the Watermark logo. Watermark is not required in New Zealand.

Beca requested testing on the proposed pipe and fittings to demonstrate that they meet Beca’s specified performance requirements. Independent testing verified this.

The supplier subsequently pursued Watermark certification for their own purposes, and they have achieved this for the product going forward.

Your request for this information is refused under section 18(e) of the Act as it does not exist.

3. *“Any advice from Beca to MOH about Watermark and non-conforming plumbing at this project, since October 2018.”*

The Ministry did not receive any advice from Beca about Watermark and non-conforming plumbing at this project between October 2018 and the date of your request. As such, this part of your request for this information is refused under section 18(e) of the Act as it does not exist.

I trust that this information fulfils your request. Please note that this response, with your personal details removed, may be published on the Ministry website.

Under section 28(3) of the Act you have the right to ask the Ombudsman to review any decisions made under this request.

Yours sincerely

A handwritten signature in black ink, appearing to read 'MA Arrowsmith', written in a cursive style.

Michelle Arrowsmith
Deputy Director-General
DHB Performance, Support and Infrastructure

Appendix One

| # | Date | Title | Decision on release |
|---|-------------|--|---|
| 1 | 10 May 2019 | Previous Official Information Act request response | Name of requester withheld under section 9(2)(a) of the Act in order to protect the privacy of natural persons. |
| 2 | 27 May 2019 | Previous media response | Name of requester and staff mobile number withheld under section 9(2)(a) of the Act in order to protect the privacy of natural persons. |

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s 9(2)(a)

Ref: H201902443

Dear s 9(2)(a)

Response to your request for information

Thank you for your request of 9 April 2019 under the Official Information Act 1982 (the Act) for:

- "1) Any documents, presentations or reports discussed or presented at the December meeting with CPB.*
 - 2) Any documents, presentations or reports relating to a 'settlement' with CPB.*
 - 3) Any reports or correspondence about the acute services building project budget, specifically any reports or correspondence about increases to the budget.*
 - 4) Any correspondence between the Ministry/HRPG and CPB about a settlement, and about the completion date of the project.*
- To limit the amount of correspondence, the request is for the period December 1 to April 1."*

Part one of your request is refused under section 18(g) of the Act, as no information is held by the Ministry.

All information within scope of parts two and four of your request is withheld in full under the following sections of the Act:

- 9(2)(ba) to protect information that is subject to an obligation of confidence where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied
- 9(2)(h) to maintain legal professional privilege.

All information within scope of part three of your request is withheld in full under section 9(2)(b)(ii) of the Act, to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Under section 28(3) of the Act you have the right to ask the Ombudsman to review any decisions made under this request.

Yours sincerely



Michelle Arrowsmith
Deputy Director-General
DHB Performance Support and Infrastructure

On Fri, 17 May 2019 at 16:41, <Kirsty_Doig@moh.govt.nz> wrote:

Hi s 9(2)(a)

See answers below to your questions, which can be attributed to a Ministry spokesperson if needed.

1) Is the Ministry concerned/was it aware an application for liquidation has been brought against the plumbing subcontractor on the acute services build?

The Ministry was made aware of this yesterday.

2) Please outline the amount of non-approved piping that has had to be removed from the acute services building. Who is responsible of the cost of removing the pipe.

As we have previously commented on this issue, the contractor is responsible for the replacement of the non-approved pipe work.

3) Does the Ministry have concerns about the workmanship of PHP?

The normal audit process undertaken by our design consultants has provided the assurance that the workmanship meets the required standards. Additionally, CPB has contracted a third party to verify PHP results.

4) Is the company still working on the acute services building project?

Yes

5) Has all the piping been installed into the building? If not, is PHP still expected to complete the job I've been told they've rebranded and are still trading).

It is intended that the current workers who have been assigned to the project, complete it to the appropriate standards.

Cheers, Kirsty

Kirsty Doig
Principal Communications Advisor
Ministry of Health
04 816 4374

s 9(2)(a)
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RELEASED UNDER THE OFFICIAL INFORMATION ACT