

Briefing

Ministerial expectations for provision of performance assurance through planning documents

Date due to MO: 16 February 2023 **Action required by:** 24 February 2023

Security level: IN CONFIDENCE **Health Report number:** H2023020085

To: Hon Dr Ayesha Verrall, Minister of Health

Consulted: Health New Zealand: Māori Health Authority:

Contact for telephone discussion

Name	Position	Telephone
Robyn Shearer	Deputy Chief Executive Deputy Director-General, Te Pou Mahi Pūnaha (System Performance and Monitoring)	s 9(2)(a)
Hayden Luscombe	Acting Associate Deputy Director-General Te Pou Mahi Pūnaha (System Performance and Monitoring)	

Minister's office to complete:

- | | | |
|-----------------------------------------------|------------------------------------|----------------------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Decline | <input type="checkbox"/> Noted |
| <input type="checkbox"/> Needs change | <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn | |

Comment:

Ministerial expectations for provision of performance assurance through planning documents


Security level: IN CONFIDENCE **Date:** 16 February 2023

To: Hon Dr Ayesha Verrall, Minister of Health

Context

1. Your 8 February 2023 briefing session on health system winter preparedness identified the need to rapidly achieve clarity on the planning work of Te Whatu Ora.
2. Following the session, the Director-General of Health recommended a letter be sent to the Board Chair and Chief Executive of Te Whatu Ora to confirm your expectations for provision of performance assurance through planning documents.
3. This briefing provides a brief background on the challenges in this area, and a draft letter to Te Whatu Ora is attached for your consideration as Appendix 1.

Background

4. Te Whatu Ora was established during a time of particular pressure for the health system, due to the ongoing pandemic, infrastructure and workforce constraints, and resumption of normal winter illness with the reopening of borders. This pressure has been exacerbated by the challenges associated with establishing a new entity of this size and scope.
5. While there is an ongoing need for Te Whatu Ora to focus on its establishment, they must also effectively plan, operate, and report on the health system.
6. The Te Whatu Ora report on Quarter 1 (Q1) performance identified significant gaps in delivery planning which also prevented assessment of progress in many areas.
7. Since Q1 reporting, we have written to the Chief Executive of Te Whatu Ora to reiterate the importance of measurable delivery plans. The Director-General has also discussed performance and monitoring expectations with the Chair and Board, as well as the Chief Executive.
8. s 9(2)(g)(i)

9. Te Whatu Ora committed to providing Manatū Hauora with an 18-month view of planned organisational change before the end of 2022, including organisational establishment plans, and regional and national functions. We are yet to receive this.

10. It is critical for Manatū Hauora, as health system monitor, to have clarity on the plans of Te Whatu Ora to deliver against milestones, as this affects the performance of the whole health system, including assurance of continued access to safe services and management of clinical risk.

11. s 9(2)(g)(i)

Equity

12. Delivery plans are foundational in enabling work to address equity issues, and to facilitate holding the system accountable.

13. There are many historically inequitable areas in the health system. The Pae Ora Act 2022, the interim Government Policy Statement (iGPS), and Te Pae Tata all prioritise equity in outcomes.

14. Plans with clear actions and milestones are necessary to show that the entity will prioritise delivering equitable health outcomes for New Zealanders, and to embed Te Tiriti o Waitangi in the reformed health system.

Provision of assurance

15. The significantly increased appropriations, the iGPS and Te Pae Tata provide a strong foundation to enable Te Whatu Ora and Te Aka Whai Ora to deliver on priority areas like improving waiting list performance and providing assurance on winter preparedness

16. s 9(2)(g)(i)

17. Visibility is also needed on planned implementation of the recommendations of the Planned Care Taskforce, the associated Reset and Restore Plan, and the impact this will have on the number and timeframes for patients waiting for their procedures.

18. We suggest that you request Te Whatu Ora deliver the following items by 30 March 2023, to provide assurance and clarity.

- a) An implementation plan for improvements to waitlists, winter preparedness and workforce that:
 - i. identifies the prioritised actions for delivery, with progress milestones, deliverables and timeframes through to June 2024
 - ii. gives context of what actions will be undertaken nationally, regionally or locally and where accountability for delivery sits
 - iii. describes the anticipated impacts of actions
 - iv. identifies the measures Te Whatu Ora will use to assess progress.
- b) A summary of how Te Whatu Ora internal performance management processes work. This includes how performance is monitored and any levers being using to drive performance internally.

- c) The Te Whatu Ora workforce communications plan, noting their key role in enabling the changes required.

Next steps

- 19. A draft letter to Te Whatu Ora, confirming your expectations and immediate deliverables, is attached as Appendix 1. If you decide to send the letter to Te Whatu Ora, we will continue to work closely with the entity to support delivery of clear plans to your office by 30 March 2023.
- 20. We are waiting for Te Whatu Ora to sign the 2022/23 Output Agreement to formalise performance reporting and monitoring expectations. A 2023/24 Output Agreement is due to be drafted to be in place by 1 July 2023. Additional detail, on the form of planning documentation, may be required to support receiving appropriate detail.
- 21. s 9(2)(g)(i)

Recommendations

We recommend you:

- a) **Sign** the attached letter **Yes/No**
- b) s 9(2)(g)(i) **Noted**



Robyn Shearer
Deputy Chief Executive
Deputy Director-General
Te Pou Mahi Pūnaha
(System Performance and Monitoring)
Date:

Hon Dr Ayesha Verrall
Minister of Health
Date:

ENDS

Minister's Notes

PROACTIVELY RELEASED

DATE

Rob Campbell
Board Chair
Te Whatu Ora - Health New Zealand
rob@tutanekai.com

Fepulea'i Margie Apa
Chief Executive
Te Whatu Ora - Health New Zealand
Margie.Apa@health.govt.nz

Tēnā koe Margie and Rob

First, I would like to thank you both for enabling the attendance from Te Whatu Ora officials and the work in preparing information to support the briefing sessions I have arranged in my first weeks as Minister of Health.

I also want to acknowledge the breadth and complexity of the task faced by Te Whatu Ora emerging from the health reforms and concurrently merging over 20 organisations, while making improvements in areas with significant history. Accordingly, I want to also take a moment to recognise the achievements and outcomes delivered to date and extend my thanks to you and your teams for their passion and dedication to this work.

As you will be aware from these recent discussions, my initial priorities as Minister of Health are sustained measurable improvements in the areas of waiting lists, winter preparedness and workforce. Te Whatu Ora has clearly articulated the challenges it faces in these three areas and demonstrated its current thinking on a range of activities or options with the potential to support improvement.

s 9(2)(g)(i)

As Minister of Health and shareholding Minister accountable for Te Whatu Ora as a Crown entity, I am confident that Te Whatu Ora has been provided with sufficient funding, well defined performance expectations, and a distinct pathway for the first 2-years of the new health system in Te Pae Tata Interim New Zealand Health Plan 2022 (Te Pae Tata). I expect the Board to ensure Te Whatu Ora delivers against Te Pae Tata, particularly timely planning for winter acute demand while reducing the planned care backlog and addressing workforce issues.

s 9(2)(g)(i)

s 9(2)(g)(i)

For me to understand the intentions and direction of the Board and Te Whatu Ora in these areas, please provide the following to me via my office and Manatū Hauora by 30 March 2023:

1. An implementation plan for improvements to waitlists, winter preparedness and workforce that:
 - a) identifies the prioritised actions for delivery, with progress milestones, deliverables and timeframes through to June 2024
 - b) gives context of what actions will be undertaken nationally, regionally or locally and where accountability for delivery sits
 - c) describes the anticipated impacts of actions
 - d) identifies the measures you will use to assess progress.
2. A summary of how Te Whatu Ora internal performance management processes work. This includes how performance is monitored and any levers being using to drive performance internally.
3. Your workforce communications plan, noting their key role in enabling the changes required.

My intention in seeking this level of information is to provide me with assurance of a clear direction, a plan that can be communicated and actioned, and a view of the impacts we can expect to see as a result.

Manatū Hauora remains ready to support you to develop these action plans, and to ensure the plans will meet my expectations as laid out in this letter. I also encourage you to work closely with Te Aka Whai Ora wherever possible to ensure your plans include a focus on equitable care for Māori.

I thank you for your continued support and leadership to improve the health and wellbeing of all New Zealanders.

Ngā mihi nui

Hon Dr Ayesha Verrall
Minister of Health

Cc Dr Diana Sarfati
Director-General of Health – Manatū Hauora

Riana Manuel
Chief Executive
Te Aka Whai Ora – Māori Health Authority

Tipa Mahuta
Board Chair
Te Aka Whai Ora – Māori Health Authority