

## Southern Partnership Group

### Terms of Reference

Agreed by: Minister of Health and the Minister of Finance

#### 1 Role

- 1.1 The role of the Southern Partnership Group (Partnership Group) has been set by the Ministers of Health and Finance to progress the facilities redevelopment of Dunedin Hospital.

#### 2 Membership

- 2.1 The approved membership of the Partnership Group to be:
  - 2.1.1 Up to five members appointed by the Minister of Health (one of whom will be the Chair of the Partnership Group);
  - 2.1.2 The Commissioner of the Southern DHB and CEO will attend meetings but not be members.
  - 2.1.3 Ex officio members from the Ministry of Health (the Ministry) and Treasury

#### 3 Partnership Group commission

- 3.1 The Partnership Group is commissioned to govern the Southern Redevelopment and oversee the business case development process for the redevelopment of Dunedin Hospital. The terms of reference will be updated after each approval point for the project with amended approval conditions set by Cabinet or joint Ministers of Health and Finance, with adherence to cabinet requirements for investment decision making.
- 3.2 The first phase of the project is to prepare a Strategic Assessment for the redevelopment for review by the Capital Investment Committee and joint Ministers of Health and Finance by the late of 2016. The Strategic Assessment should be informed by:
  - 3.2.1 A strategic services plan for Southern DHB
  - 3.2.2 A detailed services plan for the Dunedin Hospital services
  - 3.2.3 A financial model (to be developed)
  - 3.2.4 A full asset age and condition report for existing facilities
  - 3.2.5 A report on the feasibility of refurbishing existing facilities
  - 3.2.6 A report outlining feasible expansion zones on current DHB owned land
  - 3.2.7 Oversight of the Urgent Interim works to ensure linkages between the redevelopment business case and these investments are transparent.

## 4 Funding

- 4.1 There is a Capital Fund of \$1.6 million, established for project initiation with further funding anticipated for the preparation of the Strategic Assessment and subsequent Indicative Business Case once a work plan, project structure and proposed budget are prepared. This is to cover fees for committee members and additional costs of consultants. It does not cover Southern DHBs staff input to the project.
- 4.2 The Capital Fund will be managed by the Ministry of Health in order to achieve the Partnership Group's primary purposes stated in section 3 of the terms of reference.
- 4.3 All necessary employment and contracting arrangements will be managed through the Ministry of Health.

## 5 Term

- 5.1 The term of the Partnership Group is until the completion of the redevelopment.
- 5.2 The continuation of the Partnership Group and its terms of reference will be reviewed at each formal Government approval point for the project.
- 5.3 Under the direction of Ministers, the Partnership Group may commence start up and planning activities for the following phase of the redevelopment while approval decisions are with Government, but will not make material financial decisions in these periods.

## 6 Accountability and reporting

- 6.1 The Partnership Group is accountable to the Ministers of Health and Finance. This includes accountability for:
  - 6.1.1 The quality and timelines of deliverables and the effective fulfilling of responsibilities commissioned by Ministers.
  - 6.1.2 Providing regular status updates to the Minister of Health, the Minister of Finance, the Commissioner Southern DHB and the Ministry of Health. The updates should detail:
    - 6.1.2.1 Current and projected progress against milestones and key performance indicators
    - 6.1.2.2 Issues and risks and their relevant mitigations
    - 6.1.2.1 Any other matters that the Partnership Group considers significant.
  - 6.1.3 The above reporting should include a formal quarterly report to the Ministers of Health and Finance.
  - 6.1.4 Operating within relevant legislative parameters including the New Zealand Public Health and Disability Act 2000, the Public Finance Act 1989, and the State Sector Act 1988 and the Official Information Act 1982.

## 7 Quorum

- 7.1 The quorum for a meeting will be three ordinary members.
- 7.2 The quorum may be reduced to two ordinary members if one or more ordinary members are excluded from participation due to a declared conflict of interest.

## **8 Presiding member**

- 8.1 In the event the ministerially appointed Chair is not available to chair a meeting, or is excluded from participation due to a declared conflict of interest, the ministerially appointed Chair may appoint a Partnership Group member as presiding member.

## **9 Alternates, proxies and virtual meetings**

- 9.1 Appointments have been made to the Partnership Group based on the collective and individual experience and expertise required to successfully fulfil the Partnership Group's responsibilities. It is therefore important that appointees commit to attending as many Partnership Group meetings as possible. Alternates or proxies are therefore not permitted.
- 9.2 Reflecting the context for the developments (refer paragraph 13), in particular that time is a critical consideration and the significant existing commitments Partnership Group members have, meetings may be held virtually, eg, by telephone, video conference or email. It is at the Chair's discretion.

## **10 Voting**

- 10.1 All members of the Partnership Group present at a meeting and eligible to vote (ie, not excluded from voting due to conflict of interest), have one equal vote.
- 10.2 Decisions of the Partnership Group require a simple majority. The Chair, or presiding member, does not have a second casting vote.

## **11 Resignation and removal from office**

- 11.1 The Chair and other members may resign from office at any time by providing written notice to the Minister of Health and Minister of Finance. The resignation will be effective on receipt by the Minister of the notice or on the date specified in the resignation notice.
- 11.2 The Ministers may, at any time and at their sole discretion, terminate the Chair's or another member's appointment to the Partnership Group. The termination of the appointment must be advised by written notice stating the appointment termination date.

## **12 Partnership Group duties and responsibilities**

### **12.1 Conduct**

- 12.1.1 Members are responsible for complying with the Cabinet commission and these Terms of Reference.
- 12.1.2 Members are also responsible for acting consistently with the requirements of the Standards of Integrity and Conduct issued by the State Services Commission.
- 12.1.3 The Standards of Integrity and Conduct, together with guidance on the standards, are available on the State Services Commission website.

### **12.2 Conflicts of Interest**

- 12.2.1 Members are responsible for declaring conflicts of interest.
- 12.2.2 Conflict of interest is as defined in the New Zealand Health and Disability Act 2000, Section 6, Interpretation.

- 12.2.3 Conflict of interest must be declared prior to the conflicted member participating in any discussion of the related matter. The non-conflicted members of the Partnership Group will determine the materiality of the conflict, which may be real or perceived, and decide the appropriateness, or otherwise, of the conflicted member participating in the discussion of the related matter.
- 12.2.4 If it is determined by the declaring member or the Partnership Group, that the member has a material conflict of interest the member must not:
  - 12.2.4.1 Participate in any deliberation, discussion or decision on the matter concerned;
  - 12.2.4.2 Be included in the quorum required for the decision on the matter concerned.
- 12.2.5 All declarations of conflict of interest, subsequent discussion of the conflict, and the Partnership Group's decision on the management of the conflict are to be recorded in the meeting minutes.
- 12.2.6 Disclosures of conflict of interest made outside of a Partnership Group meeting are to be recorded in the minutes of the next meeting. Resolution of the declared conflict is also to be recorded in the minutes.

### 12.3 Register of Interests

- 12.3.1 The Partnership Group is to maintain a Register of Interests. The Register is to list each member's relevant or potentially relevant, interests. The Register should include the nature and extent of interests and, where appropriate and relevant, their monetary value.
- 12.3.2 The Register is to be updated as and when required to remain current, including conflict of interest declarations.

## 13 Decision making processes

- 13.1 Partnership Group decisions are to be made and approvals given after due diligence, including appropriate consultation with contributing partners, and within delegated authorities and responsibilities.
- 13.2 The complexity of the governance and management structures for the developments, and the importance of ensuring contributing partners are supportive of decisions and approvals, could potentially detrimentally impact lead times for decision making and approvals. This would be unacceptable in the time critical context of these developments.
- 13.3 To mitigate this risk the Partnership Group will work with:
  - 13.3.1 The Southern DHB to ensure that the Southern DHB has available and committed appropriate resource and expertise to facilitate prompt input into Partnership Group considerations;
  - 13.3.2 The Ministry to ensure:
    - 13.3.2.1 the Ministry has committed appropriate resource and expertise to facilitate prompt input into Partnership Group considerations;
    - 13.3.2.2 the Ministry has committed appropriate resource, and has efficient supporting processes, to facilitate prompt authorisations and approvals where the Ministry holds delegated authority or budgets.

## **14 Schedule of meetings and agendas**

- 14.1 The Chair, after consultation with members will determine the date, time and location of meetings and will set the agenda for meetings.
- 14.2 It is expected the schedule of meetings will be determined the project delivery, review and reporting dates eg, timelines, workable decision lead-times.

## **15 Advisory committees**

- 15.1 The Partnership Group may recommend the establishment and disestablishment of advisory committees.
- 15.2 The Partnership Group will set each advisory committee Terms of Reference. These Terms of Reference must be consistent with the Partnership Group's Terms of Reference.

## **16 External communications and public statements**

- 16.1 The Partnership Group will provide the Minister of Health, the Southern DHB and the Ministry with reasonable advance notice and the content of any media statements or reports to be publicly published.
- 16.2 Partnership Group members, including ex officio members, members of advisory committees, and staff supporting the Partnership Group may not comment on the developments, to external individuals or organisations, including the media, without the prior agreement of the Chair.
- 16.3 The Chair is to ensure all concerned individuals are aware of and understand this requirement.
- 16.4 The Commissioner, Southern DHB is expected to be the spokesperson for DHB.

## **17 Confidentiality**

- 17.1 All information supplied to the Partnership Group is to be treated as strictly confidential to the Partnership Group, including information that is of a commercially sensitive nature. This requirement is subject to legal requirements, eg, requirements of the Official Information Act 1982.
- 17.2 Partnership Group meetings are to be held in committee with attendance of non-members at the discretion of the Chair.
- 17.3 Partnership Group members must ensure that any information they receive or acquire in their capacity as a Partnership Group member is to be used for the sole purpose of performing their responsibilities as a Partnership Group member. Members may not use or share information received or acquired in their capacity as a Partnership Group member to provide benefit, gain or advantage to themselves, any other individual(s) or private or public organisation.
- 17.4 For the sake of clarity, confidentiality requirements will apply equally to Partnership Group members, ex officio members, advisory group members and staff supporting the Partnership Group.
- 17.5 The Chair is to ensure all concerned individuals are aware of and understand this confidentiality requirement.

17.6 Nothing in this TOR precludes members from discussing (on a confidential and need-to-know basis) any of the Group's business with other individuals within the Crown (as defined in section 2 of the Public Finance Act 1989), individuals employed by or contracted to Crown Agents (as named in Part 1, Schedule 1 of the Crown Entities Act 2004), or individuals employed by or contracted to companies listed on Schedule 4A of the Public Finance Act 1989. The principle of "no surprises" between members applies.

## 18 Remuneration, fees and allowances

18.1 Remuneration, fees and allowances are set by the Minister of Health in accordance with Cabinet Office Circular CO (12) 6 Fees *framework for members appointed to bodies in which the Crown has an interest* 19 December 2012.

18.1.1 Information on the Fees Framework is available on the State Services Commission website. The information contains guidance on what members are entitled to claim and receive. Members should familiarise themselves with the guidance.

18.2 Fees can be set within the following ranges:

18.2.1 Chair: \$500 - \$1,062 per day

18.2.2 Members: \$375 - \$800 per day

18.3 The actual fee is determined based on the expertise required of members, the responsibilities and complexity of the role and the public interest in the outcome.

18.4 The daily fee applies to all work, including that performed outside of meetings (eg, preparation, representing the Partnership Group at other forums, or administrative work) that is required to be performed to support and deliver the Partnership Group's responsibilities.

18.4.1 Work undertaken that is not directly related to Partnership Group meeting preparation or attendance should be minuted and approved by the Partnership Group before it is undertaken.

18.5 It is expected a working day is about eight hours and the daily fee is calculated on this basis. Work for longer than eight hours in one day does not attract extra payment.

18.5.1 Where a total of six hours is worked in one day a daily fee may be paid.

18.5.2 Hourly pro-rata rates will be calculated by dividing the daily rate by eight and multiplying by the number of hours worked.

18.6 Members travelling to and from meetings or on the business of the Partnership Group (where the members are required to be away from their normal places of residence) are entitled to reimbursement of out of pocket travelling, meal and accommodation expenses actually and reasonably incurred. The expectation is that standards of travel, accommodation, meals and other expenses are modest and appropriate to reflect public sector norms.

18.7 If a Partnership Group member is an employee of a government agency, organisation, or body, or any local authority as defined under section 5(a) of the Local Government Act 2005, and is to be appointed to a body in his/her own right, the employee must obtain the agreement of his/her employer before accepting the appointment. Such appointments are treated as secondary employment. This is to ensure there is no conflict of interest and that financial and leave arrangements can be considered.

## **19 Cost of the Partnership Group**

19.1 The Ministry of Health will meet the actual and reasonable cost of the operation of the Partnership Group.

## **20 Review of the Terms of Reference**

20.1 The Partnership Group will review the operation of these Terms of Reference at each decision point and report its findings, and any recommendations for change, to the Minister of Health.