

The Treasury

Budget 2014 Information Release

Release Document

July 2014

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Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
- [2] 6(c) - to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [3] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [4] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [5] 9(2)(ba)(i) - to prevent prejudice to 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.
- [6] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [7] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [8] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [9] 9(2)(h) - to maintain legal professional privilege
- [10] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [11] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [12] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [13] Not in scope
- [14] 6(e)(iv) - to damage seriously the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the entering into of overseas trade agreements.

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, a [3] appearing where information has been withheld in a release document refers to section 9(2)(a).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.



Cabinet Committee on State Sector Reform and Expenditure Control

SEC Min (14) 6/1

Copy No: 26

Minute of Decision

8 MAY 2014

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Redevelopment of Grey Base and Buller Hospitals

Portfolio: Health

On 6 May 2014, the Cabinet Committee on State Sector Reform and Expenditure Control, having been authorised by Cabinet to have Power to Act [CAB Min (14) 15/14]:

- 1 **noted** that the Minister of Health and the Minister of Finance (the Joint Ministers) approved the Grey Base Hospital business case greenfield redevelopment option and progression to preliminary design;
- 2 **noted** that the Joint Ministers have approved a budget of \$62.4 million for a greenfield Grey Base Hospital, \$4.6 million for a new energy centre and a further \$1 million for demolition costs, subject to a number of approval conditions:
 - 2.1 a procurement plan that considers whole of life costs and the inclusion of integrated facilities maintenance must be submitted to the Joint Ministers for approval;
 - 2.2 the project submits a peer reviewed preliminary design including Quantity Surveyor report;
 - 2.3 the project submits an ICT plan alongside detailed design;
 - 2.4 the project reports quarterly to the Minister of Health on the progress of the project including the progress against project milestones, the budget, the risk register, change management plan for implementing the preferred service option, the workforce strategy and IT plans;
 - 2.5 the West Coast District Health Board (DHB) completes a post implementation review and a post occupancy evaluation and supplies copies of these to the Minister of Health.
- 3 [10]
- 4 **noted** that the DHB will continue to manage the Buller IFHC development as a priority development;

- 5 **noted** that the Joint Ministers have required the DHB to report back on options for the mental health inpatient facility in the next three years;
- 6 **noted** that the Minister of Health intends to retain a West Coast Partnership Group to govern the next phase of the project;
- 7 **noted** that the Minister of Health intends to reserve the decision to transfer contracts to the DHB until he is satisfied that all conditions can be met, and subject to advice from the Director General of Health and the Chair of the Capital Investment Committee;
- 8 **noted** that the funding is currently in Equity for District Health Board's and Crown Entities;
- 9 **noted** that Ministry of Health will appropriate transfer from the Joint Ministers when the Equity/Debt and Ministry of Health costs are confirmed.

Suzanne Howard
Committee Secretary

Reference: SEC (14) 18

Present:

Hon Bill English (Chair)
Hon Tony Ryall
Hon Dr Jonathan Coleman
Hon Amy Adams
Hon Craig Foss (part of item)

Officials present from:

Office of the Prime Minister
Department of the Prime Minister and Cabinet
Office of Hon Tony Ryall
Ministry of Health
Officials Committee for SEC