

Aide-Mémoire

Health New Zealand
Te Whatu Ora

Nelson Hospital Governance Group

Due to MO:	11 June 2025	Reference	HNZ00089259
To:	Hon Simeon Brown, Minister of Health		
From:	Jeremy Holman, Chief Infrastructure and Investment Officer, Infrastructure and Investment Group		
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Consulted	n/a		
Proactive Release:	This title is proposed by Health NZ for proactive release		

Contact for further discussion (if required)

Name	Position	Phone	1st contact
Jeremy Holman	Chief Infrastructure and Investment Officer, Infrastructure and Investment Group	s 9(2)(a)	x
Martin Keogh	Deputy Chief Executive, Te Waipounamu		

Attachments

N/A

Purpose

1. This Aide-Mémoire outlines the governance and management arrangements for the Nelson Hospital Redevelopment Programme, in response to your request on 27 May 2025. s 9(2)(f)(iv)

Summary

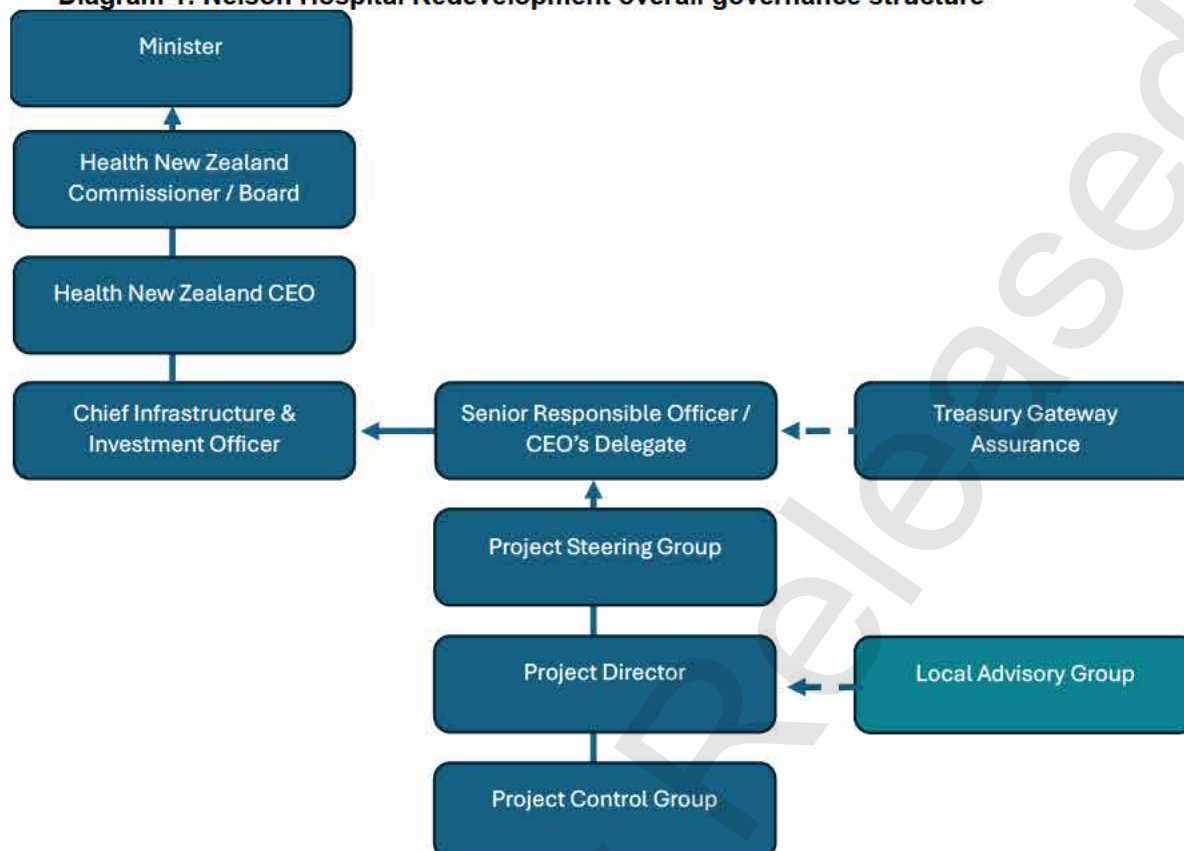
2. The Nelson Hospital Redevelopment Programme Project Steering Group (PSG) was established in 2023 to provide strategic oversight across the infrastructure, workforce, and digital transformation workstreams. The total value of the programme was estimated to be s 9(2)(b)(ii) at the time the PSG was established.
3. The PSG has provided a useful forum during early planning stages. s 9(2)(f)(iv)
4. In parallel, Health New Zealand | Te Whatu Ora (Health NZ) is aligning its governance arrangements across all major infrastructure projects to reflect guidance issued by the Infrastructure Commission, which incorporates lessons learnt from a number of independent reviews, including the independent review of New Dunedin Hospital. s 9(2)(f)(iv)

Discussion

Governance structures and processes already in place

7. Health NZ has committed to implementing a nationally consistent governance model for major capital investments, based on the guidance issued by the Infrastructure Commission. These changes are focused on ensuring clear role definitions between governance and management, lean and skilled governance membership, and integrated decision-making across all aspects of delivery.
8. The current governance structure for the Nelson Hospital Redevelopment and is illustrated in Diagram 1. The proposed Local Advisory Group is shown in the lighter shade.

Diagram 1: Nelson Hospital Redevelopment overall governance structure



Current PSG

9. The PSG was established in 2023 and oversees the delivery of the Nelson Hospital Redevelopment Programme, digital transformation, and workforce transformation. The PSG's role is to:
 - a) Ensure that the Nelson Hospital Redevelopment Programme is delivered to schedule, meets its objectives, delivers the project outcomes, and is on track to realise the required benefits within the approved budgets.
 - b) Monitor, challenge, advise and support the Senior Responsible Officer in fulfilling their role, including through scrutiny and endorsement of key project documents and project decisions.
 - c) Brokering solutions to project issues or roadblocks which are outside the authority of, or unable to be resolved by, the project directors.
 - d) Endorsing contingency drawdown and change requests in line with the decision-making authorities.
 - e) Escalating to the Chief Executive (or their delegate) risks or issues which the PSG and Senior Responsible Owner are unable to prevent, mitigate or resolve, including any significant concerns about feasibility, value for money, resourcing or propriety.
10. Full membership of the current PSG, including vacancies, is outlined below.

Role	Name	Organisation	Area of expertise/ representation
Chair and Senior Responsible Officer	Peter Bramley	Health NZ	Chair (Member) and Senior Responsible Officer
Deputy Chief Executive	Martin Keogh	Health NZ	Clinical and health planning. Operational commissioning.
Member	Vacant	Independent	Health construction/ commercial
Member	Blake Lepper	Head of Infrastructure Delivery	Infrastructure delivery Infrastructure and Investment Group Health NZ
Member	Kirsty Martin	Health NZ	Digital Services Health NZ
Member	Phil King	Health NZ	Digital Services Health NZ
Member	Vacant	Iwi/mana whenua	Iwi/Mana whenua representation

11. Appointments to the PSG have been made through Health NZ's governance framework and reflect a balance of independent and organisational expertise. PSG members were appointed based on their expertise, sector representation, and ability to provide strategic oversight for the Nelson Hospital Redevelopment Programme.

s 9(2)(f)(iv)

s 9(2)(f)(iv)

Project Management Structure

20. Effective project governance requires good project management support. For the Nelson Hospital Redevelopment Programme, this function sits with the Project Control Group, chaired by the Project Director.

s 9(2)(f)(iv)

22. Planning and delivery of infrastructure projects has undergone noticeable change from the previous partnership group, former District Health Board and Ministry-led processes, s 9(2)(g)(i)

Health NZ continues to evolve its governance and assurance processes to ensure it can manage accountability for successful delivery of health infrastructure projects.

Reporting and Assurance

23. Every month, we provide you with reporting on our Infrastructure portfolio. This reporting includes an update on the progress of the Nelson Hospital Redevelopment Programme and any issues arising. The report includes an update on the RAG status of the project and provide updates on cost, scope, timing, and whether the current funding is sufficient. This reporting is also shared with the Ministry of Health in its monitoring role.
24. Major infrastructure projects delivered by Health NZ are subject to Treasury-led Gateway Reviews. Health NZ has committed to carrying out a Gateway review in September 2025 for the Nelson Hospital Redevelopment Programme.

Next steps

s 9(2)(f)(iv)

26. Submit a proposed Nelson Hospital Redevelopment Programme Local Advisory Group attendee list and Terms of Reference for Ministerial approval, and convene the first meeting, ahead of the PSG considering the Implementation Business Case in late 2025.

Proactively Released