

[Date]

Dear [GP Provider name]

## **Funding to address pay disparities in your nursing and kaiāwhina workforces**

### **Background**

1. The Government has made funding available to address pay disparities in the nursing and kaiāwhina workforces in parts of the health sector. This funding is intended to benefit the patients and communities that they provide services to.
2. From 1 July 2023, Te Whatu Ora Health New Zealand and Te Aka Whai Ora the Māori Health Authority (each, the **Funder**) intend to provide funding to reduce pay disparities to Primary Health Organisations (**PHOs**). PHOs will then pass on all of that funding to primary health care (general practice) providers, who will then pass the funding on to their Eligible Workers.
3. This letter of agreement (**Agreement**) provides details of the funding to reduce pay disparities that the PHO will pay to you, if you agree to be a Participating GP Provider. This Agreement sets out your obligations in respect of the Funding, including that you pass on all of the Funding to your Eligible Workers.

### **Key definitions**

4. For the purposes of this Agreement:

**Eligible Worker** means a person:

- (a) employed by you, whether on a permanent, fixed term, or casual basis (to avoid doubt, this excludes contractors and bureau Nurses), as a Nurse or a Kaiāwhina to provide services under one or more of your Existing Agreements; and
- (b) who is not the subject of a pay equity claim under the Equal Pay Act 1972 as at 1 July 2023 (whether or not that claim has been settled prior to 1 July 2023)

**Funding** means the funding amount specified in this Agreement under the heading "The Funding"

**Kaiāwhina** means a person who you determine has a position description that has 50 percent or more in common with the Te Whatu Ora-employed Health Care Assistant position described in Appendix 1 to this Agreement

**MECA** means the collective agreement between Te Whatu Ora and the New Zealand Nurses Organisation as at 1 July 2023

**Nurse** means an employee working in a nursing role and whose position description or employment agreement or letter of offer requires them to be registered by the Nursing Council of New Zealand, which, to avoid doubt, includes an enrolled nurse

**Participating GP Provider** means a primary health care (general practice) provider that agrees, by signing and returning this Agreement, to pass on the Funding to their Eligible Workers in accordance with this Agreement

**PHOSA** means the PHO Services Agreement between us and the Funder

**Relevant Te Whatu Ora Rate**, for each of your Eligible Workers, means the base rate or salary specified in Appendix 2 to this Agreement that the Eligible Worker would receive if they were covered by the MECA, taking into account their role, level of service/experience and performance

**Services** means services that the Funder contracts the PHO to provide via that PHOSA, and which the PHO then contracts you to provide

### **Term of this Agreement**

5. This Agreement starts on 1 July 2023 and continues until:
  - (a) you stop providing Services;
  - (b) the agreement through which the Funder pays the Funding to us comes to an end in accordance with the agreement between us and the Funder, including because the funding that we are paid under that agreement is instead paid to us under the PHOSA or an appropriate alternative agreement (in which case, all of the Funding will still be paid to you to pass through to your Eligible Workers, but under a different agreement); or
  - (c) this Agreement is otherwise terminated in accordance with its terms.

**Reference note:** *For your reference, in respect of subclause 5(b), the agreement between us and the Funder currently provides that that agreement may come to an end if:*

- (a) *the Funding is paid under the PHOSA or another appropriate agreement (whether by being paid as a separate funding stream, or incorporated into an existing or new funding stream);*
- (b) *our PHOSA is terminated or comes to an end; or*
- (c) *all of the Participating GP Provider Agreements that we enter into with our Participating GP Providers are terminated.*

*To avoid doubt, this reference note does not form part of this Agreement.*

### **The Funding**

6. If you sign and return this Agreement by 5 July 2023, we will pay you [insert] per annum for reducing pay disparities from 1 July 2023. We will pay you one twelfth of this Funding on an ongoing monthly basis. This Funding will be in addition to all other payments for Services that we pay you.
7. If you stop providing Services, any subsequent Funding paid to you for those Services may be treated as an overpayment. We may recover such overpayments as a debt owed to us.

**Reference note:** *For your reference, in respect of Clause 6, this funding amount was calculated based on the workforce data information you provided to Te Whatu Ora. This information is summarised in the table below:*

Position	FTE that you provided
Kaiāwhina	(insert)
Enrolled nurse	(insert)
Registered nurse	(insert)
Senior nurse	(insert)

*To avoid doubt, this reference note does not form part of this Agreement.*

### **Your use of the Funding**

8. You must pass through all of the Funding paid to you in accordance with this Agreement to your Eligible Workers, as follows:
  - (a) first, you must use the Funding to increase the base pay rates of your Eligible Workers to 95% of the Relevant Te Whatu Ora Rates (to the extent that can be achieved within the Funding paid to you); and
  - (b) second, if you have complied with the requirement in paragraph (a), and have any Funding left over, you must use all remaining Funding to increase the rates and allowances of your Eligible Workers. For example, you might further increase base pay rates, or introduce or increase penal rates, shift allowances, or overtime rates.
9. To avoid doubt neither we nor the Funder are liable for any costs that you might incur related to or arising from this Agreement.

### **Reporting requirements**

10. You will be required to report on your use of the Funding, on a one-off basis, as set out below.
11. We will require information from you about your use of the Funding. The information that you must provide is likely to include, but is not limited to, the information specified in Appendix 3 of this Agreement.
12. You must provide all of the information required and return it to us by [insert].
13. We will aggregate this data at the PHO level, and provide it to the Funder.
14. These reporting requirements remain in force until they are met, even if that happens after this Agreement is terminated.

### **Review**

15. The Funder may review your use of the Funding at any time (Review), including to confirm that you have passed through all of the Funding to your Eligible Workers in accordance with this Agreement.
16. You must also provide any information about your use of the Funding that the Funder reasonably requests for the purposes of the Review. This may include (but is not limited to) the base pay rates that you are paying to your Eligible Workers, and information about other rates and allowances.
17. This Review clause remains in force if this Agreement is terminated.

### **Annual price increase**

18. In addition to the Funding specified in this Agreement, we will pay you an amount that reflects the 2023/24 price uplift to meet cost pressures that will be applied to amounts paid to you under the PHOSA (**Price Uplift**).
19. That Price Uplift will:
  - (a) be 5 percent of the Funding; and
  - (b) be paid to you in accordance with the mechanism described in clause 6.
20. You are not required to comply with the requirements of this Agreement in respect of the Price Uplift.

### **Withholding payments**

21. If the Funder withholds funding from us that we would otherwise pay to you, we may withhold payment to you of the Funding or Price Uplift. This includes if you fail to use the Funding in accordance with this Agreement.

### **Varying this Agreement**

22. We may vary this Agreement if both parties agree, in writing, to a variation.
23. We may also, by giving notice to you, vary this Agreement to give effect to any variations to the agreement through which the Funder pays the Funding or Price Uplift to us. If we intend to vary this Agreement we will, to the extent possible, discuss this with you and provide you with a copy of the proposed variation.

### **Termination**

24. We may terminate this Agreement if a Review shows that you have failed to use the Funding in accordance with the requirements of this Agreement, and the Funder requires us to terminate this Agreement.

### **No transfer or assignment without approval**

25. You may not assign, delegate or transfer your obligations under this Agreement without our written approval. We will not unreasonably withhold our approval.

### **Contract and Commercial Law Act 2017**

26. We agree that:
  - (a) all of your obligations set out in this Agreement confer a benefit on the Funder. The Funder may, in accordance with the Contracts and Commercial Law Act 2017, enforce those obligations directly against you;
  - (b) except as provided in paragraph (a) a person who is not a party to this Agreement may not enforce any of the provisions of this Agreement; and
  - (c) to avoid doubt, nothing in this clause limits the rights of any person under New Zealand employment law.

**Next steps**

27. Please indicate your agreement to:

- (a) receiving the Funding and Price Uplift; and
- (b) using the Funding in accordance with the terms of this Agreement,

28. by signing the Agreement and returning one signed copy to [insert PHO name/contact details] by no later than [date] 2023.

Nāku noa, nā

[insert PHO signatory details]

I agree to accept the Funding and Price Uplift, and to comply with the requirements set out in this Agreement.

**SIGNED** for and on behalf of )  
[GP provider name] by )

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position

## **Appendix 1 – Description of the Te Whatu Ora employed Health Care Assistant position**

The MECA describes the employed Health Care Assistant position as

- "Health Care Assistant (HCA)" or "Hospital Aide (HA)" means an employee who is an auxiliary to the nursing team, and is able to perform tasks in their position description relating to patient care and who works under the direction of a registered nurse or midwife.

### **Te Whatu Ora HCA position descriptions**

Te Whatu Ora HCA position descriptions vary by district but generally feature the following requirements

- Work that requires the direction, delegation, and/or supervision of an RN or Clinical Nurse Manager to carry out patient care related tasks
- Supervision may be direct or indirect (supervising professional is in the work area) when undertaking clinical tasks
  - NZQA National Certificate in Health and Wellbeing Level 3 or equivalent qualification (or in training to obtain)
  - Note this is not explicitly the Health Assistant Stream
- Some administration work but Clinical Support is the primary role
- Reports to a Clinical Nurse Manager or Charge Nurse
- An HCA must not make assessments, clinical judgements or decisions in regard to patients

Te Whatu Ora HCA tasks may include:

- Patient care related tasks (patient hygiene, nutrition)
- Patient monitoring (e.g. vital signs, routine blood sugar levels as directed by a health professional)

### **Examples of HCA roles**

#### **Healthcare Assistant – Te Whatu Ora Capital Coast and Hutt Valley Medical Ward**

You will be responsible for caring for a wide range of patients requiring medical care. The Health Care Assistant (HCA) is part of the unregulated health workforce and therefore must always work under direction and/or delegation of a Registered Nurse (RN). The HCA role is task-specific and has defined boundaries.

The HCA is part of a collaborative health care team; they assist the RN to meet the patient/client needs when it is appropriate for the RN to delegate aspects of care to a trained unregulated healthcare role. The HCA contributes to the successful operation of the nursing team.

Required for the role:

- Health care assistants Level 3 NZQA National Certificate Health and Wellbeing or equivalent

#### **Health Care Assistant Second Stage Recovery – Wellington Regional Hospital**

Provide support to the RNs in the Second Stage Recovery Unit, which includes ordering food for patients, making beds, assisting patients to mobilise, assisting patients in the toilet, kitchen duties, restocking, and general tidying. Additionally, you would be required to help out with the IV Access team in PACU (PICC

Service)– learning to open sterile packs, assisting with gowning of staff, restocking and being a support person for patients at the bedside whilst they are getting special IV lines inserted.

Required for the role:

- Level 3 Health and Wellbeing qualification – or enrolled in the Level 3 course

## Appendix 2 - Relevant Te Whatu Ora Rates

The Relevant Te Whatu Ora Rates are:

<b>Enrolled, Obstetric, Karitane Nurses and Nurse Assistants</b>			
Enrolled nurse means a person registered by the Nursing Council of New Zealand as an enrolled nurse under the Health Practitioners Competence Assurance Act 2003			
Karitane nurse means a person who has undergone the course of training and passed the examinations for Karitane nurses conducted by the Royal New Zealand Plunket Society.			
<b>Progression:</b> By annual increment at anniversary date steps 1-4 inclusive.			
	100% annual base pay rate	100% hourly base pay rate	95% annual base pay rate
Step 1	\$61,146	\$29.31	\$58,089
Step 2	\$63,980	\$30.67	\$60,781
Step 3	\$68,990	\$33.07	\$65,541
Step 4	\$71,300	\$34.18	\$67,735
Step 5 (New)	\$73,609	\$35.29	\$69,929

<b>Registered and Community Nurses</b>			
Registered Nurse means a person registered by the Nursing Council of New Zealand as a Registered Nurse under the Health Practitioners Competence Assurance Act 2003			
Community Nurse means a nurse working in the community, and includes community mental health nurses, district nurses, public health nurses and other nurses designated by a Te Whatu Ora district DHB as a community nurse			
<b>Progression:</b> By annual increment at anniversary date steps 1 to 5 inclusive. Thereafter progression is annual at anniversary date, subject to satisfactory performance which will be assumed to be the case unless the employee is otherwise advised			
	100% annual base pay rate	100% hourly base pay rate	95% annual base pay rate
Step 1 (New Graduate)	\$66,570	\$31.91	\$63,242
Step 2	\$72,061	\$34.55	\$68,458
Step 3	\$76,554	\$36.70	\$72,726
Step 4	\$80,883	\$38.77	\$76,839
Step 5	\$89,868	\$43.08	\$85,375
Step 6	\$92,563	\$44.37	\$87,935
Step 7	\$95,340	\$45.70	\$90,573

**Designated Senior Nurse**

Senior Nurse means a nurse who is appointed by a Te Whatu Ora district into a designated senior position

**Progression:** Movement through steps in each Designated Senior Nurse grade shall, subject to satisfactory performance, be annual on the anniversary date of appointment to the designated senior position which will be assumed to be the case unless the employee is otherwise advised. Movement across senior salary grades shall only occur with a change in position.

	100% annual base pay rate	100% hourly base pay rate	95% annual base pay rate
Grade 1 (Formerly grade 3)	\$95,576	\$45.82	\$90,797
	\$99,253	\$47.58	\$94,290
	\$106,016	\$50.82	\$100,715
Grade 2 (Formerly grade 4)	\$101,089	\$48.46	\$96,035
	\$104,765	\$50.22	\$99,527
	\$111,695	\$53.55	\$106,110
Grade 3 (Formerly grade 5)	\$106,601	\$51.10	\$101,271
	\$110,282	\$52.87	\$104,768
	\$117,373	\$56.27	\$111,504
Grade 4 (Formerly grade 6)	\$110,282	\$52.87	\$104,768
	\$113,956	\$54.63	\$108,258
	\$121,161	\$58.08	\$115,103
Grade 5 (Formerly grade 7)	\$113,956	\$54.63	\$108,258
	\$117,632	\$56.39	\$111,750
	\$123,628	\$59.27	\$117,447
Grade 6 (Formerly grade 8)	\$120,028	\$57.54	\$114,027
	\$126,529	\$60.66	\$120,203
	\$133,032	\$63.77	\$126,380
	\$143,718	\$68.90	\$136,532

**Nurse Practitioner**

Nurse Practitioner means a person registered by the Nursing Council of New Zealand as a Nurse Practitioner under the Health Practitioners Competence Assurance Act 2003.

	100% annual base pay rate	100% hourly base pay rate	95% annual base pay rate
Grade 6 (Formerly grade 8)	\$120,028	\$57.54	\$114,027
	\$126,529	\$60.66	\$120,203
	\$133,032	\$63.77	\$126,380
	\$143,718	\$68.90	\$136,532

**Health Care Assistants and Hospital Aides**

**Progression:** By annual increment at anniversary date steps 1-5 inclusive

	100% annual base pay rate	100% hourly base pay rate	95% annual base pay rate
Step 1	\$51,770	\$24.82	\$49,182
Step 2	\$55,011	\$26.37	\$52,260
Step 3	\$58,689	\$28.13	\$55,755
Step 4	\$59,748	\$28.64	\$56,761
Step 5	\$61,540	\$29.50	\$58,463

### **Appendix 3 – Reporting Requirements**

We will require information from you about your use of the Funding.

We are likely to ask you to provide the following information (but may also ask for other information about your use of the Funding).

Regardless of how many Eligible Workers you employ, you must:

- (a) confirm that all of the Funding has been passed through to your Eligible Workers in accordance with the requirements of this Agreement;
- (b) confirm that the Funding has been used to increase the base pay rates of your Eligible Workers to 95% of the Relevant Te Whatu Ora Rates (to the extent that this could be achieved within the Funding paid to your organisation); and
- (c) if there was Funding remaining after the base rates of your Eligible Workers were increased to 95% of the Relevant Te Whatu Ora Rates, advise if you used that Funding to:
  - (i) further increase base pay rates;
  - (ii) introduce or increase night penal rates;
  - (iii) introduce or increase weekend penal rates; or
  - (iv) introduce or increase other rates or allowances (you must provide details about this).

In addition to the requirements specified above, you must provide the following information:

- (a) the number of days in your pay period; and
- (b) headcount, total hours paid and total base pay (excluding allowances, penal rates and overtime) for your Enrolled Nurses, Registered/Community Nurses, Designated Senior Nurses, Nurse practitioners, Registered Nurses in other roles and eligible kaiāwhina for:
  - (i) the pay day immediately preceding 30 June 2023; and
  - (ii) the pay day immediately preceding 31 August 2023.