

21 June 2017

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REF: OIA-1653

Dear Alex

Response to your request for information

Thank you for your request for official information emailed to NZ Health Partnerships (NZHP) on 23 May 2017. You have requested answers to the following questions which we respond as follows:

1. Have any district health boards moved or transferred any IT services to the IaaS providers? If so, which ones?

DHBs are in varying stages of moving to Infrastructure as a Service (IaaS) providers. The health sector entities currently using these services are:

- HealthShare
- South Island Alliance
- Canterbury DHB
- Southern DHB.

DHBs at the business case approval, design and planning stages of moving to a preferred provider are:

- Bay of Plenty DHB
- Waikato DHB
- Lakes DHB

Health sector entities at the provider selection phase are:

- healthAlliance
- Nelson Marlborough DHB

The remaining entities are waiting on regional decisions or maximising the full value of existing infrastructure before moving to an IaaS provider.

2. Which DHBs have refused to transfer their IT services to IaaS providers?

NZHP has not been informed of any health sector entities that have refused to move to IaaS providers.

3. What was the main obstacle identified with IBM for missing two delivery dates for the NIP in July and October 2015?



To conduct the necessary consultations as per section 15A(1b) of the Official Information Act 1982 (OIA) I need to extend the time for response to this question by two weeks to Wednesday 6 July 2017.

4. Is the contract for the NIP still with IBM?

In late 2016 NZHP negotiated a variation to its commercial contract with IBM as a result of the vendor's non-delivery.

The variation included a commercial structure that now allows DHBs to consume from the other All-of-Government IaaS panel providers, Datacom and Revera, as well as IBM.

The NIP programme continues, but has been restructured. NZHP is supporting 12 DHBs and two Shared Services Providers to transition to IaaS. DHB expenditure will depend on which vendor each DHB chooses and the commercial arrangements they establish.

5. How much did IBM receive for NIP at the conclusion of the contract variation? If the costs have been met by IBM for the NIP, how is IBM to be reimbursed to meeting those costs? As I understand it, the funding for the NIP business case for the \$6.4 million was provided by IBM to NZHP to cover their crown loan. Can this payment be clarified please? If IBM paid for the \$6.4 million for the development of the business case and implementation costs to date (to September last year from my last parliamentary question), was the plan for the IBM to recoup the costs through back to back contract agreements with the DHBs? Did all DHBs sign back to back agreements by the time of the contract variation? If not, how was IBM to recoup their costs if this is correct? Would there have been a price adjustment just like with the National Food Business case for participating DHBs if others had not signed?

To conduct the necessary consultations as per section 15A(1b) of the OIA I need to extend the time for response to this question by two weeks to Wednesday 6 July 2017.

6. How much of the \$6.4 million that IBM gave to NZHP reimbursed for? (or whatever amount was spent on the business case for the NIP)

To conduct the necessary consultations as per section 15A(1b) of the OIA I need to extend the time for response to this question by two weeks to Wednesday 6 July 2017.

7. What financial adjustments were made to the contract variation? How much IBM received, how much IBM was paid to that date, how will IBM recoup costs in the future if there are any left to be reimbursed as part of the NIP development process prior to September, how DHBs are paying for any IaaS migration etc?

To conduct the necessary consultations as per section 15A(1b) of the OIA I need to extend the time for response to this question by two weeks to Wednesday 6 July 2017.

8. How much has been spent to date by IBM, by NZHP, by district health boards regarding the NIP/move to IaaS providers as part of the programme? Can this be broken down as to who paid what to whom when?

No DHB has moved to IaaS under the NIP programme.



9. Can I please have a copy of the recommendation paper that was tabled at the National Chairs and CE Forum on 13 October 2016 in regards to the NIP?

To conduct the necessary consultations as per section 15A(1b) of the OIA I need to extend the time for response to this question by two weeks to Wednesday 6 July 2017.

Your rights

Please note under section 28(3) of the Official Information Act, you have the right to complain to the Office of the Ombudsman and to seek an investigation and review of this decision. Email: info@ombudsman.parliament.nz.

Yours sincerely



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