

The first ever stakeholder survey has been reviewed by NZ Health Partnerships' Board and executive and is now available on our Info Site for our 20 DHB shareholders.

The survey will inform our strategic direction and how we listen to and engage with our shareholders. The survey results will guide our new Communications and Engagement Strategy, particularly with regards to stakeholder engagement. It will also inform our Human Resources Strategy to ensure we have a listening culture and one that is aligned to our DHB shareholders.

In other matters, thank you to the 13 DHBs that have approved NZ Health Partnerships' 2016/17 Annual Plan, Statement of Intent and Statement of Performance Expectations. Another three DHBs have tabled the documents with their Boards, while we await notification of status of the remaining four DHBs.

Key Upcoming Dates

26 September	Joint Procurement Authority Meeting
30 September	Notification deadline to join Food Service Agreement
5 October	Procurement Operations Advisory Group Meeting
10 October	Chief Executive, Megan Main returns from leave
13 October	National DHB Chairs and CEs Forum



NATIONAL ORACLE SOLUTION

Solution Acceptance Testing to commence Monday 26 September

The NOS Programme reaches a significant milestone on Monday, with the commencement of phase one of Solution Acceptance Testing (SAT) for the core solution.

During SAT, DHB and NOS Programme testers will work through the functionality of the core Oracle solution. The solution has been built based on detailed requirements outlined by DHBs and the tester's job is to make sure that these have been met, and that everything that should work, does. They will ensure

that the solution features perform as expected, across different DHB configurations with the right data and reporting outputs. In fact, they will try their hardest to break things!

SAT is an important step in ensuring that what the programme is delivering is robust, reliable and fit for purpose. It is also the first time since the detailed requirements gathering phase that DHB representatives will get to see what NOS is going to deliver for the sector. They will be able to use the system and experience what the core solution can do.

SAT will occur over three rounds:

Solution Acceptance Testing		
SAT Round 1	SAT Round 2	SAT Round 3
26 September to 31 October Functional / SME Testing (Programme Team)	5 November to 5 December DHB Testers	16 January to 20 February Integration and Reporting

Following successful completion of SAT, further User Acceptance Testing (UAT) by individual DHBs occurs ahead of each go live wave.

NZ Health Partnerships would like to recognise the hard work of all those involved in the NOS Programme. Special mention should be given to the HealthBIS DHBs who have spearheaded the NOS Programme over the past 18 months and helped to drive it to this key stage. We would also like to acknowledge the contributions of all of our DHB colleagues that have provided their guidance and expertise to date. Thanks to your generosity with time, knowledge and resources, we continue to have vital DHB support for the design and direction of NOS.

Data Hub Service Team settling in well

The Data Hub Service Team has settled in quickly at NZ Health Partnerships - getting to know their new colleagues and continuing to provide data support to DHBs.

The Data Hub Service was transferred to NZ Health Partnerships from healthAlliance on 1 July. The Team have since been working to make DHB data available through the new Oracle technology.

The Team recently processed May purchasing data in both environments by running the existing software and the new Oracle solution in parallel.

The next step is to compare the outputs from both systems to ensure they align.



FOOD SERVICES

DHB participation in FSA

The CEs of the non-participating DHBs have agreed to confirm by **30 September 2016**, whether they will participate, or not, in the FSA.

We have received formal advice from seven DHBs that they will not be participating, while Bay of Plenty DHB has deferred its decision till early next year. We are now awaiting formal advice from the remaining six undecided DHBs regarding their medium-term intentions.

We are awaiting formal notification from the following DHBs:

- Canterbury
- Lakes
- South Canterbury
- Taranaki

- Wairarapa
- West Coast.

For those DHBs that remain open to joining the agreement, NZ Health Partnerships has negotiated an additional price review which will happen on 31 January. Price reviews will thereafter be conducted 31 May each year.

As you may know, the FSA includes a sliding scale of price adjustments that Compass applies to participating DHBs based on total participating volumes. Compass Group applied a 5.5% uplift on 1 September 2016. Under the terms of the agreement, this has been back dated to 1 July 2016.

Taking into account the uplift, the six participating DHBs are expected to save a total of \$30 - \$40 million over the 15-year deal. NZ Health Partnerships will confirm the savings mid-October.

Patient Satisfaction

Compass Group Key Performance Indicator (KPI) reports for August show aggregated patient satisfaction levels edged down one percentage point from the previous month, but have gained three points since April 2016.

Overall performance results 2016	April	May	June	July	August
Patient Satisfaction	89%	86%	82%	93%	92%

Menu Review & Standardisation KPI reporting

The Food Services Technical Advisory Group (FNTAG) met on 14 September to discuss the menu review and KPI reporting.

The group discussed the current status of menu review, endorsed efforts to improve nutritional standards and noted that standardisation of KPI reporting is progressing well.



DHB PROCUREMENT STRATEGY

The Accountability Model

NZ Health Partnerships and PHARMAC have signed a Memorandum of Understanding confirming both parties' commitment to maximising the value DHBs gain from PHARMAC procurement. The Chief Executives of the two organisations signed the NZHP / PHARMAC MoU last month.

The Joint Procurement Authority (JPA) Terms of Reference was also approved in August. This means that two of the three key accountability documents have been agreed over the past month.

The third key document, the Procurement Operations Advisory Group (POAG) Terms of Reference, is currently under review and a plan is being developed for the implementation of the accountability model.

The summary meeting notes from both the JPA and the POAG are now available in the resources section of the Info-Site. Key dates have also been added to the timeline on the Info-Site to provide visibility for upcoming events and activities.

Collaborative Planning

NZ Health Partnerships' Chief Executive Megan Main said at the recent National DHB CEs Forum that planning for collaborative activity in the Aligned Annual Procurement Plan had been slow but DHB feedback must guide decision making on procurement.

Feedback on likely activity has been received from the majority of DHBs and reviewed by the POAG.

Recommendations by the POAG will go to the JPA for final decisions. Following this, the agreed areas of collaborative activity will be communicated to DHBs and stakeholders.

Work stream Updates

The POAG Benefits work stream is currently reviewing the Benefits reporting framework to enable DHBs to better assess the value generated through procurement.

Extracting the true value of procurement activities is currently difficult because Benefits are not measured and reported consistently across the DHBs.

The Contracts Management work stream continues to make progress. The contracts review and drafting of the Contract Management Framework are underway.

Medical Devices

Planning to transition healthAlliance out of medical device procurement has begun.

PHARMAC started consultation on their additional Medical Device categories for the next 12-month work plan on 5 September. DHB Procurement Leads are encouraged to ensure their local teams and relevant clinical groups are aware of the consultation process and how to provide feedback.

All of Government / Syndicated Contracts

Work with MBIE continues that will inform DHBs how to extract immediate value from AoG/ Syndicated contracts. A session with DHB Procurement Leads is planned to further

unpack the MBIE Procurement Capability Index tool.

Next steps

Planning for a Supplier Conference in December is underway. This meeting is expected to clarify the DHB Procurement Strategy and the Aligned Planning Process as well as how category management is carried out moving forward.

A work stream is being established to articulate the target operating model and its roles and responsibilities.

Work has also begun to develop the FY17/18 Annual Procurement Planning process. Details of the upcoming planning workshops will be communicated through DHB Procurement Leads shortly.



NATIONAL INFRASTRUCTURE PLATFORM

The NIP Programme continues to engage with the sector as it seeks to conclude the Reset Phase and provide a recommendation on a viable way forward for NIP.

Reference checks on existing customers for both Datacom and Revera have finished and the results shared with all DHB CIOs. The references help DHBs choose an Infrastructure as a Service provider that suits them best moving forward.

Over the past month, all regional CIO meetings have been held to discuss the provider, transition and support options available to DHBs. Following these sessions, DHB CIOs

were given the opportunity to provide feedback on their preferences. The feedback is a key part of the input into the final recommendations. It is being combined with input from the GCIO and the provider and technical analysis work that has been undertaken.

The feedback received has been assessed and an initial programme options analysis and recommendation has been completed. The recommendation paper is now being shared within the various advisory and governance groups, with the intent of being tabled at the National Chairs and CE Forum on 13 October.

Enter Reset Phase	Discuss Options with DHBs	Chairs and CE update	Review and Recommend	Gate: Review and Decide
<ul style="list-style-type: none"> Approval to enter reset phase from DHB CEs 	<ul style="list-style-type: none"> Programme team attend regional forums to discuss options for NIP Structured feedback from CIOs on preferences as well as key info needed for Business Case update 	<ul style="list-style-type: none"> General update at National DHB Chairs and CEs forum 	<ul style="list-style-type: none"> Programme review, analysis and assessment of feedback and recommend viable go forward options 	<ul style="list-style-type: none"> SDA, Regional CE & CIO review NIP Subcommittee review NZHP Board review DHB CEs review and confirm way forward
14 Jul	1-30 Aug	1 Sept	Early Sept	Early – Late Oct



BANKING & INSURANCE

Banking Tender

Bank presentations and evaluations are underway with the kind and expert assistance from Justine White (Canterbury DHB), Meng Cheong (Northland DHB), Alan Mountfort (Northland DHB) and Rowan Cramond (Waikato DHB).

Negotiations will be held thereafter with the chosen preferred participant(s). The full process is on track to conclude mid-November.

Need More Information?

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