



Waitematā
District Health Board
Best Care for Everyone

DHB Board Office

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08 November 2019



Dear 

Re: OIA request - External consultants

Thank you for your Official Information Act request received 14 October 2019 seeking information about external consultants from Waitematā District Health Board (DHB).

Before responding to your specific questions, it may be useful to provide some context about our services to assist in the interpretation of the information provided.

Waitematā DHB serves a population of more than 630,000 across North Shore, Waitakere and Rodney areas, the largest and one of the most rapidly growing DHBs in the country. We are the largest employer in the district, employing around 7,500 people across more than 80 different locations.

District Health Boards (DHBs) are required to budget and operate within allocated funding and to identify specific actions to improve year-on-year financial performance in order to live within their means. Improvements through national, regional and sub-regional initiatives continue to be a focus for all DHBs. DHBs must also adhere to the government rules of sourcing.

With regard to your specific questions, we offer the following responses:

We are writing to you to file an official information request with your DHB organisation. The information we are seeking is related to external consultants - parties external to your organisation contracted to provide advice, expertise or training to any one or multiple departments or directorates in your DHB organisation.

1. Please provide the details of all external consultancies engaged over the past three years (from 01 July 2016 to 30 June 2019) which cost in excess of \$10,000 to the DHB, i.e., a total of \$10,000 or more was paid to the consultants for the project. We would appreciate it if the following information could be provided in an electronic spreadsheet format (MS Excel):

Please find the relevant data attached in MS Excel format as requested. The figures have been banded in \$10,000 amounts due to the commercial sensitivity of the information. The data includes consulting costs incurred for operating expenditure only.

Consultant costs incurred for capital projects have been excluded because the information is not recorded as a separate cost within the overall project's expenditure.

Significant collation and research would be required to calculate this information, which we estimate would take three to four weeks to extract. We have considered whether charging for the work or extending the timeframe would allow us to provide a response and have concluded it would not, as frontline DHB finance staff would have to oversee the work, which would take them away from providing essential services to the DHB.

Therefore, we have decided to refuse this element of your request under Section 18(f) of the Official Information Act due to substantial collation or research.

You have the right to seek an independent review of any of the decisions taken in providing this response by contacting the Office of the Ombudsman via www.ombudsman.parliament.nz.

1.1. The year in which the consultancy was engaged.

The attached spreadsheet shows which consultancy was engaged in each fiscal year.

1.2. The name of the organisation engaged to carry out the consultancy.

Please refer to the field headed "Vendor name" which states the name of the organisation engaged to provide consultancy.

1.3. The purpose of the consultancy or the type of service provided.

Please refer to the field headed "Purpose of the consultancy".

1.4. The departments or directorates directly involved in the consultancy project.

Please refer to fields headed "Division" and "Service".

1.5. The cost of the consultancy.

Please refer the financial year fields. Amounts are excluding GST and provided in \$10k bands.

1.6. Whether or not tenders were invited.

The Waitematā DHB procurement policy states all contracts with a value of costs over \$100k require a tender.

2. What was the total amount spent on external consultants across all categories in each year?

In the past three fiscal years of external consultant costs have ranged from \$1.5m to \$2.5m.

3. Do you have a current policy on the use of external consultants? If yes, please provide a copy of this.

Please refer to the attached policies:

1. Engagement of contractors, consultants and temporary staff policy
2. Procurement policy
3. Approval of opt-out or exemption of procurement from requirement for advertising policy.

4. Do you have a current policy in place for determining whether external consultancies provide value for money? If yes, please provide a copy of this.

Yes, please refer to the attached policies:

1. Engagement of contractors, consultants and temporary staff; section 2.1 End of contract reports
2. Procurement; section 11. Contract management.

I trust that this information meets your requirements. Waitematā DHB, like other agencies across the state sector, supports the open disclosure of information to assist the public's understanding of how we are delivering publicly-funded healthcare.

This includes the proactive publication of anonymised Official Information Act responses on our website from 10 working days after they have been released.

If you feel that there are good reasons why your response should not be made publicly available, we will be happy to consider this.

Yours sincerely



Robert Paine
Chief Financial Officer
Waitematā District Health Board

Consulting expenditure
 > \$10K
 Excludes capital expenditure
 Rounded to \$10K bands

		Rounded to \$10K bands, excl GST				
Vendor name	Division	Service	Purpose of the consultancy	FY 16/17	FY 17/18	FY 18/19
45IGHT CONSULTING LIMITED	WCFA Facilities and Development	WCFA Facilities Management	Consulting - Facilities - Trade waste monitoring and management plan	10,000	0	0
45IGHT CONSULTING LIMITED	WCFA Facilities and Development	WCFA Facilities Management	Consulting - Facilities - Waitakere Hospital Spill Response	20,000	0	0
ABC PIPEFITTERS	WSAS Surgical and Ambulatory	WSSA Surgical Admin	Consulting - Facilities - Pipefitters	0	0	10,000
ACCURATE CONSULTING LIMITED	WCFA Facilities and Development	WCFA Facilities Management	Consulting - Facilities - Engineering	30,000	30,000	50,000
ACTIVE FIRE CONSULTANTS (NZ) 2015 LIMITED	WCFA Facilities and Development	WCFA Facilities Management	Consulting - Facilities - Fire inspection	10,000	10,000	10,000
AE ACCOUNTING SOLUTIONS LIMITED	WMHS Mental Hlth & Addiction	WMFR Forensic	Consulting - Accounting	0	0	20,000
ALPHA PERSONNEL RECRUITMENT LIMITED	WCFA Facilities and Development	WCFA Facilities Management	Consulting - Temporary employees	0	30,000	0
ALPHA PERSONNEL RECRUITMENT LIMITED	WCFA Facilities and Development	WCFA Facilities Management	Consulting - Temporary employees	0	30,000	0
AON NEW ZEALAND	WACP Corporate	WACF CFO Group	Consulting - Actuarial	10,000	10,000	20,000
APRIL STRATEGY LLP	WACP Corporate	WACE CEO	Consulting - Analysis	0	10,000	0
APRIL STRATEGY LLP	WDHS Director Hospital Services	WPEX Patient Experience	Consulting - Analysis	10,000	0	0
AUCKLAND DISTRICT HEALTH BOARD	WACP Corporate	WACF CFO Group	Consulting - PlanView Saas Service fees	0	0	20,000
AUCKLAND DISTRICT HEALTH BOARD	WACP Corporate	WACF CFO Group	Consulting - Facilities collaboration cost recharge	0	0	190,000
AUCKLAND DISTRICT HEALTH BOARD	WCFA Facilities and Development	WCFA Facilities Management	Consulting - Cost recharge	0	0	10,000
AUCKLAND DISTRICT HEALTH BOARD	WCFA Facilities and Development	WCFA Facilities Management	Consulting - PlanView Saas Service fees	0	0	10,000
AUCKLAND UNISERVICES LIMITED	WACP Corporate	WAIQ Innovation and Quality	Consulting - Uniservices	10,000	10,000	0
AUCKLAND UNISERVICES LIMITED	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - Time and motion review for cleaning and orderlies	10,000	10,000	0
AUT VENTURES LIMITED	WACP Corporate	WAIQ Innovation and Quality	Consulting - Good Design consulting	0	0	10,000
BAZZACAM LTD	WACP Corporate	WAIQ Innovation and Quality	Consulting - Video shoot	10,000	0	30,000
BAZZACAM LTD	WDHS Director Hospital Services	WPEX Patient Experience	Consulting - Video shoot	10,000	10,000	10,000
BECA LIMITED	WCFA Facilities and Development	WCFA Facilities Management	Consulting - Facilities - Engineering	120,000	80,000	50,000
BESPOKE SOLUTIONS LIMITED	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - Radiology Project	0	20,000	0
BGT STRUCTURES (AUCKLAND) LIMITED	WCFA Facilities and Development	WCFA Facilities Management	Consulting - Facilities - Engineering	10,000	0	0
BODLEY CONSTRUCTION LTD	WCFA Facilities and Development	WCFA Facilities Management	Consulting - Facilities - Construction	10,000	0	0
BRUNELLO HOLDINGS LIMITED	WCFA Facilities and Development	WCFA Facilities Management	Consulting - ARDS investigation	0	10,000	0
BUILDING CONSULTANCY PARTNERS LIMITED	WACP Corporate	WACF CFO Group	Consulting - Facilities - Building Valuation for Sale	0	0	20,000
CATALYST.NET LIMITED	WACP Corporate	WADN Director of Nursing	Consulting - IT - e-portfolios	0	0	90,000
CATALYZE APAC PTY LIMITED	WACP Corporate	WACF CFO Group	Consulting - Investment prioritisation	0	50,000	0
CBRE LIMITED	WACP Corporate	WACF CFO Group	Consulting - Facilities - Building Valuation for Sale	0	60,000	30,000
CEMPlicity LIMITED	WDHS Director Hospital Services	WPEX Patient Experience	Consulting - National Adult in Patient Experience Survey	0	10,000	0
CONSTRUCT HEALTH LIMITED	WACP Corporate	WACE CEO	Consulting - Facilities - F&D consulting	0	0	10,000
CONSTRUCT HEALTH LIMITED	WCFA Facilities and Development	WCFA Facilities Management	Consulting - Facilities - F&D consulting	80,000	160,000	80,000
COSTECH LIMITED	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - IT contractor	70,000	90,000	80,000
COUNTIES MANUKAU DHB	WACP Corporate	WACF CFO Group	Consulting - Inventory and Supply Chain Review (Deloitte)	70,000	0	0
DELOITTE LIMITED	WACP Corporate	WACE CEO	Consulting - Projects	0	10,000	0
DELOITTE LIMITED	WACP Corporate	WACF CFO Group	Consulting - Financial Sustainability Project	0	0	10,000
DELOITTE LIMITED	WACP Corporate	WACF CFO Group	Consulting - Community Service Plan	20,000	0	0
DELOITTE LIMITED	WACP Corporate	WACF CFO Group	Consulting - Elective capacity and inpatient bed project	0	30,000	0
DELOITTE LIMITED	WACP Corporate	WAHR Human Resources	Consulting - HR	40,000	0	0
DENEFFE SIGNING SYSTEMS LIMITED	WCFA Facilities and Development	WCFA Facilities Management	Consulting - Signage	10,000	0	0

DESIGNER TECHNOLOGY LIMITED	WACP Corporate		WADN Director of Nursing	Consulting - Emergency Planning	0	10,000	0
DOWDELL & ASSOCIATES LTD	WCFA Facilities and Development		WCFM Facilities Management	Consulting - Facilities - Asbestos and Testing	90,000	0	0
ENERGY NZ LIMITED	WCFA Facilities and Development		WCFM Facilities Management	Consulting - Energy audit review	0	10,000	0
ERNST & YOUNG GROUP LIMITED	WACP Corporate		WACE CEO	Consulting - Finance	0	0	30,000
ERNST & YOUNG GROUP LIMITED	WACP Corporate		WACF CFO Group	Consulting - Financial Sustainability Project	0	0	30,000
ERNST & YOUNG GROUP LIMITED	WACP Corporate		WACF CFO Group	Consulting - Finance	0	0	50,000
FGI (NZ) LIMITED T/A FRANCIS HEALTH	WDHS Director Hospital Services		WDHA Director Hospital Services	Consulting - Acute and Specialist Medicine Patient Flow Design	20,000	940,000	170,000
GLOBAL MEDICS NZ LTD	WMHS Mental Hlth & Addiction		WMDA Adult MHS	Consulting - Medical Staff	0	40,000	10,000
HAYS SPECIALIST RECRUITMENT (AUSTRALIA) PTY L	WCFA Facilities and Development		WCFM Facilities Management	Consulting - Recruitment	20,000	0	40,000
HEALTH ALLIANCE LTD	WACP Corporate		WACF CFO Group	Consulting - Cost Sharing	20,000	0	0
HEALTH ALLIANCE LTD	WACP Corporate		WAHR Human Resources	Consulting - Project Management & Consulting for Services	0	20,000	0
HEALTH ALLIANCE LTD	WACP Corporate		WAIO Chief Information Officer	Consulting - Cost Sharing	0	0	10,000
HEALTH-E-CHANGE CONSULTING LIMITED	WDHS Director Hospital Services		WDHA Director Hospital Services	Consulting - Project Management & Consulting for Services	150,000	90,000	0
HEALTHPRO CONSULTANTS LIMITED	WACP Corporate		WAQT Chief Medical Officer	Consulting - Consulting for Services	0	0	80,000
HEALTHPRO CONSULTANTS LIMITED	WDHS Director Hospital Services		WDHA Director Hospital Services	Consulting - Consulting for Services	80,000	110,000	0
HUNTER CAMPBELL LIMITED	WACP Corporate		WACF CFO Group	Consulting - Finance - Transition Manager	0	10,000	60,000
HEXCEL LTD	WACP Corporate		WACF CFO Group	Consulting - IT - Matching Barcode Numbers to Clinical Equipment Assets	0	0	30,000
IKONKA CONSULTING LIMITED	WACP Corporate		WACF CFO Group	Consulting - Revenue opportunities development	30,000	10,000	0
Individual Contractor	WACP Corporate		WACE CEO	Consulting - Mentoring Services	0	10,000	0
Individual Contractor	WACP Corporate		WACE CEO	Consulting - Project manager - Finance, Facilities, Development, Strategic Capit	0	0	140,000
Individual Contractor	WACP Corporate		WACE CEO	Consulting - Contractor	170,000	170,000	90,000
Individual Contractor	WACP Corporate		WACF CFO Group	Consulting - Corporate	10,000	0	0
Individual Contractor	WACP Corporate		WACF CFO Group	Consulting - Finance	20,000	0	0
Individual Contractor	WACP Corporate		WACF CFO Group	Consulting - Project manager - Finance, Facilities, Development, Strategic Capit	10,000	0	20,000
Individual Contractor	WACP Corporate		WACF CFO Group	Consulting - Asset Management Strategy and Asset Management Plan	0	70,000	60,000
Individual Contractor	WACP Corporate		WACF CFO Group	Consulting - Contractor	50,000	30,000	70,000
Individual Contractor	WACP Corporate		WACF CFO Group	Consulting - IT and Data Services	0	130,000	90,000
Individual Contractor	WACP Corporate		WADN Director of Nursing	Consulting - Workforce Development	0	20,000	10,000
Individual Contractor	WACP Corporate		WADN Director of Nursing	Consulting Services - CCDM work	0	20,000	90,000
Individual Contractor	WACP Corporate		WAHR Human Resources	Consulting - IT and Data Services	0	0	10,000
Individual Contractor	WACP Corporate		WAHR Human Resources	Consulting - Project manager	0	0	10,000
Individual Contractor	WACP Corporate		WAHR Human Resources	Consulting - HR - Specialist project Management Services	0	0	30,000
Individual Contractor	WACP Corporate		WAHR Human Resources	Consulting - HR - SMO Job Sizing	30,000	10,000	0
Individual Contractor	WACP Corporate		WAIO Chief Information Officer	Consulting - Administrative Services	0	0	20,000
Individual Contractor	WACP Corporate		WAIO Chief Information Officer	Consulting - IT and Data Services	0	0	20,000
Individual Contractor	WACP Corporate		WAIQ Innovation and Quality	Consulting - IT and Data Analyst	0	10,000	0
Individual Contractor	WACP Corporate		WAIQ Innovation and Quality	Consulting - Project Management and Business Analysis services	10,000	20,000	0
Individual Contractor	WACP Corporate		WAIQ Innovation and Quality	Consulting - Graphic Design	10,000	30,000	0
Individual Contractor	WACP Corporate		WAIQ Innovation and Quality	Consulting - Strategy and innovation services	60,000	40,000	0
Individual Contractor	WACP Corporate		WAQT Chief Medical Officer	Consulting - Project manager	0	0	10,000
Individual Contractor	WAEM Acute and Emergency Medical D		WIED Emergency	Consulting - HR	0	0	20,000
Individual Contractor	WCFA Facilities and Development		WCFD Facilities Development	Consulting - Project Management	120,000	0	0
Individual Contractor	WCFA Facilities and Development		WCFM Facilities Management	Consulting - Contractor services	20,000	0	0
Individual Contractor	WCFA Facilities and Development		WCFM Facilities Management	Consulting - Facilities - Engineering	0	0	30,000
Individual Contractor	WDHS Director Hospital Services		WDHA Director Hospital Services	Consulting - ACC Advisory	0	0	10,000
Individual Contractor	WDHS Director Hospital Services		WDHA Director Hospital Services	Consulting - Project Management and Business Analysis services	0	10,000	0

Individual Contractor	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - Project manager	0	0	10,000
Individual Contractor	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - IT and Data Services	0	0	20,000
Individual Contractor	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - Project Management	20,000	0	0
Individual Contractor	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - Contractor	0	0	30,000
Individual Contractor	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - Analysis and Strategy	0	0	40,000
Individual Contractor	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - Sterile services collaboration	30,000	10,000	0
Individual Contractor	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - HR - Specialist project Management Services	0	90,000	20,000
Individual Contractor	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - Project manager - Finance, Facilities, Development, Strategic Cap	80,000	80,000	0
Individual Contractor	WMHS Mental Hlth & Addiction	WMDA Adult MHS	Consulting - Medical Staff	80,000	230,000	0
Individual Contractor	WMHS Mental Hlth & Addiction	WMGM Mental Health General Mana	Consulting - Workforce Development	100,000	10,000	0
INOVO PROJECTS LIMITED	WACP Corporate	WACE CEO	Consulting - Technical Writer Services	0	0	30,000
INSIGHTZ LIMITED	WACP Corporate	WACF CFO Group	Consulting - Leadership development	0	10,000	0
INSOMNIA SECURITY GROUP LTD	WACP Corporate	WAI0 Chief Information Officer	Consulting - IT - Security Review	0	0	20,000
JASMAX NORTH LIMITED	WACP Corporate	WACF CFO Group	Consulting - Facilities - Engineering	0	10,000	0
JASMAX NORTH LIMITED	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Facilities - Engineering	20,000	0	0
JETNET LIMITED	WOCW Child Women & Family	WWGM Child Women and Family GM	Consulting - Services - Investigation Report	20,000	0	0
JONES LANG LASALLE LTD	WACP Corporate	WACF CFO Group	Consulting - Facilities - Valuation	0	0	10,000
KIJAKOVIC GROUP LIMITED	WACP Corporate	WAIQ Innovation and Quality	Consulting - IT and Data Services	0	20,000	10,000
KIJAKOVIC GROUP LIMITED	WDHS Director Hospital Services	WPEX Patient Experience	Consulting - IT and Data Services	0	10,000	0
LANE NEAVE LIMITED	WACP Corporate	WAHR Human Resources	Consulting - Legal	0	0	20,000
LANE NEAVE LIMITED	WAEM Acute and Emergency Medical D	WIED Emergency	Consulting - Legal	0	0	20,000
LAUNCHPAD INNOVATION LIMITED T/A LAUNCHPA	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - ARDS Project Management	0	20,000	0
LAUNCHPAD INNOVATION LIMITED T/A LAUNCHPA	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - Cleaning Service Optimisation Project	0	40,000	0
MEREDITH CONNELL	WACP Corporate	WACF CFO Group	Consulting - Legal	10,000	20,000	20,000
MOBILE MENTOR LIMITED	WACP Corporate	WAI0 Chief Information Officer	Consulting - IT - Annual App Support for MyPatientList	0	0	10,000
MONASH UNIVERSITY	WMHS Mental Hlth & Addiction	WMDC MH Child and Youth	Consulting - Training - ADOS	0	20,000	0
MORPHUM ENVIRONMENTAL LIMITED	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Facilities - water balance project management	0	10,000	0
MSC CONSULTING GROUP LIMITED	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Facilities - Professional Services, Lightweight Carpark	10,000	0	0
NORTHERN REGIONAL ALLIANCE LTD	WACP Corporate	WACF CFO Group	Consulting - Share of Deloitte costs for independent review of NEHR project	0	30,000	0
OPAQUE CONSULTANTS LIMITED	WCFA Facilities and Development	WCFM Facilities Development	Consulting - Facilities - consulting	10,000	0	0
OPAQUE CONSULTANTS LIMITED	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Facilities - consulting	10,000	0	0
OPRA NZ LIMITED	WACP Corporate	WACF CFO Group	Consulting - Staff Development	0	0	30,000
OPUS INTERNATIONAL CONSULTANTS LTD T/A WSF	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Facilities - BWOF and IQP certification	0	0	20,000
PACIFIC BUILDING SERVICES	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Emergency services for diesel spill clean up	70,000	0	0
PIXELPUSH LIMITED	WACP Corporate	WAIQ Innovation and Quality	Consulting - Video	0	20,000	0
PRICEWATERHOUSECOOPERS	WACP Corporate	WACF CFO Group	Consulting - Waitakere Hospital Emergency Dept project	10,000	0	0
PRICEWATERHOUSECOOPERS	WACP Corporate	WACF CFO Group	Consulting - Finance	30,000	0	0
PRICEWATERHOUSECOOPERS	WACP Corporate	WACF CFO Group	Consulting - Report for Wilson Home Trust	50,000	0	0
PROJECT PLUS LIMITED	WACP Corporate	WACF CFO Group	Consulting - Project Management & Business Analysis resource	0	0	90,000
PROJECT PLUS LIMITED	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Project Management & Business Analysis resource	40,000	90,000	10,000
PROJECT PLUS LIMITED	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - Project Management & Business Analysis resource	10,000	0	0
RCPA QUALITY ASSURANCE PROGRAMS PTY	WSAS Surgical and Ambulatory	WHPL Surgical Pathology	Consulting - RCPA Quality Assurance	10,000	10,000	10,000
RIDER LEVETT BUCKNALL AUCKLAND LTD	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Facilities - Engineering	10,000	10,000	10,000
RING INTERNATIONAL RECRUITMENT NZ LIMITED T	WMHS Mental Hlth & Addiction	WMDA Adult MHS	Consulting - Recruitment	0	0	20,000
ROAM CREATIVE LIMITED	WACP Corporate	WACF CFO Group	Consulting - IT - Design Sprint	0	0	20,000

ROBERT HALF NEW ZEALAND LIMITED	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Temporary employees	30,000	0	0
ROBERT WALTERS NEW ZEALAND LTD	WACP Corporate	WACF CFO Group	Consulting - Temporary employees	0	0	30,000
ROTAMAP LIMITED	WDGN Diagnostics	WSRX Radiology	Consulting - Radiology Medirota Annual Fee	0	0	20,000
SHADES OF BLUE LIMITED	WACP Corporate	WACF CFO Group	Consulting - Recruitment	0	0	10,000
SILVER THOMAS HANLEY INTERNATIONAL PTY LTD	WACP Corporate	WACF CFO Group	Consulting - Facilities - Architecture	40,000	0	0
Solomon & Associates	WWCW Child Women & Family	WWWWM Womens Health	Consulting - Services	10,000	0	0
SPM ASSETS LTD	WACP Corporate	WACF CFO Group	Consulting - Physical Asset Management	10,000	20,000	0
SPM ASSETS LTD	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Physical Asset Management	10,000	0	0
SPM ASSETS LTD	WWCW Child Women & Family	WWRD Regional Dental	Consulting - Physical Asset Management	20,000	0	0
STAT RECRUITMENT	WMHS Mental Hith & Addiction	WMDA Adult MIHS	Consulting - Medical Staff	0	0	10,000
SUNSHINE YATES CONSULTING LIMITED	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Facilities - Waste Management	10,000	130,000	20,000
TECHNICAL FUTURES LIMITED	WCFA Facilities and Development	WCFD Facilities Development	Consulting - Recruitment	10,000	0	30,000
TECHNICAL FUTURES LIMITED	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Recruitment	0	10,000	0
TELFER YOUNG	WACP Corporate	WACF CFO Group	Consulting - Facilities - Valuation	50,000	20,000	70,000
THE BUILDING INTELLIGENCE GROUP TBIG	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Facilities - Engineering	10,000	0	0
THE INTERCHURCH COUNCIL FOR HOSPITAL CHAPL	WDHS Director Hospital Services	WPEX Patient Experience	Consulting - Chaplaincy Fees	0	30,000	0
TSA MANAGEMENT LIMITED	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Facilities - Facilities Management	230,000	80,000	40,000
UNI SERVICES	WDGN Diagnostics	WSRX Radiology	Consulting - Resource planning by Dept of Engineering	10,000	0	0
UNI SERVICES	WDGN Diagnostics	WSRX Radiology	Consulting - Facilities - Facilities Management	30,000	0	0
VIEW INTERNATIONAL LIMITED	WACP Corporate	WAIQ Innovation and Quality	Consulting - Training - VR Training course	30,000	0	0
WHITEHOUSE ASSOCIATES LIMITED	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - Training - VR Training course	0	10,000	0
WHITEHOUSE ASSOCIATES LIMITED	WDHS Director Hospital Services	WDHA Director Hospital Services	Consulting - ACC Consulting	0	30,000	10,000
WOOD AND PARTNERS CONSULTANTS LIMITED	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Facilities - As-Built Documents	20,000	0	0
WRITERSINC LIMITED	WSAS Surgical and Ambulatory	WSBO Bowel Screening	Consulting - Training - Training Documents	10,000	0	0
WSP NEW ZEALAND LIMITED	WCFA Facilities and Development	WCFM Facilities Management	Consulting - Facilities - Engineering	10,000	0	0
WYNTER (NZ) LIMITED	WCFA Facilities and Development	WCFM Facilities Management	Consulting	10,000	0	0

Engagement of Contractors, Consultants and Temporary Staff

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1. Overview

Purpose

The purpose of this policy is to state WDHB policy in relation to the engagement of contractors for the provision of services to WDHB.

The policy applies in all situations where a contractor is to be engaged to provide services to WDHB. This includes the engagement of consultants, clinical contractors and other contracted service providers, whether individuals or organisations. The policy must also be considered when a decision is made to vary, roll over or extend an existing contract for services.

Scope

This policy is applicable to all WDHB employees, contractors, board members and joint purchasing agencies.

This policy does not replace existing contracting and procurement policies. The requirements are to be applied in addition to the existing obligations and must comply with Organisational HR policies.

2. Policy

Overarching Principles

When selecting service providers, WDHB must use processes which:

- ensure that the DHB receives value for money;
- promote even-handed treatment of all potential service providers; and
- obtain prior approval from the CEO

As a general rule, a contestable contractor selection process provides the best way of achieving these goals.

Active monitoring of contractor performance during the course of a contract is also important and a formal contract performance assessment should be completed at the end of each contract period.

2.1 Decision to Engage

All new contractors/consultants or temporary staff to be engaged by WDHB will need prior approval by the CEO by completing the Contractors Authorisation Form. In this context, locum providers for clinical service (medical, nursing bureau and allied health locum and bureau staff filling vacancies) are excluded, since the approval process for these roles are already established. This focus concerns contractors, consultants or

Issued by	Finance Commercial Manager	Issued Date	June 2019	Classification	01001-06-025
Authorised by	Deputy Chief Financial Officer	Review Period	36 months	Page	1 of 5

This information is correct at date of issue. Always check on Waitemata DHB Controlled Documents site that this is the most recent version.

Engagement of Contractors, Consultants and Temporary Staff

temporary staff hired to provide service that would either relate to filling staff vacancies, or undertaking specific projects.

Public entities should not engage contractors:

- to resource core, ongoing functions or activities; or
- to undertake tasks which the public entity could more cost-effectively and appropriately resource itself; or
- where there is an expectation that a conflict of interest could develop.

2.2 Appropriate Engagement

Contractors should normally only be engaged by WDHB where there is an expectation that using external resources will meet unique needs, achieve cost savings or provide a higher quality of service than using in-house staff. This may occur in the following situations:

- Specialised expertise or skills - Certain types of expertise or skills may not be available internally, and WDHB may not consider it feasible or desirable to gain the skills through internal training or recruitment.
- An external or unbiased opinion - WDHB may wish to have an independent evaluation, review or judgement that is not affected by internal considerations or influenced by past events.
- External advice to management - At critical stages WDHB may wish to take external advice – for example, at times of organisational change.
- To undertake work quickly - WDHB may need to boost its internal resources on a temporary basis by engaging a contractor to help expedite business processes or to complete projects more quickly.
- Staff training - WDHB may find it impractical to train its staff comprehensively using its own resources. A contractor could therefore be engaged to undertake aspects of training.
- To fill a temporary vacancy whilst recruitment is underway.
- To fill a temporary vacancy where the organisation is looking to review the position, and therefore does not want to permanently fill the position immediately.

DHB Board members cannot be engaged to carry out contract work unless approval is granted by the Minister of Health.

It is important to ensure that Contractors comply at all times with WDHB's Health & Safety policies and the contract should include a statement specifically mentioning issues concerning conflict of interest including gifting disclosures, privacy and confidentiality, fraud and other policies that are brought to the contractor's attention from time to time.

Contractors Authorisation Form must be signed off prior to engaging all contractors.

Engagement of any Contractor or Consultant must be for a specific term (start and end date) which must be forwarded to Corporate Records for secure storage and to initiate "end of contract" report.

2.3 Contractor vs. Employee

Careful consideration should always be given to whether a contract of service (employment agreement) is more appropriate than entering into a contract for service (contractor engagement). HR or legal advice should be sought if there is any doubt about the appropriate method of engagement.

Existence of the following factors may indicate that a contract for service is appropriate:

- The intention of WDHB and the contractor is not to form an employment relationship, and the actual nature of the relationship reflects this.
- The work needing to be undertaken is of a short, time framed duration, and/or project based in nature.
- The contractor controls how and when the job is done.
- Payment is made in a lump sum at the end of a job, or in instalments as progress is made on the job.

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- The contractor can choose who does the job, and can hire other people without the approval of WDHB.
- The contractor pays any tax, ACC and insurance directly.
- The contractor can make a profit or suffer a loss directly.
- The contractor supplies his or her own equipment and materials.
- The contractor is free to accept similar work from a number of sources at the same time

Whether a person is engaged as an employee or as a contractor will depend on an overall assessment of the factors listed above, with no one factor being determinative. If few or none of the factors above are present, then an employment relationship is likely to be appropriate, and conversely, if most or all of the above factors are present, then a contractor/consultancy relationship is likely to be appropriate.

A contract for service is normally established to resource completion of a specific project or task and would not be expected to extend beyond the contracted time frame for completion of agreed work. All contracts for service must have an end date.

Contracts for service should not be repeatedly rolled over or extended. The intention to do so may indicate an organisational need that could be addressed more appropriately and effectively by direct employee recruitment.

HR or legal advice should also be sought if consideration is being given to extending an existing fixed term contract for service.

It is important for WDHB to ensure that the most appropriate form of contractual relationship is adopted, as the consequences for WDHB if the Employment Relations Authority or Employment Court find otherwise may be significant to the organisation.

2.4 Provider Selection

As a public entity WDHB must obtain value for money when making procurement decisions and needs to be able to demonstrate that this has occurred. The DHB should also act transparently, fairly and in an even handed manner when selecting and purchasing services. A contestable procurement process is usually regarded as the best way of achieving these goals.

Depending on the value of the project and the nature of the required services contestability can be achieved by a number of different mechanisms. These may include:

- obtaining and comparing a number of quotes from various potential service providers;
- issuing invitations to tender to a pre-determined list of suppliers (a “closed tender”);
- engaging in a formal “open tender” process that gives all potential suppliers the opportunity to tender.

See the Auditor General’s Statement on Procurement Practices, the WDHB Procurement Policy and the Regional Contracting Guidelines for more guidance regarding procurement processes and contestability mechanisms.

2.5 Non-contested Selection

Non-contested procurement from a selected provider (“sole provider procurement”) is usually only justifiable in certain unique circumstances such as:

- When tendering is not practicable (e.g. in an emergency);
- The required services are available only from one source, or only one supplier has the capacity to deliver at the time required, and this can be adequately attested;
- Standardisation or compatibility with existing equipment or services is essential, and can only be achieved through one supplier (including regional product alignment);
- There is a legal requirement or directive to use one supplier; or
- The cost associated with any other form of procurement would be out of proportion to the value of the procurement or the likely benefits to be gained.

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The low value of individual contracts does not of itself remove the need to consider contestability. Value for money can still be achieved with low cost approaches such as seeking several quotations from different providers. Where sole provider procurement is repeatedly used with one provider, consideration should also be given to the cumulative value of the contracts when considering the appropriate form of procurement.

2.6 “Sole Provider”

In situations where procurement of services from a sole provider is considered (without a contestable process) a clear rationale must be available to support this decision. The rationale must be fully documented and refer to the exception relied on to justify the decision to proceed on a non-contestable basis. All relevant facts in support must be outlined (e.g. efforts made to identify other possible service providers to engage in a contestable process) and sign off must be obtained from the Chief Executive Officer, Director HR and Chief Financial Officer using the Contractors Authorisation Form.

Consideration should also be given to the length of the proposed contract. In general, contracts entered into on a non-contested sole provider basis should be for short periods of time only, such as weeks or months and be of relatively low value.

Where a sole provider approach is adopted, this decision must also be reviewed if consideration is given to rolling over or extending the existing contract. The circumstances originally justifying a non-contestable process may no longer be applicable and a contestable selection process may be required for future service provision. At a minimum, a sole provider contract should be reviewed, and consideration given to the appropriate procurement mechanism, at least once in each 6-12 month period.

To ensure that the DHB receives the best value for money evidence should still be available regarding negotiations over price/calculation of payment even where a sole provider is selected. For example, a fixed cost price for a project may be less risky and better value than entering into an agreement based on an hourly rate for an open ended period. Price could also be made dependent on outcomes attained. The reasons for pricing/cost decisions must be transparent.

2.7 Delegations

Managers engaging contractors must be aware of, and comply with, all necessary financial approval delegations relevant to the arrangement using the Contractor Authorisation Form.

In addition, any decision to engage a contractor on a “sole provider” basis for a contract amount in excess of \$100,000 per annum must be approved in writing by the CEO.

Where multiple contracts are entered into with a single contractor, consideration should be given to the cumulative total and value of all the contracts when considering the appropriate level of managerial approval for the arrangement.

2.8 Conflict of Interest

Concurrent employment and contracting arrangements can potentially give rise to performance issues, conflicts of interest and probity concerns. When there is a potential for such a situation to arise care must be taken to ensure proper provider selection processes are followed and the WDHB Conflict of Interest Policy is fully complied with. Potential conflicts must be identified and appropriately managed throughout the procurement / engagement process and on an on-going basis throughout the term of any contract that may follow.

Engaging former employees as contractors raises the same risks of actual or perceived impropriety in procurement situations. These risks must also be recognised and actively addressed on an ongoing basis. In addition to the requirements above, it is ordinarily expected that WDHB should be able to demonstrate that:

- a) the employee left the organisation under normal circumstances (as opposed to departing for performance, disciplinary or similar reasons and being re- engaged); and

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- b) the benefits to WDHB of re-engaging the former employee as a contractor can be objectively justified.

2.9 Current / Former Employees

The following situations must be approved in advance by the Chief Executive Officer. Approval must only be granted if the Chief Executive Officer is satisfied that the arrangement is appropriate in the circumstances and that all potential conflict and probity issues have been adequately addressed.

1. Any decision to engage a current WDHB employee as a contractor.
2. Any decision to engage a former WDHB employee as a contractor, within 6 months of the employment relationship ceasing

2.10 Contract Management

The original signed paper record of the Contractors Authorisation Form, Contract, Variations and Extensions must be forwarded to Corporate Records for secure storage.

An identified individual within WDHB must be allocated responsibility for monitoring each contract and the performance of each contractor. The allocated employee needs to have sufficient skills and knowledge to be able to effectively monitor performance and compliance with the terms of the contract. The contractor should be notified of any concerns regarding performance under the contract and a clear plan put in place to address any issues that arise.

All documentation relating to provider selection, engagement of contractors, performance against specifications, problems etc should be retained by the contract manager and be readily accessible at all times. All key documentation must be available on the contract file.

2.11 End of Contract Reports

A reminder will be issued to the allocated employee when a contract is coming up to expiry date. A formal report should be produced when a contract comes to an end and feedback on this should be provided to the contractor. The end of contract report should consider the performance of the contractor, compliance with the contract requirements and identify any issues that have arisen during the course of the contract.

The allocated employee is also responsible for ensuring cancellation of the contractor or consultants access to WDHB networks and premises at the expiry of the contract.

3. Associated Documents

WDHB Corporate	<ul style="list-style-type: none"> • Regional Contracting Guidelines • Procurement Policy • Conflict of Interest Policy • Delegated Authorities Summary • Contractors Health and Safety Requirements • Contractors Authorisation Form
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1. Overview

Purpose

The purpose of this policy is to state WDHB policy in relation to the engagement of contractors for the provision of services to WDHB.

The policy applies in all situations where a contractor is to be engaged to provide services to WDHB. This includes the engagement of consultants, clinical contractors and other contracted service providers, whether individuals or organisations. The policy must also be considered when a decision is made to vary, roll over or extend an existing contract for services.

Scope

This policy is applicable to all WDHB employees, contractors, board members and joint purchasing agencies.

This policy does not replace existing contracting and procurement policies. The requirements are to be applied in addition to the existing obligations and must comply with Organisational HR policies.

2. Policy

Overarching Principles

When selecting service providers, WDHB must use processes which:

- ensure that the DHB receives value for money;
- promote even-handed treatment of all potential service providers; and
- obtain prior approval from the CEO

As a general rule, a contestable contractor selection process provides the best way of achieving these goals.

Active monitoring of contractor performance during the course of a contract is also important and a formal contract performance assessment should be completed at the end of each contract period.

2.1 Decision to Engage

All new contractors/consultants or temporary staff to be engaged by WDHB will need prior approval by the CEO by completing the Contractors Authorisation Form. In this context, locum providers for clinical service (medical, nursing bureau and allied health locum and bureau staff filling vacancies) are excluded, since the approval process for these roles are already established. This focus concerns contractors, consultants or

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1. Introduction

Procurement activity starts with identifying needs; then planning the best way to meet them; continues through sourcing the products or services; then managing the contract; and ends with expiry of either the contract or the asset's useful life. In the health sector context, procurement includes contracting for the provision of health services for consumers by DHBs from other DHBs and from Non-Government Organisations (NGOs) in the community.

In respect to sourcing, on 22 April 2014 the Minister of State Services and the Minister of Finance issued a Direction under s107 of the Crown Entities Act 2004 mandating (amongst other matters) that certain Crown entities, including DHBs, adhere to the Government Rules of Sourcing with effect from 1 February 2015 (*the Whole of Government Direction*). Applying the Rules is thus mandatory for WDHB, and for healthAlliance and NRA when procuring on behalf of DHBs.

Section 22(ba) of the NZPHDA imposes a statutory objective "to seek the optimum arrangement for the most effective and efficient delivery of health services in order to meet local, regional, and national needs", while s23 (1) (ba) specifies as a function of DHBs "to collaborate with relevant organisations to plan and co-ordinate at local, regional, and national levels for the most effective and efficient delivery of health services". These statutory provisions apply to DHBs undertaking procurement activity.

WDHB complies with these statutory obligations via:

- (a) Allocation of the procurement of supplies and services for its hospitals and day-to-day operations to healthAlliance; and
- (b) The northern region DHBs' allocation of procurement of some health services to NRA.

2. Purpose

The purpose of this policy is to ensure that procurement meets WDHB's needs, achieves value for money and supports effective service delivery by establishing overarching principles, while being compliant with public law obligations. In addition, this policy outlines how the standards of performance for procurement set out in the Rules are to be applied by or for WDHB.

This Policy will:

- (a) Clarify WDHB and healthAlliance roles and responsibilities relating to procurement activities;
- (b) Ensure compliance with the Rules and good practice in procurement;
- (c) Improve management of procurement risk;
- (d) Support robust and transparent decision making; and
- (e) Achieve alignment in procurement policies with Waitemata DHB, healthAlliance and NRA.

3. Scope

This document covers procurement activity undertaken by and for WDHB. All employees, contractors, consultants and board members involved in procurement processes and decisions are bound by this Policy.

4. Definitions

Words or phrases in italics in this policy are defined terms from the Rules. The following terms are also used within this document.

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Approved Collaborative Contract	One of the collaborative contracts approved within the Rules for procurement of selected common goods. They include <i>All-of-Government Contracts</i> , <i>Syndicated Contracts</i> and <i>Common Capability Contracts</i> .
healthAlliance	healthAlliance (FPSC) Limited and/or, in the northern region, healthAlliance N.Z. Limited; DHB shared services entities
In-Scope	Means procurement activities assigned to healthAlliance. Out-of-Scope means activities that remain the responsibility of WDHB
MBIE	Ministry of Business, Innovation and Employment
NRA	Northern Regional Alliance Limited, a shared services entity owned by the four northern region DHBs
NZPHDA	New Zealand Public Health and Disability Act
Pharmac	a Crown Entity created under the NZPHDA
Rules	Government Rules of Sourcing, published by MBIE

5. Policy Aims

DHBs, NRA and healthAlliance are committed to transparent and competitive procurement that:

- Supports DHBs in their efforts to achieve their strategic and/or statutory objectives and functions;
- Supports the DHBs to deliver the best public health services;
- Delivers best value for money (which is not always the cheapest price);
- Does not discriminate against suppliers; and
- Meets all relevant statutory and other legal requirements.

This Policy sets out how this commitment is demonstrated through the procurement process.

If it becomes apparent, either before or during a particular procurement process, that the process may not fully comply with the requirements laid out in this Policy, staff must immediately notify and seek advice from the Chief Financial Officer and/or the General Counsel.

6. Procurement in the Health Sector

All purchase orders, contracts and variations must be reviewed and approved in accordance with WDHB's contract approval procedures and WDHB's Delegated Authority Policy. Prior approval by the Board, the Capital Asset Management and Planning Committee (CAMP) and/or the Product Management Committee must be sought if required under the WDHB policy. For example, no procurement term, including any rights of renewal, may exceed five years without Board approval.

The table below sets out the roles and responsibilities of key entities involved in procurement activities across the health sector.

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ENTITY	ROLES AND RESPONSIBILITIES FOR PROCUREMENT ACTIVITIES
District Health Boards	<p>DHBs have authorised healthAlliance to negotiate and manage some contracts on their behalf. DHBs are responsible for:</p> <ul style="list-style-type: none"> • communicating business needs to healthAlliance: • providing clinical and other advice and information to healthAlliance • managing procurement within their allocated areas of responsibility for retained or 'out of scope' procurement (WDHB Managed). • ensuring they have financial approval aligned with their respective Delegated Authority Policies before they go to market for Out-of-Scope goods or services and that when they instruct healthAlliance they have the requisite approval to give those instructions.
healthAlliance (FPSC) Limited	<p>healthAlliance (FPSC) is authorised to negotiate and manage contracts for In-Scope goods and services on behalf of DHBs and will do so as principal except in relation to existing contracts, which it manages as agent. healthAlliance (FPSC) also procures for the Northern Region DHBs goods and services relating to IS, Payroll and HR, that are Out-of-Scope of national procurement and which are funded and resourced separately from national procurement activity.</p>
Northern Regional Alliance Limited	<p>NRA undertakes activities to support the northern region DHBs in their implementation of Government health policies and Ministerial priorities, as directed by the Northern Region DHBs and approved by the NRA Board. This work can include procurement and contracting activities on behalf of DHBs as well as working with healthAlliance.</p>
Pharmac	<p>Pharmac is a crown entity whose primary objective is to secure the best health outcomes that are reasonably achieved for pharmaceutical treatment within funding provided. Responsibilities have been widened to include a number of categories of medical devices which are currently managed by healthAlliance. Pharmac is working in partnership with the DHBs and health Alliance to build up their capability in these categories.</p>
MBIE	<p>The MBIE Sector Procurement team helps government agencies to develop, implement, grow and promote <i>collaborative contracts</i>. They also support agencies in complying with the Rules.</p>

7. Probity, Conflicts and Disclosure of Information

DHBs have a public law obligation to act fairly, transparently and reasonably. The aligned concept of probity, defined as 'upright, honest, proper and ethical conduct', also applies to DHBs.

7.1 Probity Principles

Probity is the responsibility of all those involved in procurement activity. There are five essential principles to promote probity:

- Use of a competitive process wherever possible
- Transparency of the process
- Identification and resolution of conflicts of interest
- Fairness and impartiality
- Security and confidentiality

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7.2 Probity Objectives

The objectives of probity are to:

- (a) Ensure conformity to policy and processes;
- (b) Provide accountability;
- (c) Preserve public and supplier confidence in the procurement process;
- (d) Encourage commercial competition on the basis that all proposals will be assessed against the same criteria; and
- (e) Improve the defensibility of the process to potential legal challenge.

7.3 Probity Advisors

For a large, complex or potentially controversial procurement the appointment of a Probity Advisor may be appropriate to provide external scrutiny and ensure integrity of process. Discussion of this option should be in consultation with Internal Audit.

It may be necessary to involve other types of specialists during particular procurement projects. For example, lawyers or advisors with specific industry knowledge.

7.4 Conflicts of Interest

Conflicts of Interest will be dealt with in accordance with the relevant Policy.

All persons undertaking procurement activities are to perform their duties in a fair and unbiased way and may not make decisions that are affected by private interests or personal gain. Staff and contractors involved in procurement must declare any potential conflict of interest and the receipt of any gifts, hospitality or any other benefits, past or present, of any kind from a potential supplier. This information must be provided at the beginning of the process, and is to be used to determine if there could be any prejudice to the process and to identify appropriate management of any conflict, potential conflict or perceived conflict. Any changes in the status of any information during a procurement process must be declared to the Project Manager for the procurement.

7.5 Disclosure of Information

Subject to other legal considerations, including the Official Information Act and the Rules, all parties involved in a procurement activity are required to:

- (a) Maintain the confidentiality of any information provided or supplied, whether from an internal or external party;
- (b) Respect the sensitivity of, and control the information provided by, Suppliers; and
- (c) Not disclose any information to parties (including other staff members) that are not directly involved in the procurement activity.

A Supplier's confidential or commercially sensitive information must not be disclosed to any third party without the written permission of the Chief Financial Officer. Pricing and Agreement Terms and Conditions are confidential to WDHB.

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8. Government Rules of Sourcing

The Rules are the source document and primary reference when WDHB is undertaking procurement. The Rules provide the detail required for those responsible for the procurement to be compliant in respect to sourcing. Sourcing is part of the procurement lifecycle and covers planning, approaching the market, evaluating responses, negotiating and awarding the contract.

The majority of WDHB's routine procurement of supplies and services for its hospitals and day-to-day operations will be In-Scope for healthAlliance. Staff should therefore first discuss any contemplated procurement with healthAlliance staff.

8.1 When do the Rules apply?

The Rules apply to procurement of:

- All goods or services or refurbishment works (or a combination of goods or services or refurbishment works) - when the maximum total estimated value of the procurement is either unknown or meets or exceeds \$100,000; and
- New construction works – when the maximum total estimated value of the project exceeds \$10 million. New construction work less than \$10 million is exempt.

This Policy and the Rules do not apply to the following activities, deemed not to be procurement activities:

- Employment of staff (excluding engagement of contractors and consultants);
- Leasing or licencing of land and buildings;
- Disposals and sales by tender;
- Investments, loans and guarantees; and/or
- Gifts, donations and any form of unconditional grants.

8.2 When may WDHB rely on others to apply the Rules?

DHBs are committed to regional and national procurement contracts via healthAlliance; s23 (7) NZPHDA requires DHBs to purchase pharmaceuticals listed on Pharmac's Pharmaceutical Schedule. WDHB will not be required to apply the Rules if the procurement proceeds via:

- A healthAlliance procurement process; or
- The Pharmaceutical Schedule; or
- An *Approved Collaborative Contract*.

Where any of the above apply, procurement may proceed by issuing of a Purchase Order on the nominated supplier or healthAlliance.

8.3 Procurement via an Approved Collaborative Contract

Where an *Approved Collaborative Contract* exists, the Rules allow DHBs who join that contract to undertake procurement without undertaking any related sourcing activity. Before WDHB will enter into any specific *Approved Collaborative Contract* approval must be obtained from the Chief Financial Officer, to ensure WDHB is achieving value from these contracts. These contracts include:

- *All-of-Government Contract (AoG)*. All agencies must purchase from AoGs unless an exemption is approved by the *Procurement Functional Leader* - Rule 55;

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- *Syndicated Contract* - Rule 56; and
- *Common Capability Contract* - Rule 57.

Procurement via an *Approved Collaborative Contract* and the Pharmaceutical Schedule are *secondary procurement*.

8.4 Opt-out from some of the Rules

Rule 13 states that an agency may opt-out of applying some of the Rules. Note: those listed in Rule 13.4 and 13.5 still apply. WDHB will 'opt-out' as a default where:

- Purchasing goods, services or works from another agency covered by the Whole of Government Direction - Rule 13.3(a) (iv). This will include any procurement from the Crown or other DHBs, provided that the procurement is not the purchase of goods, services or works under a contract that the other agency has awarded to third party supplier.
- Procuring health services or welfare services - Rule 13.3(k). This will include residential care services, community pharmacy services, mental health services, disability support services, primary care services, dental services and elective surgery. The definitions in the Rules include examples of health services and welfare services but these are not exhaustive lists. Reference to the World Trade Organisation Services Sectoral Classification List and/or the United Nations Central Product Classification System may be undertaken to clarify if a particular procurement is in respect to health services or welfare services and therefore meets the criteria for this opt-out.

WDHB must apply good judgment if opting-out of the Rules. If the default position set out above does not apply, the reasons for a decision to 'opt-out' must be documented and approved by the Chief Financial Officer.

8.5 Rules that still apply when opting-out

Rule 13.4 sets out the list of Rules that will apply to all opt-out procurements. Rule 13.5 sets out the list of Rules that may apply to an opt-out procurement depending on the circumstances. Mandatory are Rules relating to the protection of supplier information, supplier complaints, prompt payment, record keeping and audit. Rules that might apply depending on the circumstances include debriefing suppliers and intellectual property.

8.6 The Five Principles of Government Procurement

All procurement, regardless of value, should be conducted in accordance with the *Principles* and other procurement guidance – Rule 13.2. The five *Principles* are:

- Plan and manage for great results.
- Be fair to all suppliers.
- Get the right supplier.
- Get the best deal for everyone.
- Play by the rules.

The *Principles* are set out in full in the Schedule.

8.7 Best value for money

Other than where the price is pre-determined, WDHB should endeavour via the procurement process to achieve the best value for money over the life of the contract, which is not always the cheapest price.

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9. Out-of-Scope Procurement

9.1 General

The major category of Out-of-Scope procurement (WDHB Managed Procurement) for WDHB is in respect to Facilities Management.

All Out-of-Scope procurement, including via purchase orders, related contracts and variations must be reviewed and approved in accordance with WDHB's contract approval procedures and WDHB's Delegated Authority Policy, and, where the Rules are mandatory, the Rules must be applied. WDHB will also follow good practice Guidance.

9.2 Advertising of Out-of-Scope procurement

All Out-of-Scope procurement to which the Rules apply that is not allocated to a panel established pursuant to the Rules must be openly advertised by WDHB on the Government Electronic Tendering Service (GETS), unless an exemption is possible under Rule 15 and an alternative procurement method is approved by the Chief Financial Officer or Chief Executive Officer.

The request for an alternative procurement method must include:

- a description of the goods, services or works
- the maximum total estimated value
- the specific exemption/s, that applies from the list in Rule 15.9
- details of the facts and circumstances that justify an exemption

If the exemption is approved a Contract Award Notice must be published on GETS in accordance with the Rules.

9.3 Procurement where maximum value is less than \$100,000

The procurement method for opportunities with a maximum total estimated value under \$100,000 is discretionary but, in principle, an open competitive procurement process is preferred as it gives all potential suppliers an opportunity to compete and allows competing offers to be assessed for value for money. At least two suppliers (preferably three) potential suppliers must be given the opportunity to quote for the proposed assignment/contract.

The preferred supplier should be chosen in collaboration with another manager with the knowledge to be able to contribute constructively to a fair and appropriate selection process.

The terms of the contract must be approved in accordance with the Delegated Authorities Policy.

If you have any queries about the process you should consult the Deputy Chief Financial Officer- Corporate.

9.4 Point of Contact

During any procurement process a single point of contact will be established (normally the Project Manager for the procurement) for communications with potential suppliers to ensure that information provided to suppliers is consistent and that the integrity of the process is maintained.

9.5 Forms to be used

Unless otherwise approved by WDHB's General Counsel, MBIE's Government Model RFxX templates and standard conditions of contract for routine government purchases - Government Model Contracts (GMCs) must be used in Out-of-Scope procurement.

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9.6 Risk Management

At all stages of a procurement activity, any risks, including conflicts of interest, must be identified and managed. The degree of effort expended on risk management should be proportional to the likelihood and magnitude represented by that risk.

9.7 Consultation

DHBs have specific legal responsibilities to undertake consultation in relation to a number of activities, including proposed significant changes to the range and type of services offered, access to those services, policies, outputs and funding. There are also general obligations under the NZPHDA which may mean that consultation is required in other situations. Prior to undertaking any procurement process careful consideration must be given to the nature and extent of any consultation that may be required. Expert advice should be sought and consultation or community engagement policy must be closely followed.

This may include notification to current or potential suppliers in the market.

9.8 Late Submission of RFP/Q Documents

Subject to the terms of specific RFP documents, late tenders/proposals will not ordinarily be accepted. The Chief Financial Officer will rule on whether a late response may be accepted, and may delegate that authority to a level 2 executive or General Counsel.

9.9 Revised & Clarified Offer from Shortlisted Parties

Following the evaluation of responses and the development of a shortlist, a revised or best offer may be requested of all short listed parties. A 'best offer' may be followed by further negotiation with the preferred respondent.

9.10 Dealing with Low Priced Offers

Any response that is priced low in relation to others should be scrutinised to determine whether:

- All costs associated with the provision of the goods or services are included
- The tender price is sustainable
- If there is a new or innovative way of meeting the requirement, enabling a reduction in cost

9.11 Due Diligence

Formal due diligence is usually unnecessary for routine procurement. Prior to awarding a contract WDHB should undertake due diligence if:

- The expected benefits from due diligence outweigh the costs of undertaking the due diligence
- The risks of performance failure are high

The procurement documents should:

- Say whether due diligence may be undertaken; and
- Set out the anticipated timing of the process and the contact details of the person responsible for managing it.

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9.12 Transition Management

Where a new supplier is to be introduced a transition plan must be prepared to address:

- The capacity of WDHB and healthAlliance staff to cope with any increased workload
- Any organisational restructuring
- Any new training requirements
- The impact on Facilities, IT or equipment
- Responsibilities in respect to access, IT usage, and health and safety
- The effect on end users, including:
 - End user communication strategy
 - Consultation to identify any end user needs during the transition period
 - Notifying any interim arrangements, or changes to staff and service delivery schedules

10. General Considerations

10.1 Training and Competencies

Staff involved in procurement activities are to have the necessary competencies and receive appropriate training.

10.2 Legal Considerations

Procurement practices must comply with relevant statutory and legal requirements at all times. In addition to the Rules, there are guidance documents relating to procurement published by the Office of the Controller and Auditor-General, MBIE and other government entities. These can be found at: www.procurement.govt.nz. WDHB staff involved in procurement activity must have regard to these guidance documents when undertaking procurement activities whether or not the Rules apply; WDHB may be audited against the standards described in guidance documents.

Suppliers may complain to WDHB, MBIE or the Office of the Controller and Auditor-General if they consider that the Rules and/or standards described in guidance documents have not been met. Other options available to suppliers for redress include:

- Independent review or investigation;
- Mediation or alternative dispute resolution;
- Investigation by the Ombudsman;
- Investigation by the State Services Commission; and
- Legal proceedings such as judicial review.

When undertaking procurement activities regard must also be given to the impact any decisions may have on the marketplace. Consideration should be given to potential Commerce Act issues of market dominance or whether the arrangement has the purpose, or has or is likely to have the effect, of substantially lessening competition in a market, for example when considering long-term options and ensuring supplier sustainability.

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10.3 Record Keeping

Accurate records relating to procurement activities, contract negotiations and any resultant contracts must be generated, retained and stored so that they are readily accessible for the purposes of audit, review and publication where required. These would be sufficient to:

- Show that WDHB followed due process, gave due consideration to each offer and observed the principle of equity and fairness
- Respond to queries from unsuccessful suppliers
- Record meeting outcomes
- Plan any subsequent re-tendering.

Disposal of records is subject to the authorisation of the Chief Archivist in accordance with the Public Records Act 2005.

10.4 Sustainable Procurement

As a large energy user and generator of waste, WDHB is conscious that it has a social responsibility to its community in minimising its impact on the environment and reducing the harmful effects of climate change. WDHB is committed to sustainability, and in line with our values to improve health for all New Zealanders, our vision is to meet the needs of today without adversely affecting the needs of the future generation thereby reducing our carbon footprint. It is our expectation that suppliers to the WDHB will support our commitment to sustainable procurement. Our procurement process will consider the whole of life environmental impact of products and services and the relevant environmental information to support the product or service. Our suppliers must comply with any related environmental legislation, standards and WDHB's Sustainable Procurement Guidelines.

10.5 Fraud or Misconduct

WDHB is committed to the highest standards of business ethics from employees, contractors and suppliers. Any suspected fraud or misconduct in relation to the procurement process, confidentiality or disclosure of information will be fully investigated and dealt with in accordance with WDHB's policies and procedures. Any staff member who suspects that fraudulent activity is taking place must inform their manager (or the manager's manager if they suspect their manager) or ring or email the Health Integrity Line - 0800 424 888 healthintegrityline@moh.govt.nz - an anonymous service for reporting fraud or activities of concern in respect to the health system.

10.6 Ethical Procurement

DHBs are encouraged to apply an ethical procurement practice, and when selecting suppliers and monitoring their performance to avoid suppliers (and their suppliers) who use:

- Workers below the relevant minimum age for employment; or
- Forced, bonded or involuntary prison labour; or
- Workers subjected to potential life threatening working conditions or harsh or inhumane treatment; or
- Workers who are not legally entitled to work in New Zealand.

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10.7 Support for Skills and Training

In compliance with the Government's Procurement Rules WDHB is required to ask suppliers in our procurement processes to demonstrate their Skills and Training Development programme for all construction projects over \$9million.

11. Contract Management

11.1 Business Reviews

For key suppliers regular operational review meetings will be undertaken to discuss performance and identify any problems with the conduct of the contract, the objective being to agree appropriate remedial action. For all suppliers structured business reviews should be undertaken either quarterly or six monthly. These reviews should, where appropriate, include:

- Performance assessment and reporting
- Accounts
- Risk Management and contingency planning for continuity of service
- Standardisation/Consolidation/Integration
- Inventory
- Added value opportunities/Innovation

11.2 Renewal of a Contract

WDHB will review and evaluate an expiring contract to assess how well the objectives of the contract have been achieved and determine where any improvements can be made if the contract is to be renewed or retendered. Normally, it would be WDHB's intent to exercise its right of renewal; however, there are a number of factors that will need to be assessed before confirming that course of action. WDHB will consider:

- The current and future needs and requirements of end users
- The current contractor's performance
- Outcomes against plans, customer satisfaction and final costs
- Developments in the sector and the market
- Whether the contract remains effective and fit for its original purpose

These matters must be assessed in good time so that the contractual notice period for taking up any right of renewal is met.

11.3 Contract Expiry

Expiry or completion requirements will vary, depending on the nature of the contract and the general and special terms applicable to it. WDHB should ensure that the contractor honours all its obligations before releasing it from its commitments. Completion may be in two stages:

- When the work is completed
- When all warranty commitments have been exhausted

Completion may involve:

- Complying with instructions relating to bank guarantees and retention monies

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- Transition, demobilisation and hand-over to an incoming contractor
- Ensuring that all loaned items have been returned
- Returning unused inventory
- Preparing and considering final reports on contract performance

12. Associated Auckland DHB documents

Type	Document Titles
Board Policies	<ul style="list-style-type: none"> • Conflict of Interest • Delegated Authority
Legislation	<ul style="list-style-type: none"> • New Zealand Public Health and Disability Act 2000 • Public Finance Act 1989 • Crown Entities Act 2004 • Commerce Act 1986 • Official Information Act 1982 • Ombudsmen Act 1975 • Public Records Act. 2005 • Government Rules of Sourcing
Procurement Guidelines	<p>See: www.procurement.govt.nz</p> <p>OAG: Procurement Guidance for Public Entities</p> <p>OAG: Public sector purchases, grants & gifts: Managing funding arrangements</p> <p>MBIE: Emergency Procurement</p> <p>The Treasury: Guidance for Contracting with NGOs</p> <p>OAG: Managing Conflicts of Interest</p> <p>SSC: Guidance on gifts, benefits & gratuities</p> <p>SSC: Standards of Integrity & Conduct</p> <p>MBIE: All-of-government (AoG) contracts</p> <p>MBIE: the Government Model Rfx templates</p> <p>MBIE: standard conditions of contract for routine government purchases- Government Model Contracts (GMCs).</p> <p>Sustainable Procurement Guidelines (under construction)</p>

13. Corrections and Amendments

The next scheduled review of this document is as per the document classification table (page 1). However, if the reader notices any errors or believes that the document needs reviewing *before* the scheduled date, they should contact the owner or the [Document Controller](#) immediately.

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Schedule: Principles of Government Procurement

1 PLAN AND MANAGE FOR GREAT RESULTS

- Identify what you need and then plan how to get it.
- Set up a team with the right mix of skills and experience.
- Involve suppliers early – let them know what you want and keep talking.
- Take the time to understand the market and your effect on it. Be open to new ideas and solutions.
- Choose the right process – proportional to the size, complexity and any risks involved.
- Encourage e-business (for example, tenders sent by email).

2 BE FAIR TO ALL SUPPLIERS

- Create competition and encourage capable suppliers to respond.
- Treat all suppliers equally – we don't discriminate (this is part of our international obligations).
- Give NZ suppliers a full and fair opportunity to compete.
- Make it easy for all suppliers (small to large) to do business with us.
- Be open to subcontracting opportunities in big projects.
- Clearly explain how you will assess suppliers' proposals – so they know what to focus on.
- Talk to unsuccessful suppliers so they can learn and know how to improve next time.

3 GET THE RIGHT SUPPLIER

- Be clear about what you need and fair in how you assess suppliers – don't string suppliers along.
- Choose the right supplier who can deliver what you need, at a fair price and on time.
- Build demanding, but fair and productive relationships with suppliers.
- Make it worthwhile for suppliers – encourage and reward them to deliver great results.
- Identify relevant risks and get the right person to manage them.

4 GET THE BEST DEAL FOR EVERYONE

- Get best value for money – account for all costs and benefits over the lifetime of the goods or services.
- Make balanced decisions – consider the social, environmental and economic effects of the deal.
- Encourage and be receptive to new ideas and ways of doing things – don't be too prescriptive.
- Take calculated risks and reward new ideas.
- Have clear performance measures – monitor and manage to make sure you get great results.
- Work together with suppliers to make ongoing savings and improvements.
- It's more than just agreeing the deal – be accountable for the results.

5 PLAY BY THE RULES

- Protect suppliers' commercially sensitive information and intellectual property.
- Be accountable, transparent and reasonable.
- Make sure everyone involved in the process acts responsibly, lawfully and with integrity.
- Stay impartial – identify and manage

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Approval of Opt –Out or Exemption of Procurement from Requirement for Advertising

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1. Overview

Purpose

The purpose of this policy is to describe the process for obtaining approval for a procurement process to be exempted from the requirement either:

- to obtain three quotes where the procurement is worth less than \$100,000; or
- to advertise the contract opportunity where the procurement is worth less than \$100,000.

This is sometimes referred to as obtaining a dispensation from the requirement for open advertising.

Scope

This policy applies to **all** procurements by Waitemata DHB including procurements by Funding and Planning, Facilities and provider arm services

2. Procurements under \$100,000 - Obtain Three Quotes

Where the value of procurement is less than \$100,000, the procurement method is discretionary but an openly advertised procurement process is preferred in principle. If an openly advertised procurement process is not undertaken, at least two (preferably three) suppliers should be given the opportunity to provide quotes. See Section 9.3 of the Procurement policy.

3. Procurements over \$100,000 - Openly Advertised Procurement Process

The Government Rules of Sourcing (GRoS) generally require openly advertised procurement processes for all procurements of goods or services or refurbishment works (or a combination of these) with a total estimated value of \$100,000 or more.

The GRoS do not require open advertising where the procurement qualifies:

- as an opt-out procurement under Rule 13 of the GRoS (Opt-out Procurement); or
- for an exemption from the requirement for open advertising under Rule 15 of the GRoS (Exemption).

For full details see the Waitemata DHB Procurement policy.

4. Opt-out procurements

Opt-out procurements are defined in Rule 13 of the GRoS. The only opt-out category likely to apply to procurements by Waitemata DHB is Rule 13.3.k which allows opt outs for procurements of certain kinds of health and welfare services.

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Health services are defined in Section 7 of the GROS as:

Health Services

A generic term for health services provided by government for the public good including:

- Hospital services (in-outpatients and outpatient) including: surgical, medical, gynaecological and obstetrical, rehabilitation, psychiatric and other hospital services delivered under the direction of medical doctors chiefly to outpatients, aimed at curing, restoring, and/or maintaining the health of such patients.
- General and specialised medical services > military hospital services and prison hospital services
- Residential health facilities services other than hospital services
- Ambulance services
- Services such as supervision during pregnancy and childbirth and the supervision of the mother after birth > services in the field of nursing (without admission) care, advice and prevention of patients at home, the provision of maternity care, children’s hygiene, etc
- Physiotherapy and para-medical services, ie services in the field of physiotherapy, ergotherapy, occupational therapy, speech therapy, homeopathy, acupuncture, nutrition instructions, etc.

Welfare services are defined in Section 7 of the GROS as:

Welfare services

A generic term for public welfare services provided by government, which includes:

- Social services, including residential and non-residential welfare services to the old, handicapped, children and other social assistance clients
- Compulsory social security services (administration of benefits).

5. Exemption from requirement for openly advertised procurement process

A procurement may qualify for Exemption under Rule 15.9 of the GROS which is set out on the last 2 pages of the Dispensation form in Appendix 1.

The most commonly relied on grounds for dispensation are:

- the goods/services can only be supplied by one supplier and there is no reasonable alternative or substitute (Rule 15.9.c)
- the goods/services are additional to the original requirements that are necessary for complete delivery and the original contract was openly advertised, a change of supplier cannot be made for economic or technical reasons and a change in supplier would cause significant inconvenience or duplication of cost (Rule 15.9.e)
- the goods/services are prototypes and to be used to test new products or new ways of working (Rule 15.9.e)
- a panel of suppliers has been established in accordance with the GROS (Rule 15.9.i).

Note that the following are not on their own valid grounds for dispensation:

- delays resulting from running a procurement process
- untested views that the proposed contractor’s price is the lowest available

6. Process for obtaining approval of opt-out procurement or exemption

If the person responsible for procurement believes that it qualifies as an opt-out procurement or for Exemption, they must:

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1. complete the Dispensation form attached as Appendix 1 by providing full details of the good/service being procured, their value, the proposed contractor and the subsection of Rule 15.9 relied on for dispensation
2. Have their general manager sign the Dispensation form
3. Forward the Dispensation form to Waitemata DHB General Counsel for endorsement
4. Forward the Dispensation form to the Chief Financial Officer for approval.

The completed Dispensation form with all approvals must be kept on file by the person responsible for the procurement.

7. References

Government Rules of Sourcing, MBIE. (<https://www.procurement.govt.nz/procurement/principles-and-rules/government-rules-of-sourcing/>)

Waitemata DHB Procurement policy
 ([http://staffnet/QualityDocs/Quality%20Documentation/O3%20Management/07%20Finance/%5BP%5D%20Procurement%20Jan17.pdf#search="Procurement"](http://staffnet/QualityDocs/Quality%20Documentation/O3%20Management/07%20Finance/%5BP%5D%20Procurement%20Jan17.pdf#search=))

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Appendix 1: Request for Dispensation from Advertised Procurement Process

REQUEST FOR DISPENSATION FROM ADVERTISED PROCUREMENT PROCESS

To	Chief Financial Officer
From	
Date	
Business Owner(s)	
Description of Goods / Service	
Type of Request	Exemption from requirement for advertised procurement process
Supplier(s)	
Value	\$ (ex GST)
Have Declaration of Interest Confidentiality and Probity Forms been completed by those involved in the procurement	No
Do you have an Approved Funding or Capital Expenditure Number?	
Will a Contract result from this request?	
If a Consumable is involved or where the Equipment has a Consumable component, has it been approved by WDHB - WESC	
Does the equipment / product have WAND Registration & have PEHNZ Forms been supplied?	
Reason for the request for dispensation (as per the Procurement Policy and defined in the appendix).	
Full description of the goods/service dispensation is being requested for:	
Current situation description:	
Financial:	

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Consultation:

Regional / National Alignment:

Procurement Policy Compliance: Yes

Sign Off

1. Waitemata DHB General Counsel or delegate

Name :

Signature

2. General Manager of service undertaking procurement

Name

Signature

[An attached email approval is sufficient in lieu of a signature and should be attached as proof the named person was consulted]

[Ensure you seek legal guidance and advice]

Dispensation Approved by Chief Financial Officer or delegate

Name

Signature

Date

Attachments

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Approval of Opt –Out or Exemption of Procurement from Requirement for Advertising

MBIE's *Government Rules of Sourcing* require open advertising except where there is an exemption under Rule 15.9

<http://www.business.govt.nz/procurement/for-agencies/key-guidance-for-agencies/the-new-government-rules-of-sourcing>

<p>a. Emergency</p>	<p>A genuine emergency as defined by MBIE's <i>Quick Guide to Emergency Procurement</i>. Urgent situations that are created by an agency, such as a lack of advance planning, do not constitute an emergency.</p> <p>See http://www.business.govt.nz/procurement/for-agencies/key-guidance-for-agencies/emergency-procurement for information on emergency planning.</p> <p>The <i>Quick Guide to Emergency Procurement</i> defines an emergency as including:</p> <ul style="list-style-type: none"> • Natural or man-made disasters • Failures of critical infrastructure or equipment • Critical health or environmental emergencies • Political emergencies • Critical security emergencies eg terrorist attack or cyber security emergency • Unanticipated events which make it impossible for an agency to perform a statutory or critical function in the necessary timeframe
<p>b. Following an open tender</p>	<p>An agency may use a closed competitive process or direct source process to procure good, services and works if:</p> <p>(i) it has openly advertised the contract opportunity in the last 12 months, and</p> <p>(ii) it has not substantially changed the core procurement requirements, and</p> <p>(iii) the first time the opportunity was advertised it:</p> <p>(a) did not receive any responses, or</p> <p>(b) did not receive any responses which complied with the pre-conditions or conformed with or met the requirements, or</p> <p>(c) received responses from suppliers who it has reasonable grounds to believe have colluded, and this can be verified, and no other responses complied with the pre-conditions or conformed with or met the requirements.</p>
<p>c. Only one supplier</p>	<p>If the goods, services or works can be supplied by only one supplier and there is no reasonable alternative or substitute because:</p> <p>(i) for technical reasons there is no real competition; or</p> <p>(ii) the procurement relates to the acquisition of intellectual property or rights to intellectual property (including patents and copyrights) or other exclusive rights or</p> <p>(iii) the procurement is for a work of art.</p> <p>Technical reasons include:</p> <ul style="list-style-type: none"> • a need to match with existing equipment, software or services • where an agency has a bespoke IT system that was custom-designed for it and only the supplier that designed it fully understands the code base • where one supplier has, over a period of time, developed such an intimate knowledge of an outdated or complex system that the agency can reasonably claim that other suppliers would not have a similar level of readily available knowledge • where a spare part of component is only available from one supplier • where only one supplier has essential, highly specialised expertise, technology qualifications or skills e.g. an internationally recognised expert doing cutting edge work in a field of science or medicine.

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d. Additional goods, services or works	<p>Goods, services or works additional to the original requirements that are necessary for complete delivery. This Rule applies where all three of the following conditions are met:</p> <ul style="list-style-type: none"> (i) the original contract was openly advertised, and (ii) a change of supplier cannot be made for economic or technical reasons, and (iii) a change of supplier would cause significant inconvenience or substantial duplication of costs
e. Prototype	<p>Purchasing a prototype for research, experiment, study or original development. Original development may include a limited production or supply if this is necessary to:</p> <ul style="list-style-type: none"> (i) Carry out field tests and incorporate the findings; or (ii) Prove that the good or service or works can be produced or supplied in large numbers to an agreed quality standard <p>This exemption does not apply to quantity production or supply to establish commercial viability or to recover research and development costs. Once the contract for the prototype has been fulfilled, an agency must openly advertise any subsequent procurement of the same goods, services or works.</p>
f. Commodity market	Goods purchased on a commodity market
g. Exceptionally advantageous conditions	For purchases made in exceptionally advantageous conditions that only arise in the very short term. This exemption does not cover routine purchases from regular suppliers.
h. Design contest	<p>Where a contract is awarded to the winner of a design contest. To meet this exemption:</p> <ul style="list-style-type: none"> (i) The design contest must have been organised in a manner which is consistent with the Rules, and (ii) The contest must be judged by a panel whose members understand that the winner will be awarded a contract, and (iii) Members of the panel do not have any conflict of interest in carrying out the judging of the contest.
i. Secondary procurement	Where an agency has established a <i>Panel of Suppliers</i> in accordance with the Government Rules of Sourcing or is purchasing under an All of Government contract, or Syndicated contract as defined by the Government Rules of Sourcing.

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