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OFFICE OF THE
MINISTER OF HEALTH

MEMORANDUM TO CABINET SOCIAL POLICY AND HEALTH
COMMITTEE

TRANSITIONAL ACCOUNTABILITY ARRANGEMENTS FOR DISTRICT
HEALTH BOARDS

1. PROPOSAL

1. This paper seeks agreement to the DHB accountability arrangements to apply during the transition period to fully functioning District Health Boards (DHBs).

2. EXECUTIVE SUMMARY

1. Cabinet directed officials to report back with advice on accountability arrangements for DHBs during the transitional phase of establishment by 31 August 2000 [Cab (00) M15/10, I ix refers].
2. The key transitional phases are:
 - A March 2000 until legislation commences**
Planning phase
 - B Commencement of legislation to 30 June 2001**
DHB establishment, service and strategic planning
 - C 1 July 2001 to 30 June 2002**
DHBs fund some services, and complete strategic plans
 - D 1 July 2002 to 30 June 2003**
Fully functioning DHBs.
4. Cabinet has previously agreed that DHB accountability mechanisms will include:
 - a) Accountability to the Crown (represented by the Minister of Health) including:
 - i. DHB strategic plans
 - ii. DHB annual plans which become the basis for the funding agreement between the Crown and the DHB
 - iii. monthly and quarterly performance reporting (financial and non-financial) from DHBs to the Minister of Health.

- b) DHB Accountability to Parliament including:
 - i. Statements of Intent
 - ii. Annual Reports.
- 5. Because the legislation is likely to commence about halfway through the current financial year (November/December) there will need to be a full suite of accountability arrangements and documents for the initial six month period (approximately), with further arrangements commencing 1 July 2001.

3. BACKGROUND

- 3. Cabinet directed officials to report back with advice on accountability arrangements for DHBs during the transitional phase of establishment [CAB (00) M15/10, I ix refers].
- 4. The objectives of the DHB accountability arrangements are to obtain best DHB performance by creating an effective incentive structure, making the goals of DHB Boards consistent with those of the Government, and where appropriate, controlling DHB activities [CAB (00) 233 refers]. In addition a key area of focus in transitional accountability documents will be management of transitional risks.
- 5. The New Zealand Public Health and Disability Bill (the Bill) will require DHB accountability arrangements to be consistent with the Treaty of Waitangi. Officials are to report back by 31 August 2000 on the application of the general reference to the Treaty of Waitangi to the specific provisions in the Bill [CAB (00) M23/8 refers].

4. KEY PHASES IN THE ESTABLISHMENT OF DHBs

- 6. The key phases in the establishment of DHBs and transfer of functions to them are identified below.

Phase A: Planning period (March 2000 until legislation commences)

- 10. During this period Hospital and Health Service (HHS) boards have been asked to plan for the establishment of the DHB for their locality and to start engaging with their future populations and service providers.

Phase B: DHB establishment and service planning

(Date legislation commences to 30 June 2001)

11. During the period between the commencement of the Bill (this is likely to be November/December 2000) and 30 June 2001, DHBs will establish themselves and start some planning activities, but will not yet have any responsibility for funding services.
12. From the date that the legislation commences DHBs will be responsible for managing their hospitals and for ensuring that the services specified in the 2000/01 HHS Health Funding Authority (HFA) contracts are provided by their hospitals. The Ministry of Health will simultaneously take over responsibility for the funding and management of the HFA's 2000/01 contracts with HHSs and community providers.

Phase C: DHBs fund some services (1 July 2001 to 30 June 2002)

13. During this period DHBs that can demonstrate the necessary capability will have responsibility for funding some services devolved to them [CAB (00) M 22/11 refers]. The Ministry of Health will continue to fund the remaining services. Board elections also take place during this phase.

Phase D: DHBs fully functioning (1 July 2002 onwards)

14. By 1 July 2002 DHBs will be expected to have attained the capability necessary to enable them to take on full responsibility for funding all services that the Government wishes to devolve to them. The Ministry of Health will, however, continue to be responsible for funding some services on an ongoing basis.
15. These four phases are summarised in the following diagram. It shows for each phase:
 - i. which agencies are responsible for funding services
 - ii. which agencies are responsible for providing services
 - iii. what documentation will support the accountability arrangements with the Crown.

Transitional Period				
	Phase A (current)	Phase B (from passing of NZPHD Bill)	Phase C (2001/2002)	Phase D (2002/2003)
Government Goals	Crown Statement of Objectives	New Zealand Health Strategy		
		New Zealand Disability Strategy		
DHB Organisational Governance and Management	HHS transitional planning related to DHB establishment	DHB Transitional Plan / Funding Agreement	DHB development of Strategic Plan	Strategic Plan Endorsed and Implemented
		First DHB SOI	DHB SOI	
Management of services funding	HFA SOI	Ministry of Health Purchase Agreement	DHB SOI	
	HFA Funding Agreement with Minister of Health		DHB Annual Plans / Funding Agreements	
Management of Crown Owned Hospitals	HHS SOI	First DHB SOI	DHB SOI	
	HHS Business Plans	DHB Transitional Plan / Funding Agreement (includes former HHS business plan elements)	DHB Annual Plans / Funding Agreements	
Service Agreements	HFA/Provider Service Agreements	Ministry/Minister of Health Agreements for services	DHB/Provider Service Agreements	

16. Indicative timing for the preparation and delivery of the individual accountability documents is provided in Appendix Two to this report. Following Cabinet approval of the DHB transitional accountability arrangements, the Ministry of Health will provide the information in Appendix Two to DHBs to assist them in their planning.

17. The key characteristics of DHB accountability arrangements for each phase are described below.

PHASE A: PLANNING PERIOD (MARCH 2000 UNTIL LEGISLATION COMMENCES) - THE CURRENT PHASE

5. Description

18. The current phase commenced in March 2000 with my letter dated 23 March 2000 to all HHS boards charging them with responsibility for managing the transition to DHBs. This letter provided HHS boards with a

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mandate to immediately start planning for their future DHB roles. By 1 September 2000 each HHS board has to develop and submit a transition plan to the Minister of Health for approval. The 23 March letter reminded HHSs that this planning work should not compromise their normal business functions, and that the plans are not to be implemented, or DHB infrastructure established, until the new legislation is enacted and commences.

Planning and accountability documents

19. During this current planning period, the accountability arrangements are as follows:
- a) Government's goals have been communicated to the health and disability sector through the 2000 Crown Statement of Objectives (CSO), and to HHSs through the Statement of Owner's Expectations (SOE).
 - b) The HFA is responsible for funding services in accordance with the Health and Disability Services Act (HDS Act), and the current Funding Agreement between the Crown and the HFA, until the Authority is disestablished after the Bill has been enacted and commences. This is likely to be late November or December 2000. Also of importance is the HFA's Statement of Intent (SOI) and Annual Report as they form the basis of the HFA's accountability to Parliament. Although the HFA is currently working closely with HHSs to assist in the establishment of DHBs, during this phase the HFA remains primarily accountable for the delivery of the requirements of its Funding Agreement, including the funding and monitoring of the 2000/01 contracts with HHSs and other providers.
 - c) Hospital and Health Services remain responsible for delivering the services under their contracts with the HFA and for delivering on their business plans. HHSs also remain responsible for delivering on their SOIs. These are the key accountability documents for HHSs. HHS boards have been given an additional responsibility for planning for the establishment of DHBs and engaging with their prospective communities and providers through the letter from the Minister of Health dated 23 March 2000.

Management of HFA/HHS Performance (Monitoring)

20. During this planning period:
- i. the HFA continues to provide regular performance reports, including monthly financial and risk reports against its Crown Funding Agreement
 - ii. the Ministry of Health continues to monitor the HFA in its delivery of the Funding Agreement

- iii. the Ministry of Health's Public Provider Ownership Performance Directorate (formerly the Crown Company Monitoring and Advisory Unit health section) continues to monitor the Crown's investment in the HHS sector, and monitors and reports on HHS performance and against business plan objectives
- iv. the HFA continues to monitor service delivery against provider contracts
- v. the Ministry of Health evaluates HHS transition plans which, when signed by me, will become the DHB funding agreement for the period between the commencement of the Bill and 30 June 2001. These plans must demonstrate that the DHB will have the capability necessary to begin funding some services from 1 July 2001.

Final HFA and HHS Annual Reports

- 21. Both the HFA and the HHSs will be disestablished once the Bill has been enacted and commences. The HFA and each HHS will be required to table an annual report in the House as part of the disestablishment process.
- 22. These annual reports will meet the requirements of the Public Finance Act (specifically section 41) and include audited financial statements. The final annual report of the HFA will be provided to the Minister of Health by the Director-General of Health, while each DHB will be responsible for forwarding the annual report of the HHS whose assets and liabilities are vested in the DHB.

PHASE B: DHB ESTABLISHMENT AND SERVICE PLANNING (DATE LEGISLATION COMMENCES TO 30 JUNE 2001)

Description

- 23. Once the legislation commences, the HFA and HHSs will be formally disestablished and the DHBs will become legal entities in their own right.
- 24. During this period the DHBs will be:
 - i. continuing establishment activities
 - ii. commencing consultation and strategic planning
 - iii. starting some service planning activities
 - iv. managing their own hospitals.
- 25. At this time DHBs will not yet have funding for any services devolved to them. DHBs will be required to start recruiting staff and developing a transitional annual plan which will become the funding agreement for the year 2001/2002. In addition DHB Boards will be required to develop

partnership arrangements with mana whenua in their area during this period.

26. From the date that the legislation commences, DHBs will be responsible for managing their hospitals (DHB provider arms) and for ensuring that the services specified in the 2000/01 HHS-HFA contracts are provided. The Ministry of Health will simultaneously take over the funding of the 2000/01 HFA contracts with HHSs and other providers, and will therefore be funding all services.

Planning and accountability documents

27. The accountability arrangements to apply to DHBs were approved by Cabinet on 8 May 2000 [CAB (00) M 15/10 refers] and are specified in the Bill. They are outlined in Appendix One to this paper.
28. Clause 35 of the Bill enables the Minister to specify the form that the annual plan for each DHB will take.
29. The DHB accountability arrangements to apply from the commencement of the Bill are the same as those outlined in the Bill, but with the following exceptions:
 - i. DHBs will not have completed their first strategic plan
 - ii. DHBs will not be responsible for funding services, therefore the content of the DHB funding agreements for the establishment period will therefore contain a more limited range of accountabilities.
30. Negotiation of the DHB funding agreement for the establishment and service planning period will effectively start from 1 September 2000, when HHS Boards present their draft transition plans to the Minister of Health. The transition plans will be negotiated and signed off by the Minister of Health in November 2000 and will form the basis of the funding agreement for the establishment phase (commencement of legislation to 30 June 2001).
31. This first funding agreement will contain, but will not be restricted to:
 - i. the amount of funding to be received by the DHB for establishment purposes during the remainder of the 2000/01 year
 - ii. a detailed transitional plan with milestones
 - iii. reference to the delivery of services by the provider arm of the organisation (ie. the hospitals) in accordance with their 2000/01 contracts (which will be managed by the Ministry of Health from the enactment of the legislation)
 - iv. requirement for the delivery against the requirements of the business plans of the former HHSs

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- v. requirements around the development of an annual plan for 2000/2001 developed in accordance with the *New Zealand Health Strategy* and the *New Zealand Disability Strategy*.
32. The provisions of the Public Finance Act 1989 will apply to DHB SOIs. The Public Finance Act requires Crown entities to provide a draft SOI to their responsible Minister one month prior to the period to which they are to apply. In the case of the first SOI for each DHB, this may not be possible.
 33. DHBs will need to have their SOIs in place early in the period between the commencement of the Bill and 30 June 2001, or they will be ill placed to meet their 2000/01 year end accountability requirements, such as their Annual Report.
 34. The Minister of Health has the ability under the Public Finance Act to allow DHBs to table their SOIs later than usual. It is recommended that this power be used sparingly. Ideally the DHB SOIs will be operational on or before 1 January 2001 and officials will provide further advice to me closer to this date.

Management of DHB Performance (Monitoring)

35. DHBs will report monthly and quarterly, including financial and performance reports, as required under the funding agreement. The Ministry of Health will monitor DHB performance against the funding agreement. Clause six of the Bill defines "monitor" in relation to a Crown funding Agreement as:
 - i. *"to analyse on the basis of information provided under any relevant agreement and any other relevant substantiated information; and*
 - ii. *includes assessing the timeliness of provision of information required to be provided under any agreement"*.
36. The capability of each DHB will be assessed in order to determine whether it will be appropriate to devolve service funding responsibilities to it from 1 July 2001.

Annual Report

37. Following the end of the establishment and service planning period (30 June 2001), each DHB will prepare its 2000/01 annual report for the Minister of Health to table in the House as required by the Public Finance Act. The 2000/01 annual report will include audited financial and non-financial performance against budgets and performance measures in the SOI.
38. The Public Finance Act allows approximately four months between the end of the financial year and the tabling of the annual report for that period. It is therefore expected that the 2000/01 annual report will be tabled in

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November 2001. A more detailed time frame for the production of annual reports appears in Appendix Two to this report.

Ministry of Health accountability for funding services Phase B onwards

39. The Ministry of Health will have both transitional and ongoing responsibility for funding services. From the enactment of the Bill to 30 June 2001, the Ministry will be responsible for managing the 2000/01 contracts (negotiated by the HFA with the former HHSs and other providers). The Ministry of Health will assume accountability for the current Crown/HFA funding agreement and SOI obligations.
40. The accountability regime to apply to the Ministry of Health's funding of services, on an ongoing basis, is to be the subject of a separate paper to be provided by 30 November 2000 [CAB (00) M 19/12 refers]. Officials recommend that Cabinet clarify that this report back should also address the services that the Ministry will fund during the transitional period following the disestablishment of the HFA.

PHASE C: DHBs FUND SOME SERVICES (1 JULY 2001 TO 30 JUNE 2002)

Description

41. During this period DHBs which meet capability requirements will fund some services while others will be funded by the Ministry of Health.
42. Cabinet have agreed an indicative timetable for the services to be devolved to those DHBs that meet capability requirements in 2001/2002 will be [CAB (00) M 22/11 refers]:
 - i. local personal health services (primary and secondary care)
 - ii. local mental health services
 - iii. local Māori health services.
43. Other services will be devolved in the following year, or earlier (depending on demonstrated capability).
44. This means that in 2001/2002 the provider arm within the DHBs (ie hospitals) will deliver services, some under an internal arrangement with the DHB, and others under contract to the Ministry of Health.
45. DHBs will continue developing their first strategic plans for 2002/03. The strategic plan, along with the annual plan are key DHB accountability documents. The Bill as drafted requires that DHBs prepare a strategic plan as soon "as practicable after the commencement of this Act" (Clause 34).

Planning and accountability documents

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46. The accountability arrangements during this period will be similar to those to apply from 1 July 2002 (see Appendix One to this paper), except:
 - i. DHBs will not have completed their first strategic plan. Development of this strategic plan will be a key role for DHBs during the 2001/2002 year, following DHB Board elections
 - ii. The annual plan will therefore be based on the *New Zealand Health Strategy* and the *New Zealand Disability Strategy* and on consultation and needs assessment completed to date.

Management of DHB Performance (Monitoring)

47. The management of DHB performance during 2001/2002 will be the same as in Phase B:
 - i. DHBs will report monthly and quarterly, including financial and performance reports, as required under the annual plan. The Ministry of Health will monitor DHB performance against the plan
 - ii. the capability of each DHB will be assessed in order to determine whether it will be appropriate to devolve service funding responsibilities to it from 1 July 2001.

Annual Report

48. At the end of this period, each DHB will table its 2001/02 Annual Report including audited financial statements in the House as required by the Public Finance Act. This will be in late October 2002.

DHB board elections

49. In October 2001 Board elections will take place. Elected board members will be in place during December 2001 (58 days after polling day). These new boards will inherit the accountability arrangements that have been negotiated with the previous boards. The elected board members will be expected to review the strategic direction of the DHB and assume active involvement in strategic and annual planning at a governance level. If necessary DHB funding agreements will be amended to facilitate this.

PHASE D: DHBs FULLY FUNCTIONING (1 JULY 2002 ONWARDS)

Description

50. It is expected that from 1 July 2002 DHBs will be fully established and will operate under the accountability arrangements agreed by Cabinet [CAB (00) M 15/10 refers] and outlined in Appendix One to this paper.

6. CONSULTATION

51. This paper has been prepared by an interagency working group led by the Ministry of Health working with the Health Funding Authority, Te Puni Kokiri, the Treasury, and the State Services Commission. The Department of Prime Minister and Cabinet, and Ministry of Pacific Island Affairs have been consulted. The Office of the Auditor-General has been consulted on this advice in terms of any implication for the functions of that Office and implications for parliamentary accountability. The Crown Health Association, a representative of hospital and health service (HHS) organisations, has also been consulted confidentially on the paper. This is because of HHSs' substantial interest in the establishment of DHBs.

7. FINANCIAL IMPLICATIONS

52. The financial implications arising from the transfer of the management of the 2000/01 HHS Contracts from the HFA to the Ministry of Health will be the subject of a separate report back [CAB (00) M19/12 refers].
53. No incremental costs have been identified for this proposal. Officials will report back to the Cabinet Social Policy and Health Committee by 31 December 2000 on the costs, savings and sources of any savings relating to the health sector changes [Cab (00) M 21/13 refers].

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9. LEGISLATIVE IMPLICATIONS

54. There are no specific legislative implications arising from this paper. The Bill contains the necessary accountability provisions to underpin the regime that will apply to DHBs once the Bill has been enacted and commences.

10. REGULATORY IMPACT STATEMENT

55. In accordance with Cabinet office requirements, a regulatory impact statement is not required as the proposals in this paper do not have legislative or regulatory implications. The proposal is of a machinery nature. [CO (98) 5, 13a refers].

11. PUBLICITY

56. Any publicity related to the establishment of DHB accountability arrangements will be managed within the communications strategy developed for the health sector change.

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AT THE MEETING ON 11 SEPTEMBER 2000, FOLLOWING REFERENCE FROM THE CABINET SOCIAL POLICY AND HEALTH COMMITTEE, CABINET:

CAB (00) M 30/4 (Amended Minute)

DISTRICT HEALTH BOARDS: TRANSITIONAL ACCOUNTABILITY ARRANGEMENTS

Period to 30 June 2001

- a **agreed** that the first District Health Board (DHB) funding agreement (for the period from the commencement of the New Zealand Public Health and Disability Bill until 30 June 2001) will contain, but will not be restricted to:
- i. the amount of funding to be received by the DHB for establishment purposes during the remainder of the 2000/01 year;
 - ii. a detailed transitional plan with milestones;
 - iii. reference to the delivery of services by the provider arm of the organisation (i.e. the hospitals) in accordance with their 2000/01 contracts (which will be managed by the Ministry of Health from the enactment of the legislation);
 - iv. reference to the delivery of the requirements of the business plans of the former Hospital and Health Services (HHSs);
 - v. requirements around the development of an annual plan for 2001/2002, consistent with the New Zealand Health Strategy and the New Zealand Disability Strategy;

Role of the Ministry of Health

- b **noted** that the Ministry of Health will assume accountability for current Crown/Health Funding Authority (HFA) funding agreement and Statement of Intent obligations following the disestablishment of the HFA;
- c **directed** officials to report to the Cabinet Social Policy and Health Committee in November 2000 on:
- i. the accountability arrangements to apply to the Ministry of Health in respect of its role in funding health and disability support services on an ongoing basis [CAB (00) M 19/12 refers];
 - ii. the services the Ministry of Health will fund during the transitional period following the disestablishment of the HFA;

Period 1 July 2001 to 30 June 2002

- d **agreed** that the DHB accountability arrangements during the period from 1 July 2001 to 30 June 2002 will include:
- i. an annual plan, based on the New Zealand Health Strategy and the New Zealand Disability Strategy and on consultation and needs assessment completed to date, which when approved by the Minister of Health will constitute the DHB/Crown funding agreement;
 - ii. a Statement of Intent prepared in accordance with the Public Finance Act;

After 1 July 2002

- e **agreed** that from 1 July 2002 DHBs will operate under the full accountability arrangements previously agreed by Cabinet [CAB (00) M 15/10 refers].

12. APPENDIX ONE

Summary of DHB Accountability Arrangements to apply from 1 July 2002

1. The full set of accountability arrangements to apply to DHBs was approved by Cabinet on 8 May 2000 [CAB (00) M 15/10 refers] and is specified in the New Zealand Public Health and Disability Bill (the Bill). These arrangements will take effect from the commencement of the legislation, but as identified in the body of the report, some aspects of the DHB accountability arrangements will not become fully operational until 1 July 2002. The full set of DHB accountability arrangements to apply from 1 July 2002 is specified below.
2. The DHB accountability regime is designed to further the New Zealand Health and Disability Strategies, and provide accountability to both Government and the people of New Zealand. The Health and Disability strategies provide the context for the development of DHB accountability documents.
3. The following accountability documents will apply to DHBs:
 - i. a **strategic plan**, developed in consultation with the community and to be endorsed by the Minister of Health
 - ii. an **annual plan** to be agreed with the Minister of Health, incorporating an annual funding schedule and the DHB's Statement of Intent (SOI) as a schedule. Once the annual plan has been approved by the Minister of Health it becomes the DHB's **funding agreement**.
4. The strategic plan and annual plan must be consistent. The annual plan, including all its schedules, will be the formal DHB/Crown accountability document and will comprise the Funding Agreement between the board of the DHB and the Minister of Health. The strategic plan and the annual plan are both important public accountability documents, that the DHB must make available to the public.
5. The strategic plan must be produced as soon as practicable after the enactment of the legislation. In practice it is expected that the DHBs will produce their first strategic plan for the 2002/03 year. The strategic plan will cover a period of five to ten years. It must be reviewed at least once every three years, although it may be reviewed by the DHB at any time. Strategic plans are made in consultation with the population of the district and in consultation with their Maori partners, and copies of the plan must be made publicly available.
6. The annual plans produced by the DHBs (which when signed by the Minister of Health become the funding agreement) will be based on planning information, including funding levels and specific performance expectations provided by the Minister of Health each year to guide the

development of DHB accountability documentation. Annual plans provide a flexible vehicle for holding the DHBs to account for discharging their responsibilities, both initially and as service funding responsibilities are devolved to them during the transition.

7. The detailed content requirements for DHB annual plans is to be the subject of a 30 November report back to Cabinet [CAB (00) M 15/10, I iv refers]. At a high level the annual plans will contain:
 - i. the intended outputs of the DHB for that year, how they relate to the strategic plan and the funding proposed for those outputs
 - ii. the amount of any capital investment expected to be required for the DHB's hospital
 - iii. a requirement to be responsive to Maori
 - iv. a SOI, which (as at present) will need to meet the requirements of the Public Finance Act with respect to content and tabling in Parliament (see Appendix Two for timing of SOI preparation and tabling).

8. DHBs will also be subject to a regulatory environment. Officials are preparing a separate report back on the DHB operating environment [CAB (00) M 15/10, I i refers]. The operating environment within which DHBs will operate includes:
 - i. the financial operating environment
 - ii. the consultation framework
 - iii. service cover requirements (for those services for which funder responsibilities have been devolved to DHBs)
 - iv. requirements for information collection.

13.

Indicative time frames for the preparation of accountability documents by DHBs.

It is recommended that the information in this table be forwarded to DHBs to assist them with the preparation of their accountability documents.

Time period	DHB establishment planning	Annual Plan / Funding Agreement	SOI	Annual
Phase A March 2000 until Legislation commences	?? HHS boards provide Ministry of Health with draft transitional DHB plans by 1 September 2000 and final plans by 13 October.	?? HFA/Crown funding agreement remains in force until legislation commences. ?? HHSs engage in advance preparation for the first DHB transitional Funding Agreement.	?? HHS SOI remains in force until the new legislation commences. ?? HHSs engage in advance preparation for the first DHB SOI	?? Final report of HHSs tabled with the Public Finance ?? Annual financial statement soon as practicable after year (s41 PFA) ?? DHB provides annual auditor within 90 days year (s41 PFA) ?? Auditor must comment on the annual financial statement ?? The Minister of Health must table the annual financial statement within 6 sitting days of the end of the year (s41 PFA) 120 days after the end of the year (s41 PFA)
Phase B Legislation commences to June 2001	?? Capability building and planning for funding activities	?? Transitional Funding Agreement based on transitional plan signed as soon as practicable after the new legislation commences. ?? Advance preparation of the 2001/02 annual plan begins following receipt of the planning package, approximately seven months prior to the expiry of the current Funding Agreement	?? Draft SOI forwarded to Minister of Health as soon as practicable ?? Ideally all DHB SOIs will be in force by 1 January 2001 ?? Preparation of the 2001/02 SOI	?? Annual report for period in accordance with Public Finance Act ?? Annual financial statement soon as practicable after year (s41 PFA) ?? DHB provides annual auditor within 90 days year (s41 PFA) ?? Auditor must comment on the annual financial statement ?? The Minister of Health must table the annual financial statement within 6 sitting days of the end of the year (s41 PFA) 120 days after the end of the year (s41 PFA)

Time period	DHB establishment planning	Annual Plan / Funding Agreement	SOI	Annual
<p>Phase C 2001/2002</p>	<p>?? Planning and capacity building to take on funding responsibility for remaining services</p>	<p>?? Funding Agreement based on annual plan signed by the commencement of the new 2001/02 financial year</p> <p>?? Advance preparation of the 2002/03 annual plan begins following receipt of the planning package, approximately seven months prior to the expiry of the current Funding Agreement</p>	<p>?? 2002/02 SOI prepared within PFA time frames</p> <p>?? 1 June 2001 draft SOI forwarded to Minister of Health</p> <p>?? 1 July 2001 final draft SOI forwarded to Minister of Health incorporating Minister' s feedback</p> <p>?? Tabled 12 sitting days after receipt by Minister of Health</p> <p>?? Preparation of the 2002/03 SOI</p>	<p>?? Annual report for 2001/02 with Public Finance Act time frames</p> <p>?? Annual financial statements soon as practicable after year (s41 PFA)</p> <p>?? DHB provides annual auditor within 90 days of year (s41 PFA)</p> <p>?? Auditor must comment within 120 days after the end of the year (s41 PFA)</p> <p>?? The Minister of Health must comment within 6 sitting days of receipt of the annual financial statements (s41 PFA)</p>
<p>Phase D 2002/2003</p>	<p>?? na</p>	<p>?? Funding Agreement based on annual plan signed by the commencement of the new 2002/03 financial year</p> <p>?? Advance preparation of the 2003/04 annual plan begins following receipt of the planning package, approximately seven months prior to the expiry of the current Funding Agreement.</p>	<p>?? 2002/03SOI prepared within PFA time frames</p> <p>?? 1 June 2002 draft SOI forwarded to Minister of Health</p> <p>?? 1 July 2002 final draft SOI forwarded to Minister of Health incorporating feedback from the Minister of Health</p> <p>?? Tabled 12 sitting days after receipt by Minister of Health</p> <p>?? Preparation of the 2003/04 SOI</p>	<p>?? Annual report prepared within Finance Act time frames</p> <p>?? Annual financial statements soon as practicable after year (s41 PFA)</p> <p>?? DHB provides annual auditor within 90 days of year (s41 PFA)</p> <p>?? Auditor must comment within 120 days after the end of the year (s41 PFA)</p> <p>?? The Minister of Health must comment within 6 sitting days of receipt of the annual financial statements (s41 PFA)</p>