

Attachment 1 – Draft letter to University of Waikato/Waikato DHB

[Date]

Professor Neil Quigley
Vice Chancellor
University of Waikato
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Dr Nigel Murray
CE Waikato District Health Board
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Dear Prof Quigley and Dr Murray

Business case for the proposed third medical school in the Waikato region

Thank you for providing us with your business case for a proposed new medical school and for initial discussion held on 17 October 2016. We were encouraged by the innovative solution to training more General Practitioners address to the needs of rural communities in the Waikato region.

We would like to give your idea further consideration. For this, we expect the business case to be developed further. In particular:

1. Make it into an Indicative Business Case, following the Treasury's Better Business Case guidelines. This requires that the proposal would be further developed in a number of specific areas.
2. Given that several organisations will have a strong interest in your business case, I would like you to engage deeply with the relevant government, regulatory, and health organisations (e.g. the Ministry of Health, Health Workforce New Zealand, the Royal College of General Practitioners, the Medical Council, and neighbouring District Health Boards). The purpose of the engagement would be to try to reach a common understanding of the workforce problem in New Zealand. This may require some modification of your long listed options and subsequent analysis. This should be reflected in the Indicative Business Case.
3. The revised financial case should provide much greater detail on the quantum of funding being sought, and the nature of that funding. It should also identify all potential sources of financing such as leveraging the balance sheets of the University and Waikato DHB, borrowings, public-private partnerships, etc.
4. Long term affordability also needs to be addressed for both the University and the DHB. This analysis should look at recent financial performance, current assets (cash, buildings etc.), and a 10 year financial model. This should be used to assess the affordability and sustainability of the proposed model.
5. A stronger management case should be included that outlines a high-level project plan describing the critical pathway from conception to implementation, and the risks associated with the project.

The TEC will be in contact to discuss the next steps with you, and will be able to help facilitate engagement with the other government agencies with an interest in the proposal.

The revised business case should then undergo an independent quality assurance (IQA) review and the subsequent IQA report made available to government. We expect you to discuss the terms of reference for the review and the selection of a suitable IQA provider with TEC officials.

We wish you all the best with these next steps and look forward to hearing from you again in due course.

Yours sincerely

Hon Paul Goldsmith

Minister for Tertiary Education, Skills and Employment

Hon Dr Jonathan Coleman

Minister of Health

Cc: Rt Hon Jim Bolger, Chancellor, the University of Waikato

Cc: Mr Robert Simcock, Chair, Waikato District Health Board