



Status report: May 2022

HOLIDAY ACT REMEDIATION PROGRAMME

National Programme Management Office

31 May 2022

kpmg.com/nz

National Programme Management Office overview

Kia ora koutou,

Increased stakeholder engagement and collaboration have been clear themes over the month of May. The National Programme Management Office (NPMO) is finalising a round of senior stakeholder engagement meetings, having met with most DHB Chief Executives/senior sponsors and unions to discuss HARP. The korero has highlighted a number of topics that the NPMO will work to analyse an address over June.

Other forums have been established or continued to make progress in the month including for the implementation of the national questions and recently released financial liability guidance, the Holidays Act Working Group, and forums to collaborate on payroll systems.

The Holidays Act Working Group has been working hard to resolve the Primary National Questions. The final of the proposed resolutions to outstanding questions are being consulted on prior to submission to the decision making process in June. The Primary National Question outcomes will provide clarity on key aspects of remediation and rectification, removing a long-standing blocker to progress. Weekly DHB meetings are in place to support implementation of the decision outcome.

Attention on project timelines will increase in June. The NPMO will be supporting projects to coordinate the sequencing and timeline of activity, to drive forward the point of delivery and compliance. This will include emphasis on expected timeframes, dependencies and any remaining blockers.

16 of 21 DHBs have completed the first of seven Assurance Framework components and all are expected to be complete by the end of July. 17 have commenced component two. Sequencing of the remaining components will be discussed with projects alongside project timelines.

Components three and four will have a staggered release to account for dependencies on the Primary National Question outcomes. Development of these components is well progressed and will be provided to projects in June and July.

If you would like to contact the NPMO you can email NPMO@kpmg.co.nz or speak with your Relationship Manager.

Ngā mihi nui

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NPMO themes status update

May 2022 update from the NPMO on the actions identified from the October 2021 current state assessment report and through programme issue and risk monitoring.

Theme	Update	Theme	Update
1. National programme governance <i>Source: CSA</i>	<ul style="list-style-type: none"> — The tri-partite national programme governance decision making process is in place consisting of the DHB Chairs' sub-committee (DHBCC), Employment Relations Governance Group (ERGG) & Health Sector Relationship Agreement group (HSRA). — The next focus area is the inclusion of Health New Zealand and reflecting sector change in the process. 	6. Payroll system rectification <i>Source: CSA</i>	<ul style="list-style-type: none"> — The NPMO has set up private channels in Collaboration Hub for DHBs who have the same payroll vendor as a forum to share learnings and findings around testing of solutions, system development and issues management. — Schedule meetings with DHB payroll vendor user groups have started with the purpose of enhancing collaboration across DHBs. — The NPMO plans to meet with payroll vendors again in July 2022 after similar meetings earlier this year focused on delivery and timeframes.
2. National queries <i>Source: CSA</i>	<ul style="list-style-type: none"> — Timelines for the remaining primary national questions have been updated. A one-off HSRA meeting will be convened on 22 June 2022 to finalise the matters. — Weekly meetings are underway to support DHBs to understand and apply the decision outcomes. — The process for sharing approaches with the Labour Inspectorate is being finalised, consistent with the joint statement of involvement released in May 2022. 	7. Approach to financial estimates <i>Source: CSA</i>	<ul style="list-style-type: none"> — Weekly meetings have commenced to support DHBs with the implementation of the final financial liability estimate guidance. — DHBs were expected to provide implementation plans to the NPMO by 31 May 2022 however we are still waiting for some to be received. These plans were to include timeframes, date at which they will do the calculation and methods of estimation. Relationship Managers will be working with DHBs to obtain the plans. — Expectations for subsidiary letters of comfort have been clarified by MoH.
3. DHB processes and resourcing <i>Source: CSA</i>	<ul style="list-style-type: none"> — The NPMO is working with Joanne Fulton, Programme Manager, Canterbury & West Coast DHBs as the DHB sponsor for this work. — Auckland Metro has hired a Change Manager to support with creating common tools and templates for DHBs, with the intention that this resource will be extended when DHBs move into HealthNZ. Elizabeth Jeffs, Director Human Resources, Counties Manakau, intends to provide clarity and further communication to DHBs around this. NPMO will work closely with Auckland Metro to support the DHBs to create and share resources at a national level. 	8. Labour inspectorate involvement <i>Source: CSA</i>	<ul style="list-style-type: none"> — The NPMO has been working with representatives of the Labour Inspectorate and Ministry of Health to discuss the involvement of the Labour Inspectorate in HARP. — The Labour Inspectorate and Ministry of Health release a joint statement in May 2022 outlining how the Inspectorate can be engaged and involved going forward. Engagement will focus on national matters and is being implemented throughout June 2022.
4. Requirement for consistency <i>Source: CSA</i>	<ul style="list-style-type: none"> — The NPMO has consulted on approaches to consistency and is drafting a communication for the programme in June 2022. — Where required, the NPMO will continue to work to address areas of material inconsistency and report these through existing channels for resolution. 	9. Health sector reform <i>Source: Issues and risk: February 22</i>	<ul style="list-style-type: none"> — DHBs are increasingly highlighting the risk of health sector reform uncertainty. — The NPMO is working with the PMG and HNZ to identify opportunities to engage more closely with the transition and understand what, if any, impacts this will have on HARP in the short, medium and long term. — Engagement with HNZ is currently monthly and is expected to continue frequently as the transition approaches, including in relevant governance forums.
5. National portal <i>Source: CSA</i>	<ul style="list-style-type: none"> — Auckland Metro is leading development of the former employees portal with EY. — Deep-dive sessions are underway with the sub-group members and external vendor. Union engagement is expected to commence shortly. — DHB workshop dates are expected to be defined in July 2022 with development following. — Regular updates are available for projects at the Monthly Project Leads meeting. 	10. Assurance <i>Source: Issues and risk: February 22</i>	<ul style="list-style-type: none"> — DHBs and MoH gain a degree of assurance from arrangements which are already in place but risks and gaps have been highlighted. — In engagement with Audit NZ during February 2022, they indicated that their audit of Holidays Act calculations will occur during their regular audit activity, rather than prior to payments being made. — The NPMO is working with MoH to agree solutions to explore with a decision expected to be communicated in June.

Primary National Questions status

Expected decision making timeframes for the primary national questions.

The table below provides a status of the 12 primary national questions and an indication of timelines to resolution. Note:

- There are 14 National Questions of which 2 have been consolidated into issue #7.
- Timeframes may be subject to change and dates marked ^ are for confirmation.

#	Deliverables	Remed. Or Rect.	HAWG	DHBCC	ERGG	HSRA	Notify DHBs	Status update
7	RMO - Transfer of leave balances between crown entities (RMO Transfers) - RMO – future process	Both	-	17 June 22	June^	22 June 22	24 June 22	Underway
8	Regular Overtime	Both	Underway	17 June 22	June^	22 June 22	24 June 22	Underway
9	Conversion of hours to weeks	Rectification	Underway	17 June 22	June^	22 June 22	24 June 22	Underway
10	What is a week implementation plans	Rectification	Underway	N/A	N/A	N/A	N/A	Implementation plans being developed
11	PAYG Employees	Both (largely rectification)	Underway	17 June 22	June^	22 June 22	24 June 22	Underway
12	Multi-jobbers	Both	Underway	17 June 22	June^	22 June 22	24 June 22	Underway

With DHBs for implementation: 1 Gross earnings for AL and ADP, 2 Leave cash-up, 3 Termination calculations, 4 Leave without pay (LWOP) – reduce divisor or move anniversary date, 5 Once per pay period allowances - offsetting allowances paid weekly, 6 Continuous Leave.



















Programme dashboard

A high-level overview programme status. Detailed breakdowns of individual DHBs can be found further into this report.

STATUS SNAPSHOT As at 31 May 2022

The below highlights the status of where DHBs are at across key areas.

*1 Project on hold

	 On track	 Potential concerns	 Significant concerns
1. Resourcing	 7(7)	 6(5)	 2(3)
2. External Stakeholder Engagement	 14(14)	 1(0)	 0(1)
3. Project Management, Governance & Oversight	 14(14)	 1(1)	 0(0)
4. Timeline	 0(0)	 15(15)	 0(0)
5. Project plans	 10(8)	 6(7)	 0(1)

Additional information on the above areas:

The status of DHB Project plans have been included in the monthly report to reflect the existence and currency of a plan. This reflects an increased focus on timeframes aligning with the resolution of national blockers including the national questions and resourcing difficulties.

RISKS AND ISSUES As at 31 May 2022

The items below represent the top four common risk/issue trends identified by DHB projects.

Project Risk	Commentary
National Queries	<ul style="list-style-type: none"> Questions are progressing through the updated national governance decision making process despite challenges with capacity and access to the SMEs. The NPMO and third party providers are supporting with the analysis required to facilitate effective consultation and decision making. A detailed status is on page 4.
Resource Capacity	<ul style="list-style-type: none"> On-going challenges balancing BAU work requires commitments for ongoing project availability and pandemic impacts are being managed at a local level.
Understanding of timelines	<ul style="list-style-type: none"> Current Primary National Question timeframes have been provided to inform planning, RMs will work with DHBs to update plans.
Labour Inspectorate Involvement	<ul style="list-style-type: none"> A joint MoH and Labour Inspectorate statement on involvement has been released. The NPMO is coordinating LI review of the National Questions.

LIABILITY AND EMPLOYEES

\$1.5bn

Total estimated liability

270k
(258k)

Total estimated past and current employees

NATIONAL QUERIES As at 31 May 2022

Status of National Queries

- The current focus for resolution is on 12 the primary national questions (were 14 but 2 have been consolidated).
- Implementation plans for 'what is a week' are being developed at DHBs.
- Weekly meetings are in place to support DHB with implementation of the resolved issues.
- Resolution for outstanding questions (includes other questions outside of the national primary questions) are underway, being reviewed and analysed prior to preparation for submission to the decision making process in June 2022.
- There are other national questions which are being reviewed for preparedness and will be resolved after the primary questions. Several of these are payroll related issues rather than Holidays Act specific matters.

8 of 12






















Primary national queries submitted for decision

Submitted last period: 0

Submitted YTD: 8





ASSURANCE FRAMEWORK PROGRESS As at 31 May 2022

16 DHBs have completed Component one. All remaining DHBs are scheduled to complete by 30 July. Two additional DHBs started Component two in May 2022.

Component	Complete	Underway	Not started	Actions	
				Open	Complete
1. Compliance assessment	 16	 3	 2	0	0
2. Data collection, cleansing & validation	 0	 17	 4	0	0
3. Remediation methodology	 0	 0	 21	0	0
4. Rectification methodology	 0	 0	 21	0	0
5. Approach to liability calculation	 0	 0	 21	0	0
6. Payment processing	 0	 0	 21	0	0
7. Wash-up arrangements	 0	 0	 21	0	0

Programme dashboard

This overview shows the status at reporting date of each project. Detailed summaries are located in Section 2 of this report.

-  On track / revised project plan provided
-  Potential concerns / initial project plan provided
-  Significant concerns / no project plan provided
-  Direction of change from prior month

	Tranche 1			Tranche 2					Tranche 3			Tranche 4				
	Northland	Auckland Metro	Bay Of Plenty	MidCentral	Nelson Marl.	Tairāwhiti	Waikato	Whanganui	Canterbury & West Coast	Wellington Region	Hawkes Bay	South Canterbury	Lakes	Southern	Taranaki	NZ Blood
Resourcing																(On hold)
External Stakeholder Engagement																(On hold)
Project Management, Governance and Oversight																(On hold)
Timeline																(On hold)
Project plan																

Programme timeline overview

PHASE 1: REVIEW PROCESS

- DHBs conduct system review to validate and review key payroll compliance issues.
- Employers report back of testing outcomes and recommendations.

Silver milestones

1.1 Compliance assessment completed (Framework ref: 1)

- Independent auditor appointed by DHB.
- Agree methodology aligns to the MoU, Baseline Document and Framework for local DHBs.
- System configuration testing performed.
- Compliance issues identified.
- Findings and recommendations reported.

Gold milestone

- DHB payroll systems tested against the baseline.

PHASE 2: RECTIFICATION PROCESS

- Employer rectifies breaches identified and any further breaches.
- May include process changes around payroll systems to ensure entitlements are received moving forward.

Silver milestones

2.1 Future operation of DHBs payroll processes compliant with legislative and contracted commitments (Framework ref: 4)

- Rectification approach designed.
- Ongoing breaches mitigated.
- Plan to prevent ongoing non-compliance developed.
- Reconfiguration needed and payroll processes documented.
- Rectification results tested and validated.
- Objective, internal monitoring programme to assure processes are consistently applied post rectification developed by DHB.
- Ongoing training and education programmes to identify future non-compliance and issues established.

Gold milestone

- Fixed any identified issues of non-compliance in the DHB payroll system.

PHASE 3: REMEDIATION

- DHBs calculate arrears owed to all in-scope current and past employees from 1 May 2010.
- Calculate entitlements and payments sequentially by date.
- Provide Labour Inspector with list of affected employees and arrears owed to them.
- Estimation approach may be used.

Silver milestones

3.1 DHBs have complete and reliable set of data (Framework ref: 2)

- Requisite data prepared for testing by DHB
- Data extracts show complete and accurate record of payments and calculations.
- Data reviewed and validated by DHB.

3.2 Remediation methodology approved (Framework ref: 3)

- DHBs have representative sample to identify breaches to tailor their remediation methodology.
- Adjustments required from 1 May 2010 up to the point of rectification identified and considered in methodology.
- Remediation methodology documented by DHB.
- Data required to undertake remediation identified and any gaps accounted for.
- Impact of each breach quantified.
- Review of calculations prior to making payments arranged by DHB.

3.3 Robust and consistent calculation approach in place (Framework ref: 5)

- Recalculation model validated.
- Model testing and quality assurance performed by independent auditor.
- Alternative approaches applied where needed and re-testing performed.

- Recalculation approach approved.
- Remediation and rectification activities adequate to accurately calculate liability.

3.4 Effective and sustainable payment processes implemented (Framework ref: 6)

- Robust controls to verify the identify of employees implemented.
- Employees and/or their representatives are proactively engaged and informed by DHB.
- Consistent registration process established.
- Process to retain unclaimed monies for five years in effect.

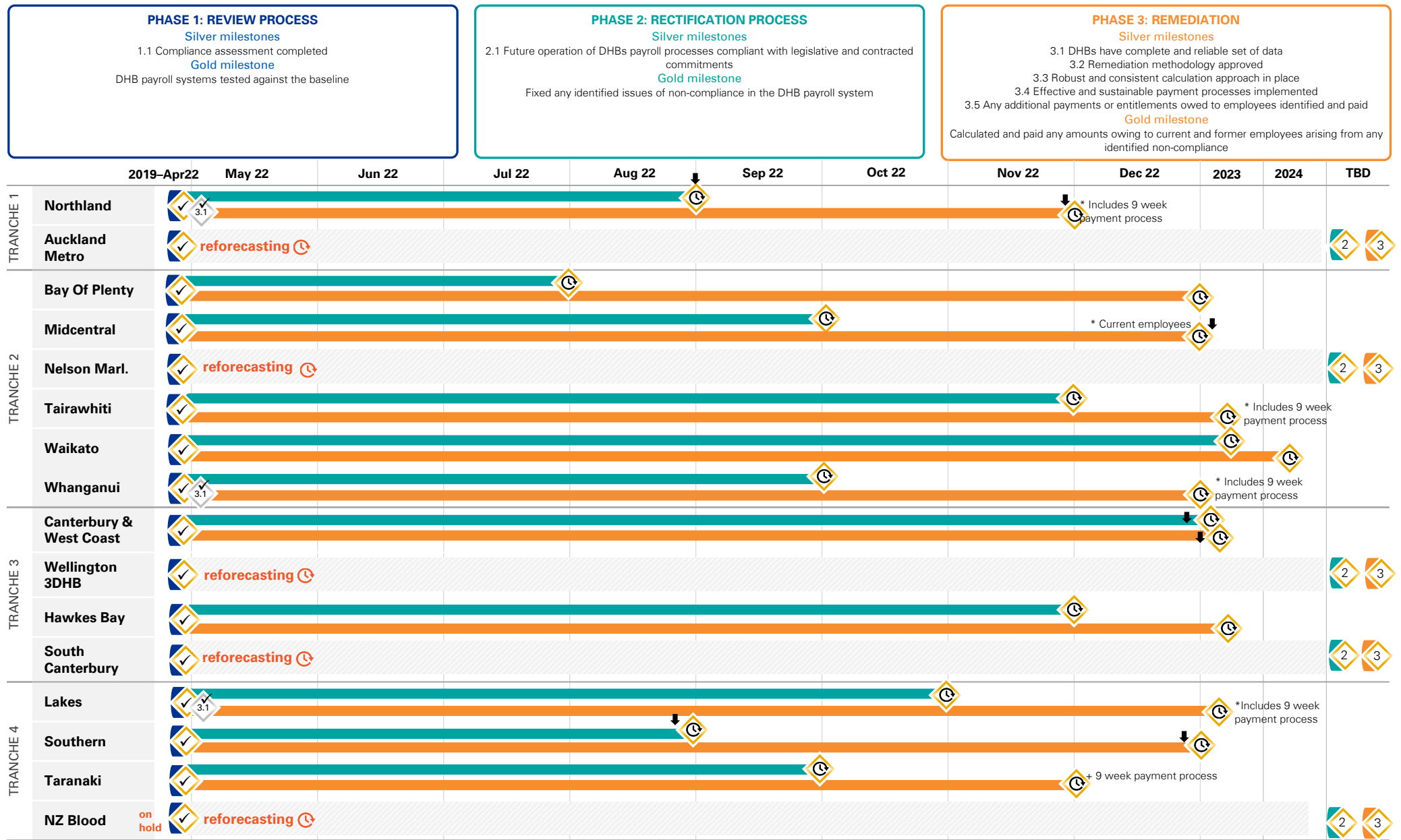
3.5 Any additional payments or entitlements owed to employees identified and paid (Framework ref: 7)

- Data reviewed, gaps identified and resolved.
- Necessary adjustments are made to calculated gross earnings and payroll records.
- Remediation methodology applied.
- Employees and/or their representatives are proactively engaged and informed by DHB.

Gold milestone

- Calculated and paid any amounts owing to current and former employees arising from any identified non-compliance.

This timeline overview presents estimates at 31 May 2022. Timeframes are variable and subject to change.



KEY: Ⓢ = Silver milestone Ⓢ = Gold milestone ✓ = Complete Ⓢ = Progress impacted ⬆️ = Change to prior month

Detailed DHB project summaries



Northland

OVERVIEW OF PROJECT STATUS

PHASE: **Review** **Rectify** **Remediate**

✓ Nov 2019 ⌚ Aug 22 (Jul 22) ⌚ Nov 22 (Oct 22)

	Resourcing	Stakeholder	Project	Timeline	Plans
This month	✓	✓	✓	⌚	✓
Last month	✓	✓	✓	⌚	✓

Project overview

The DHB is working towards the completion of the rectification and remediation calculations at the end of August 2022. At the same time they will be ready to apply for the payment process, aiming to start remediation payments in November 2022, following the 9-week payment release process. These timelines remain dependant on receiving answers to the remaining national questions in June 2022 and the release of Assurance Framework components 3-5 which are impacted by the national questions.

The DHBs Service Manager Operations People and Capability has resigned and their last day will be 10 June. This is not expected to affect the current timelines as they will return as a contractor for HARP.

The DHB notes that they will be following a staggered approach with three other DHBs as they all share the same Project Manager.

The majority of the key tasks planned are ongoing and in preparation for the Go-Live weekend at the end of August.

Key tasks completed

- In preparation to complete the project, a re-run of the remediation calculations including update of financial liability provisions and retesting of rectification processes will be ongoing.
- Capture of additional data to support remediation calculations. Ongoing.
- Testing for remediation calculation reruns at month end. Ongoing.

Key tasks planned

- Ongoing updates for new Sick Leave legislation. Expect this will continue until July 2022 as it is a manual process.
- Running and review of remediation calculations. Ongoing.
- 'What is a week' implementation plan. June 2022.
- Calculation of financial liability provision based on end of financial year data. July 2022.

△	Not started	✓	Complete	🟢	On track
(#)	Change on prior month	⌚	Progress impacted	🟡	Potential concerns
		🚧	Underway	🔴	Significant concerns

KEY PROJECT RISKS, ISSUES AND BLOCKERS

Item	Mitigation/plan	Status
Continued delay in getting answers for National Questions. (Issue)	Issue raised and escalated by NPMO in the National CSA report.	Open
Lack of clarity about role and involvement of Labour Inspectorate. (Issue)	Requested more visibility of process and timeframe for clarification.	Closed
Lack of clarity about time and resource requirements to complete Assurance Framework. (Risk)	Requested more visibility of each step to enable resource planning and scheduling to support the process.	Open
Resourcing challenges due to Covid. (Issue)	Have been using contractors and tight project management.	Open
The DHB is concerned about the lack of formalised processes to achieve consistency and what is the definition of "National Consistency". (Issue)	To be resolved at National level.	Open

ASSURANCE

Component	One	Two	Three	Four	Five	Six	Seven
Status	Complete	Underway	Not released	Not released	Not released	Not started	Underway
Start date	Nov 2021	Nov 2021	-	-	-	-	Apr 2022
Finish date	Nov 2021	-	-	-	-	-	-
Open actions	Zero	-	-	-	-	-	-

PROJECT INFO

Project Manager	Rachel Sutton	Employee numbers	3,921 current employees and 4,300 terminated employees as at 26 April 2022
Remediation partner	Internal	Payroll provider	Ceridian

Auckland Metro

△	Not started	✓	Complete	🟢	On track
(#)	Change on prior month	🕒	Progress impacted	🟡	Potential concerns
		🔄	Underway	🔴	Significant concerns

OVERVIEW OF PROJECT STATUS

PHASE: Review Rectify Remediate

✓
Mar 2022
🕒
Reforecasting
🕒
Reforecasting

	Resourcing	Stakeholder	Project	Timeline	Plans
This month	🟢	🟢	🟢	🟡	🟡
Last month	🟢	🟢	🟢	🟡	🟡

Project overview

Auckland Metro needs to sequence and integrate the remediation and rectification plans. This is expected to be approved by the Steering Committee in June 2022.

Auckland Metro has highlighted to the NPMO potential concerns on the impact of both the remediation and rectification progress. Remediation is impacted by the pending national questions and the overall programme plan not being finalised. Rectification is impacted by 3 of the pending national questions (conversions of hours to weeks, casual and multi-jobbers), however, the revised draft plan is nearing completion.

Key tasks completed

- Detailed timeline of activities for programme plan has been developed. Workshops are underway to clarify sequencing and integration including the determination of Day one processes.
- EY version two remediation modelling is progressing as per plan.
- Rectification unit testing is in progress.
- HR Analyst backfill for resignation started on 30 May 2022.
- Two Payroll Analysts have been appointed with a start date of 20 June 2022.
- Two papers have been submitted to governance groups for national approval – multi jobbers and Notional Public Holidays.

Key tasks completed

- Approval for a new instance of Leader Payroll for Health Source has been given by Steering Committee.
- Stakeholder Register has been updated and engagement with individual Unions has commenced.

Key tasks planned

- Finalisation of integration and sequencing of the programme plan.
- Workshops to work through Day one scenarios for new Health Source (SSC) payroll and ADHB.
- EY version two model validation is in progress at various stages for individual models.
- Rectification unit testing is ongoing.
- Leader development and issue resolution is ongoing. Details of these are being shared with AMS users via the NPMO CollaborationHub.
- Discussion papers for key issues are being developed – ‘What is a week’, conversion of hours to weeks, 2086 vs 2080 implementation and PAYG.
- Development of draft Change Management Strategy and Stakeholder Engagement plan is in progress.
- Recruitment for two Payroll Analysts, Change Consultant and Visual Communication Specialist roles.

KEY PROJECT RISKS, ISSUES AND BLOCKERS

Item	Mitigation/plan	Status
Added challenges with data due to the complexity of seven separate entities that have previously been run independently. (Issue)	Recurring item to discuss each month to ensure no issues or setbacks.	Open
Due to the size and complexity of the Auckland Metro project a payment date of November 2022 is not achievable. (Issue)	A 90-day plan has been developed to target the focus while detailed planning is in progress.	Closed
Delay in getting answers to national questions is impeding development of solutions. (Issue)	Detailed planning is underway to determine activities to redefine timeline which will be finalised when we have the required answers.	Open
Talks at national level that solutions to breaches need to be consistent across DHBs. We do not know what that entails. Auckland Metro has documented solutions for breaches that have been accepted by MBIE. (Risk)	Get early indication from the HAWG group	Open
It is unclear what level of scrutiny will be required by Treasury or AG to confirm remediation calculations. (Risk)	Engage with the authorities early and ensure that process is well understood, documented and agreed at a national level. NPMO Assurance Framework will define the audit requirements	Open
The funding costs being built up are based on the best knowledge at this point in time. The DHBs have indicated that they do not have the funding to carry out this work and will need to get it from the Ministry. How much of the budget will be approved is currently unknown (Risk)	Ensure that budget is properly tracked and reported Detailed forecast to be produced once detailed plans are available	Open

ASSURANCE

Component	One	Two	Three	Four	Five	Six	Seven
Status	Complete	Not started	Not released	Not released	Not released	Not started	Not started
Start date	Jan 2022	-	-	-	-	-	-
Finish date	Mar 2022	-	-	-	-	-	-
Open actions	Zero	-	-	-	-	-	-

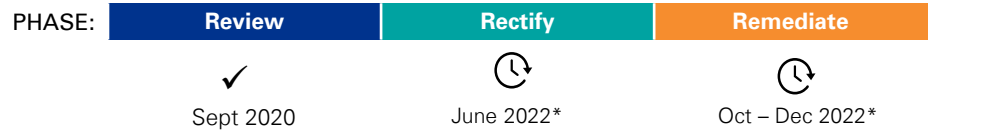
PROJECT INFO

Project Manager	Nick Kemp	Employee numbers	33,329 existing and 80,123 terminated staff as at 23 May 2022
Remediation Partner	EY	Payroll provider	AMS Leader

Bay of Plenty

△	Not started	✓	Complete	🟢	On track
(#)	Change on prior month	🕒	Progress impacted	🟡	Potential concerns
		🚧	Underway	🔴	Significant concerns

OVERVIEW OF PROJECT STATUS



	Resourcing	Stakeholder	Project	Timeline	Plans
This month	🕒	🟢	🟢	🕒	🟢
Last month	🕒	🟢	🟢	🕒	🟢

Project overview

Recruitment is underway for a new Project Manager. The Change Manager is continuing to act as Project Manager while a new resource is recruited. They are working closely with the Payroll Manager and IT Manager to progress remediation and rectification work independently of the national resolutions.

The remediation scripting and data extraction work is progressing well and testing new functionalities in HAC compliant PSe version has started.

The change management plan and impact analysis on HAC issues are in progress but dependent on resourcing constraints while the PM role is vacant. Timings for this are estimated to be provided at the 29 June Steering Committee.

A meeting was held with the NPMO to discuss requirements for Assurance Framework component 2. Some outstanding information to be provided in June to finalise.

The Payroll team continues to have staffing issues and the DHB is unsure on how this may impact the timings for the Microster upgrade. A Microster SME has been recruited to support this.

A HR Business Partner has been approved to be allocated to the project to support the roll out of the project across the business – recruitment is continuing for this position.

*Rectification and remediation dates have been estimated based on tasks that can be completed independently of national questions. The DHB is waiting on responses for salary smoothing, RMO transfers and what is a week.

Key tasks completed

Rectification

- National papers for what is a week, multi jobs and notional public holidays have been reviewed and commentary being provided to the national forum.
- Solutions for non-compliant issues (non-national) had been identified and reviewed by the union partners.

Remediation

- Continuing to work on remediation scripting, BAPSF, ANLVE and Final Pay Scripts are at the final stage. Additional testing has revealed further issues which are being worked through.
- Remediation Calculation Explanation document has been completed and was provided to Steering Group for information.
- Payroll SMEs continuing to testing remediation calculations on wider sample sizes to work through any issues.
- Extracting historical data from PSE, Microster databases and preparing for remediation calculation on track for a full population remediation test run from 1 May 2010 to 31 March 2022.

Working through financial liability estimates to provide an update to Board, which currently is believed to be understated.

Key tasks planned

- Develop a change network within the DHB to support the roll out of the HAC project to implement change activities across key stakeholders at the DHB.
- Continue data prepping and remediation testing and develop remediation scripts and testing - June 2022.
- Work with PSe/Ceridian to develop system requirements.

KEY PROJECT RISKS, ISSUES AND BLOCKERS

Item	Mitigation/plan	Status
Concerns around the unknown implications of HealthNZ. (Risk)	To be resolved at National level.	Open
Delays in resolving the National Questions (3 specifically: RMO transfer, multi-jobbers and WIAW) are impacting timelines and the development of solution designs. (Issue)	Discussions being held with sponsor and project owner to discuss feedback on implementation plans for national questions.	Open
The national portal for communication and registration is delaying remediation tool requirement decisions and development. (Issue)	Aligning to Auckland Metro region which has assigned a resource to support setting up the ex-employees' registration portal, first meeting, and a product demo completed.	Open
Concerns regarding ongoing support from the Labour Inspectorate and the associated sign off process on compliance. (Issue)	LI joint statement confirming future involvement has been released to DHBs.	Closed
The inconsistency of national communications, national governance structures and progress updates makes forward planning difficult. (Issue)	To be resolved at National level. WIAW session helps with consistency and understanding national questions.	Open
There are some concerns regarding a lack of internal stakeholder engagement due to competing time pressures (Issue)	Project steering group continues to brief key internal stakeholders.	Open

ASSURANCE

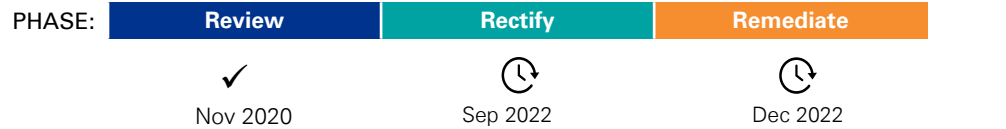
Component	One	Two	Three	Four	Five	Six	Seven
Status	Complete	Underway	Not released	Not released	Not released	Not started	Not started
Start date	Oct 2021	Jan 2022	-	-	-	-	-
Finish date	Nov 2021	-	-	-	-	-	-
Open actions	Zero	Zero	-	-	-	-	-

PROJECT INFO

Project Manager	TBC. Jane Robertson (change Manager) acting as interim PM.	Employee numbers	4,200 current employees and 4,840 terminated employees at September 2021.
Remediation partner	Internal	Payroll provider	PSe – Ceridian

	Not started		Complete		On track
	Change on prior month		Progress impacted		Potential concerns
			Underway		Significant concerns

OVERVIEW OF PROJECT STATUS



	Resourcing	Stakeholder	Project	Timeline	Plans
This month					
Last month					

Project overview

Solution documents remain awaiting national decisions and compliance review. On the expectation that any alignment with national decisions would require minimal changes to the solution documents, the DHB expects the specifications could be updated and re-estimated within one month of the national questions being finalised.

Design specifications for changes to Microster, have been discussed and agreed. The DHB is waiting on Microster providing the statement of work with estimate of costs in order to proceed.

The DHB have received the implementation timelines for rectification from Ceridian (Ascender) and aligned the project plan. Updates to the system will commence mid June, and are on track to be delivered by mid July 2022.

A new appointment has been made to support with remediation testing, and other project tasks as required. To commence the role at the beginning of June.

Key tasks completed

- Testing of the upgraded PSe environment. End of May 2022 on track.
- Change specifications agreed for Microster. May 2022 on track.
- Change specifications and timeline agreed for Ceridian (Ascender) rectification. May 2022 on track.
- Resourcing requirements fulfilled. May 2022.

Key tasks planned

- Commence working on business process changes required for rectification, some in conjunction to changes with PSe and other business processes. June/July 2022, on track but subject to national questions.
- Timeline may require review, dependant on Microster development dates and national questions being answered. June 2022.
- Review of EY feedback on the methodologies and assumptions. April 2022 ongoing (three items outstanding to clarify)

KEY PROJECT RISKS, ISSUES AND BLOCKERS

Item	Mitigation/plan	Status
Continued delay in resolution of the National Questions. (Issue)	Issue raised and escalated by PMO in the National CSA report.	Open
Lack of formalised processes, clarity of roles, and responsibilities of national programme groups. (Issue)	Issue raised and escalated by PMO in the National CSA report.	Open
Compliance review of solution options delayed due to Labour Inspectorate withdrawing support to DHB's. (Issue)	Issue raised and escalated by PMO. The labour inspectorate will review some of the compliance requirements including answers to the national questions, providing some level of assurance, however not full assurance.	Open










ASSURANCE

Component	One	Two	Three	Four	Five	Six	Seven
Status	Complete	Underway	Not released	Not released	Not released	Not started	Not started
Start date	Nov 2021	Jan 2022	-	-	-	-	-
Finish date	Nov 2021	(Apr 22)	-	-	-	-	-
Open actions	Zero	-	-	-	-	-	-

PROJECT INFO




Project Manager	Wayne Mason	Employee numbers	8,086 current and terminated employees as at 30 June 2021
Remediation partner	EY	Payroll provider	Ceridian











Nelson Marlborough

	Not started		Complete		On track
	Change on prior month		Progress impacted		Potential concerns
			Underway		Significant concerns

OVERVIEW OF PROJECT STATUS

PHASE: Review Rectify Remediate

 Sept 2020
  TBC
  TBC

	Resourcing	Stakeholder	Project	Timeline	Plans
This month					
Last month					

Project overview

The DHBs project focus has continued to be on planning and setup as opposed to project delivery. The DHB has revitalised their connections with EY and AMS, commenced recruitment activity and they have started to refresh their project plans.

The DHB has a new Project Manager – Laurie Biesiek. He has worked on the project over the last 18 months so has a good handle on the project status.

The DHB has advised that they will share updated project plans and timelines with the NPMO in June.

Key tasks completed

- Commenced Project Team recruitment activity. The DHB is advertising for a Project Administrator. The DHB is determining whether to internally resource a Payroll Specialist and HR Specialist into the Project Team or externally advertise for those roles. The DHB is planning to collaborate with other DHBs to get support with data and payroll system testing.
- Continued to collaborate with Auckland Metro, Hawkes Bay and South Canterbury to understand how they can work together and leverage off each others work.
- Reconnected with EY and AMS.
- Started to refresh project plans.

Key tasks planned

- Continue with recruitment activity.
- Continue to collaborate with Auckland Metro, Hawkes Bay and South Canterbury to leverage off each others work.
- Reconvene Steering Committee meetings (an internal meeting and does not involve Unions). The DHB plans to schedule a meeting with the full Steering Committee (including Unions) when project delivery commences.
- Finalise the engagement process of a partner for the remediation phase of the project in June. The DHB planned to complete this in May - this has been moved to June so that the DHB can seek the Steering Committee’s endorsement of their remediation partner.
- Finalise updated project plans and share with the NPMO in June.
- Complete Assurance Framework component one.

KEY PROJECT RISKS, ISSUES AND BLOCKERS

Item	Mitigation/plan	Status
AMS Leader’s ability to deliver a compliant payroll system in a timely manner. (Risk)	AMS proactively engaging with NPMO to demonstrate approach to managing risk and provide comfort. The DHB is also collaborating with other DHBs using AMS to mitigate this risk.	Open and updated
Insufficient capacity within the current Project Team to deliver the project. (Issue)	The DHB has commenced recruitment activity.	Open and updated
Continued delay in getting answers for National Questions. (Issue)	To be resolved at National level.	Open
The DHB is concerned about the lack of formalised processes to ensure that DHBs are cohesive and consistent in their approach and the ability to achieve consistency. (Issue)	To be resolved at National level.	Open
Ability to address non-compliance issues only whilst maintaining compliance with MECAs. (Issue)	The DHBs Employee Relations contractor is working through this issue.	Open
Lack of formalised structure for Labour Inspector approvals/endorsements. (Issue)	To be resolved at National level.	Closed

ASSURANCE

Component	One	Two	Three	Four	Five	Six	Seven
Status	Underway	Not started	Not released	Not released	Not released	Not started	Not started
Start date	Nov 2021	-	-	-	-	-	-
Finish date	-	-	-	-	-	-	-
Open actions	-	-	-	-	-	-	-

PROJECT INFO

Project Manager	Laurie Biesiek (Karen Lindsay)	Employee numbers	c.8,000 current and terminated employees as at September 2021
Remediation partner	EY	Payroll provider	AMS Leader

PHASE: **Review** **Rectify** **Remediate**

✓ Aug 2021 ⌚ Nov 2022 ⌚ Feb 2023

	Resourcing	Stakeholder	Project	Timeline	Plans
This month	⌚	✓	✓	⌚	✓
Last month	⌚	✓	✓	⌚	✓

Project overview

The DHB is working towards the completion of the rectification and remediation calculations at the end of November 2022. At the same time they will be ready to apply for the payment process, aiming to start remediation payments in February 2023, following the 9-week payment release process. These timelines remain dependant on receiving answers to the remaining national questions in June 2022 and the release of Assurance Framework components 3-5 which are impacted by the national questions.

The DHB notes that they will be following a staggered approach with three other DHBs as they all share the same Project Manager.

The 9-week payment process is currently scheduled to fall over December. The DHB is aware that the current timelines for remediation may be delayed due to the Christmas period.

The majority of the key tasks planned are ongoing and in preparation for the Go-Live weekend at the end of November.

Key tasks completed

- Development of the extract scripts. May 2022.
- Testing the extract scripts. May 2022.

Key tasks planned

- Testing of remediation calculations. Ongoing until completion of the project.
- Calculation of financial liability provision based on end of financial year data. July 2022, on track.
- Employment of additional project resource. Ongoing, delayed from January 2022.
- Commence review of rectification processes. May 2022, on track.
- Deployment of employee self service kiosk. Ongoing.
- 'What is a week' implementation plan. June 2022.

△	Not started	✓	Complete	✓	On track
(#)	Change on prior month	⌚	Progress impacted	⌚	Potential concerns
		⚡	Underway	!	Significant concerns

Item	Mitigation/plan	Status
Size and capacity of the Project Team. (Issue)	Recruiting two to three additional FTEs and using the payroll vendor to complete particular items of work.	Open
Continued delay in getting answers for National Questions. (Issue)	To be resolved at National level.	Open
Lack of clarity about role and involvement of Labour Inspectorate. (Issue)	Requested more visibility of process and timeframe for clarification.	Closed
Lack of clarity about time and resource requirements to complete Assurance Framework. (Issue)	Requested more visibility of each step to enable resource planning and scheduling to support the process. To be resolved in June.	Open

Component	One	Two	Three	Four	Five	Six	Seven
Status	Complete	Underway	Not released	Not released	Not released	Not started	Underway
Start date	Nov 2021	Apr 2022	-	-	-	-	Apr 2022
Finish date	Apr 2022	-	-	-	-	-	-
Open actions	Zero	-	-	-	-	-	-

Project Manager	Rachel Sutton	Employee numbers	c.1,200 current and c.1,500 terminated employees
Remediation partner	Internal	Payroll provider	Ceridian

Waikato

OVERVIEW OF PROJECT STATUS

PHASE: Review Rectify Remediate

✓
Aug 2021
🕒
April 2023
🕒
May 2024

	Resourcing	Stakeholder	Project	Timeline	Plans
This month	✓	✓	✓	🕒	✓
Last month	✓	✓	✓	🕒	✓

Project overview

The Holiday Act Rectification project will be on Information Systems-led project. The Information Systems Project and Programme managers have been appointed to deliver system rectification. Furthermore, the DHB has appointed a Payroll Holidays Act Lead, commencing mid-June. The DHB has seconded current payroll and Information Systems team members from BAU tasks to the Holidays Act project team and are actively recruiting for other vacancies.

Current timelines indicate rectification will be completed April 2023 and remediation will be completed May 2024. The rectification timelines were developed in conjunction with Deloitte (PeopleSoft system support partner) and they are dependant on the remaining national questions being answered in June 2022. The remediation timelines were developed in conjunction with EY and is dependent on estimated time to complete each milestone in the remediation phase.

Discovery sessions have commenced with the payroll system support partner, Deloitte and assurance partner, EY. To be held weekly, over a 6-8 week period which will determine system configuration changes needed to support rectification.

Key tasks completed

- Recruitment – New appointment made May 2022.
- System rectification discovery phase underway (6-8 weeks) with Deloitte – May 2022 Ongoing
- BAU Payroll team members have been seconded to Holidays Act Project.

Key tasks planned

- Data extracts currently being validated by Waikato DHB payroll analyst - June 2022.
- Analysis of options for rectification of areas of non-compliance in line with outcomes from National Questions – Ongoing.
- Recruitment to vacancies of roles within teams that will be supporting the Holidays Act work - ongoing.
- Finalise business requirements for rectification. May - July 2022.
- Calculation of financial liability provision based on end of financial year data - ongoing.

- △ Not started
- 🕒 Progress impacted
- 🚧 Underway
- ✓ Complete
- 🕒 Progress impacted
- 🚧 Underway
- 🟢 On track
- 🟡 Potential concerns
- 🔴 Significant concerns

KEY PROJECT RISKS, ISSUES AND BLOCKERS

Item	Mitigation/plan	Status
Awaiting response to remaining National Questions. (Risk)	To be resolved at National level.	Open
Risk that the complexity of solutions required to be implemented, requiring process/system/resource changes, would be more difficult than anticipated. (Issue)	Good change management and implementation plans. Have set aside project budget for change management. Hiring additional payroll and IS team members.	Open

ASSURANCE

Component	One	Two	Three	Four	Five	Six	Seven
Status	Complete	Underway	Not released	Not released	Not released	Not started	Not started
Start date	Nov 2021	Nov 2021	-	-	-	-	-
Finish date	Nov 2021	-	-	-	-	-	-
Open actions	Zero	-	-	-	-	-	-

PROJECT INFO

Project Manager	Nicole Burger	Employee numbers	8,376 current and 12,838 terminated employees as at 20 September 2021
Remediation partner	EY and Deloitte	Payroll provider	PeopleSoft

Whanganui

OVERVIEW OF PROJECT STATUS

PHASE: Review Rectify Remediate

	✓ Nov 2019	🕒 Sep 2022	🕒 Dec 2022		
	Resourcing	Stakeholder	Project	Timeline	Plans
This month	🟢	🟢	🟢	🟡	🟢
Last month	🟢	🟢	🟢	🟡	🟢

Project overview

The DHB is working towards the completion of the rectification and remediation calculations at the end of September 2022. At the same time they will be ready to apply for the payment process, aiming to start remediation payments in December 2022, following the 9-week payment release process. These timelines remain dependant on receiving answers to the remaining national questions in June 2022 and the release of Assurance Framework components 3-5 which are impacted by the national questions.

The DHB notes that they will be following a staggered approach with three other DHBs as they all share the same Project Manager.

The 9-week payment process is currently scheduled to fall over December. The DHB is aware that the current timelines for remediation may be delayed due to the Christmas period.

The majority of the key tasks planned are ongoing and in preparation for the Go-Live weekend at the end of September.

Key tasks completed

- Capture of additional data to support remediation calculations. Ongoing.
- Collation of data in preparation for remediation rerun. Ongoing.
- A rerun of the remediation calculations and retest of rectification processes is being undertaken.

Key tasks planned

- Electronic leave and e-timesheets. On-going.
- Capture and analysis of data to support remediation calculation. On-going.
- Automation of shift and on-call leave processing; preparatory work.
- 'What is a week' implementation plan. June 2022.
- Calculation of financial liability provision based on end of financial year data. July 2022.

△	Not started	✓	Complete	🟢	On track
(#)	Change on prior month	🕒	Progress impacted	🟡	Potential concerns
		🚧	Underway	🔴	Significant concerns

KEY PROJECT RISKS, ISSUES AND BLOCKERS

Item	Mitigation/plan	Status
Lack of clarity about time and resource requirements to complete Assurance Framework. (Risk)	Requested more visibility of each step to enable resource planning and scheduling to support the process.	Open
Continued delay in getting answers for National Questions. (Issue)	Issue raised and escalated by NPMO in the National CSA report.	Open
Lack of clarity about role and involvement of Labour Inspectorate. (Issue)	Requested more visibility of process and timeframe for clarification.	Closed
Resourcing challenges due to Covid. (Issue)	Have been using contractors and tight project management.	Open
The DHB is concerned about the lack of formalised processes to achieve consistency and what is the definition of "National Consistency". (Issue)	To be resolved at National level.	Open

ASSURANCE

Component	One	Two	Three	Four	Five	Six	Seven
Status	Underway	Underway	Not released	Not released	Not released	Not started	Underway
Start date	Nov 2021	Nov 2021	-	-	-	-	Apr 2022
Finish date	-	-	-	-	-	-	-
Open actions	-	-	-	-	-	-	-

PROJECT INFO

Project Manager	Rachel Sutton	Employee numbers	1,278 current employees and 1,685 terminated employees as at 31 March 2021
Remediation partner	Internal	Payroll provider	Ceridian

Canterbury and West Coast

	Not started		Complete		On track
			Progress impacted		Potential concerns
	Change on prior month		Underway		Significant concerns

PHASE: Review Rectify Remediate

Nov 2019
 Jan 2023 (Oct 2022)
 Feb 2023 (Dec 2022)

	Resourcing	Stakeholder	Project	Timeline	Plans
This month					
Last month					

Project overview

Project progress has continued to be affected by the resourcing issue. The DHBs plan to manage this issue by shifting from an internal SME resourcing model to bringing in external expertise on a contract basis – the Steering Committee supported this approach in the May meeting.

The DHBs have reviewed their project timelines and refreshed their project plans.

Key tasks completed

- Completed the review of local programme resourcing, refreshed the project plan and started to develop the communication and engagement plan.
- Continued contributing to the National Portal, National Questions and the Payroll Working Group.
- Continued with remediation model testing.
- Continued reviewing recommended endorsed rectification solutions and assessing the impact of the resolved National Questions on those solutions.
- Prepare financial liability estimate guidance implementation plan for submission to NPMO.

Key tasks planned

- Review budget for additional Project Team resources, present to the Steering Committee for approval and commence recruitment activity.
- Finalise the ‘what is a week’ implementation plan in line with national timelines.
- Continue with remediation model testing process and completion of associated testing output collateral.
- Review recommended endorsed rectification solutions and assess the impact of the resolved National Questions on those solutions. The DHBs plan to complete this is July.
- Complete assurance framework component two. The DHBs planned to complete this in May however this has been delayed to June due to competing project priorities.
- Continue contributing to the National Portal, National Questions and the Payroll Working Group.

KEY PROJECT RISKS, ISSUES AND BLOCKERS

Item	Mitigation/plan	Status
Limited capacity within the internal DHB IT Team and Project Team. (Issue)	The DHBs have completed a re-baseline of where the project is at to determine how best to resource the work going forward. The DHBs are in the process of reviewing the budget for additional Project Team resources.	Open and updated
Inability to obtain all historical data. (Issue)	The DHBs are working through an approach to resolve the data gaps with EY.	Open
The temporary reduction of staff due to COVID-19 illness. (Risk)	The DHBs have a COVID-19 Contingency Plan.	Open and updated
Continued delay in getting answers for National Questions. (Issue)	To be resolved at National level.	Open
Lack of formalised structure for Labour Inspector approvals/endorsements. (Issue)	To be resolved at National level.	Closed
Lack of formalised processes to ensure that DHBs are cohesive in their approach, and ability to achieve consistency. (Issue)	To be resolved at National level.	Open

ASSURANCE

Component	One	Two	Three	Four	Five	Six	Seven
Status	Complete	Underway	Not released	Not released	Not released	Not released	Not released
Start date	Nov 2021	Feb 2022	-	-	-	-	-
Finish date	Jan 2022	-	-	-	-	-	-
Open actions	Zero	-	-	-	-	-	-

PROJECT INFO

Project Manager	Jo Fulton	Employee numbers	c.26,000 current and terminated employees at CDHB and c.2,900 current and terminated employees at WCDHB as at September 2021
Remediation partner	EY – review, rectification and remediation	Payroll provider	Ceridian

OVERVIEW OF PROJECT STATUS

2. Detailed DHB project summaries

3DHB (Wellington Region)

Wairarapa (Wr) DHB, Hutt Valley (HV) DHB and Capital & Coast (CC) DHB

△	Not started	✓	Complete	🟢	On track
(#)	Change on prior month	🕒	Progress impacted	🟡	Potential concerns
		🔄	Underway	🔴	Significant concerns

PHASE:	Review	Rectify	Remediate		
	✓ Aug 2020	🕒 TBC	🕒 TBC		
	Resourcing	Stakeholder	Project	Timeline	Plans
This month	🟡	🟢	🟢	🟡	🟡
Last month	🟡	🟢	🟢	🟡	🟡
Project overview		Key tasks completed			
<p>A new Programme Director has been appointed to 3DHB and is steadily working through understanding the existing processes and future requirements.</p> <p>The Project is being reworked to become a Programme led by the Programme Manager with up to four workstreams led by Project Managers or equivalent leadership roles. This is due to the scale and internal complexity of the 3DHB programme of work.</p> <p>Detailed resource planning is underway to qualify resource for the subsequent phases of the Programme. The DHB has designed the resource allocations and work plans on the premise that they will not move delivery timeframes unless absolutely necessary.</p> <p>The existing project teams are actively working on key activities and progress is being made for both the Rectification and Remediation workstreams.</p> <p>The consolidation of WrDHB onto CCDHB systems continues to be assessed to understand complexity and likely effort. A defined workstream for this work and for a subsequent (but not yet confirmed) HVDHB consolidation has been proposed in the programme as a mechanism to accelerate this work.</p> <p>The missing timesheets project for HVDHB continues. The Data Entry Operator team doubled in March 2022, with six new operators added to the team. The enlarged team of twelve operators are now working in in variable shifts.</p>		<ul style="list-style-type: none"> The Programme Director is creating the suite of programme documents (decision processes, risk registers etc.) to support the programme and will share with the NPMO once complete. This includes identifying resource requirements and a robust plan that gives certainty over milestones and timelines. Once this is complete, additional resources will be recruited. For rectification, discussions continue to be held with the partners (EY), payroll managers and payroll vendors to understand current state, issues, blockers and risks. In the last month, the EY remediation team has continued working on model development and testing. A finalised rectification date for all three entities is to be agreed with the Steering Committee. The project underway to scan the paper timesheets for HV is estimated to be complete in October 2022. The programme have established a 3DHB sponsors committee – a formal business decision making body. A TOR for this committee is currently being developed. 			
		Key tasks planned			
		<ul style="list-style-type: none"> Complete project plan with key milestones and provide to NPMO (June 2022) AMS Leader BAU annual upgrade for WrDHB (Apr-Jun 2022). Complete consolidation of WrDHB and CCDHB payroll systems. Complete HVDHB paper timesheets project (Oct 2022). 			

OVERVIEW OF PROJECT STATUS

Item	Mitigation/plan	Status					
Resourcing challenges with SMEs across each DHB, particularly HVDHB. (Issue)	Currently defining what resources are required and when. Work is underway to build up HR capability and capacity to support future changes to policies and processes.	Open					
Consolidation of CCDHB and WrDHB payroll systems delaying rectification of these DHBs (10-12 months). (Issue)	Currently working through delivery options for CCDHB/WrDHB with the Payroll Managers and AMS. Annual release planned for Apr-Jun 2022.	Open					
System upgrades for CCDHB and WrDHB for additional functionality for rectification. (Issue)	AMS upgrades underway as part of BAU.						
PayGlobal: Pre-remediation work at HVDHB, inputting of missing timesheets and data. (Issue)	HVDHB project underway since October 2021 and is estimated to be completed in September 2022. Recruitment for additional resources has increased which is helping to expedite data input completion timeframes. This work is a pre-requisite for the Remediation Stage.						
National Questions to be confirmed and finalised. (Issue)	A timeframe has been submitted by HAWG and this was presented at February's Steering Committee.	Open					
Component	One	Two	Three	Four	Five	Six	Seven
Status	Complete	Underway	Not released	Not released	Not released	Not started	Not started
Start date	Oct 21	Dec 21	-	-	-	-	-
Finish date	Nov 2021	-	-	-	-	-	-
Open actions	Zero	-	-	-	-	-	-
Project Manager	Wayne MacKey, Programme Director (Scott Rogers)	Employee numbers	WrDHB: 771 current and 1,701 terminated employees CCDHB: 7,176 current and 12,008 terminated employees HVDHB: 2,522 current and 5,554 terminated employees As at February 2022				
Remediation partner	EY	Payroll provider	AMS Leader at CCDHB & WrDHB and PayGlobal supported by Fusion 5 at HVDHB.				

KEY PROJECT RISKS, ISSUES AND BLOCKERS

ASSURANCE

PROJECT INFO

Hawkes Bay

	Not started		Complete		On track
	Change on prior month		Progress impacted		Potential concerns
			Underway		Significant concerns

OVERVIEW OF PROJECT STATUS

PHASE:	Review	Rectify	Remediate
	✓ Sept 2020	🕒 Nov 2022 (reforecasting)	🕒 August 2023 (reforecasting)

	Resourcing	Stakeholder	Project	Timeline	Plans
This month					
Last month					

Project overview

The Project team is working through resourcing requirements and project implementation plan.

The decision to appoint a remediation partner has been made. The DHB had conversations with the NPMO to identify key areas for consideration. It has also been confirmed that AMS will also support as the rectification partner to support the project. The DHB is working closely with other DHBs to connect and share insights.

The detailed project plan and timelines were provided to the NPMO. The project team are identifying tasks that can be completed independently of national questions and have estimated timeframes for key milestones. Timeframes are based on Auckland Metro's estimates. Full completion of the project is estimated to be August 2023, with the settlements process commencing at the end of September 2022. Final recalculation is dependent on Validation and User acceptance testing, and the AMS update phases

Resources have been recruited into the Payroll team to support the DHB migration to the cloud and the AMS upgrade. The DHB is also currently recruiting for HR/ER/Payroll support. The PM is a good understanding of further resources require and has developed a resourcing plan that incorporates these.

Working group meetings underway and are held fortnightly. Steering committee meetings are held monthly and the internal DHB stakeholders are fully engaged via status reporting.

Key tasks completed

- Continuing to work through the solution options to address the breaches identified in the compliance assessment. The Payroll team are working closely with AMS to support this.
- Senior stakeholder meeting held 6 May 2022.
- DHB is continuing move to Cloud, timelines have been pushed out to July 2022. No impacts to the HA project timeline issues have been raised and this is incorporated into the project plan.
- The AMS upgrade has been pushed out from July 2022 to a go-live date of 20 August 2022. The DHB is working closely with AMS to incorporate this into the estimated timeframes.
- Continuing to populate programme of work and go-forward plan, informed by the requirements of the Assurance Frameworks.
- The Project Manager is working through the implementation plans for the outstanding national questions.

Key tasks planned

- Recruit additional resources.
- Complete AMS leader upgrade and migrate to Cloud by August 2022.
- PMs to confirm go-forward plan and build a team of resources for HA project.

KEY PROJECT RISKS, ISSUES AND BLOCKERS

Item	Mitigation/plan	Status
HBDHB is waiting for the AMS Leader upgrade to be completed. This is not anticipated to go live until July 2022. (Risk)	HBDHB will reach out to other DHBs using AMS Leader. The risk to vendor capacity has been identified and resources have been secured to ensure no issues.	Open
Migrating to the Cloud (in parallel with AMS upgrade) may delay rectification. (Risk)	Confirmed that Cloud migration will be completed in July 2022.	Open
Delay to appointing remediation partner (Risk)	Procurement underway and partner is currently being selected. Final decision has been made and partner has been appointed.	Closed
HBDHB currently have no dedicated project resources. (Issue)	New Project Manager is building team and understands resourcing requirements. Recruitment underway with support from remediation and rectification partners.	Open
HBDHB is dependant on resolution of the National Questions and guidance to confirm their preferred solution options. (Issue)	To be resolved at a national level.	Open

ASSURANCE

Component	One	Two	Three	Four	Five	Six	Seven
Status	Complete	Underway	Not released	Not released	Not released	Not started	Not started
Start date	Jan 22	April 22	-	-	-	-	-
Finish date	Mar 22	-	-	-	-	-	-
Open actions	Zero	-	-	-	-	-	-

PROJECT INFO

Project Manager	Melanie Staples, Jason Ranston (Constant Control)	Employee numbers	3,688 current employees and 6,051 terminated employees as at September 2021
Remediation partner	To be confirmed.	Payroll provider	AMS Leader

South Canterbury

	Not started		Progress impacted		On track
	Change on prior month		Underway		Potential concerns
					Significant concerns

OVERVIEW OF PROJECT STATUS

PHASE: Review Rectify Remediate

Nov 2020 TBC 2023 – month TBC

	Resourcing	Stakeholder	Project	Timeline	Plans
This month					
Last month					

Project overview

Over the last month, the DHBs key focus has been progressing the remediation phase of the project – it has been pleasing to note the DHBs progress on this phase of work. The DHB has commenced recruitment activity to support the current Project Team.

The NPMO notes that the DHB planned to share indicative refreshed project timelines with us in May however the DHB has advised that they will reforecast the programme of work when:

- The national remediation deadline of 30 June 2023 has been confirmed.
- All National Questions have been answered and a consistent approach has been agreed by all DHBs.

Key tasks completed

- Commenced Project Team recruitment activities. The DHB is currently advertising for one Payroll Specialist. They plan to imminently advertise for a Change Manager, HR Specialist, Communications Specialist and another Payroll Specialist.
- Received the first versions of the otherwise working day and termination models.
- Commenced initial testing of models.
- Had a two day workshop with EY to develop data validation approach, determine pay code treatment, confirm the methodologies for models (excluding casuals as this is pending the national decision) and developed a Decision Register (outlining the purpose and escalation pathways).
- Continued to develop draft the implementation plan for ‘what is a week’ in conjunction with Nelson Marlborough.
- Continued to collaborate with Hawkes Bay and Nelson Marlborough to understand how they can work together and leverage off each others work.

Key tasks planned

- Continue with recruitment activity.
- Continue with remediation model testing and data validation. The DHB plans to complete this by January 2023.
- Continue to collaborate with Hawkes Bay and Nelson Marlborough to leverage off each others work.
- Finalise the draft implementation plan for ‘what is a week’ and the implementation plan for financial liability estimate guidance.

KEY PROJECT RISKS, ISSUES AND BLOCKERS

Item	Mitigation/plan	Status
COVID-19 temporally impacts AMS and EY’s capacity to support the DHBs project. (Risk)	External risk.	Open
Continued delays getting answers for National Questions. (Issue)	To be resolved at National level.	Open
Lack of formalised structure for Labour Inspector approvals/endorsements. (Issue)	To be resolved at National level.	Closed
The risk that DHBs are not cohesive in their approach and the ability to achieve consistency. (Issue)	To be resolved at National level.	Open
Delays getting confirmation of system solutions from AMS Leader. (Issue)	External risk and impacted by National Questions – unable to progress currently.	Open
Size and capacity of the Project Team. (Issue)	The DHB has commenced recruitment activity.	Open
Maintaining compliance with MECAs whilst addressing non-compliance issues. (Issue)	To be resolved at National level.	Open

ASSURANCE

Component	One	Two	Three	Four	Five	Six	Seven
Status	Complete	Not started	Not released	Not released	Not released	Not started	Not started
Start date	Nov 2021	-	-	-	-	-	-
Finish date	March 2022	-	-	-	-	-	-
Open actions	Zero	-	-	-	-	-	-

PROJECT INFO

Project Manager	Stacey Scott	Employee numbers	c.2,500 current and terminated employees as at February 2020
Auditor	EY – review, rectification and remediation	Payroll provider	AMS Leader



OVERVIEW OF PROJECT STATUS

PHASE: **Review** **Rectify** **Remediate**

	✓ Nov 2019	🕒 Oct 2022	🕒 Jan 2023		
	Resourcing	Stakeholder	Project	Timeline	Plans
This month	✓	✓	✓	🕒	✓
Last month	✓	✓	✓	🕒	✓

Project overview

The DHB is working towards the completion of the rectification and remediation calculations at the end of October 2022. At the same time they will be ready to apply for the payment process, aiming to start remediation payments in January 2023, following the 9-week payment release process. These timelines remain dependant on receiving answers to the remaining national questions in June 2022 and the release of Assurance Framework components 3-5 which are impacted by the national questions.

The DHB notes that they will be following a staggered approach with three other DHBs as they all share the same Project Manager.

The 9-week payment process is currently scheduled to fall over December. The DHB is aware that the current timelines for remediation may be delayed due to the Christmas period.

The majority of the key tasks planned are ongoing and in preparation for the Go-Live weekend at the end of October.

Key tasks completed

- Capture of additional data to support remediation calculations. Ongoing.
- Collation of data in preparation for remediation rerun. Ongoing.
- A rerun of the remediation calculations and retest of rectification processes is being undertaken. Ongoing.

Key tasks planned

- Electronic leave and e-timesheets. Ongoing.
- Capture and analysis of data to support remediation calculations. Ongoing.
- Process commenced to establish environment for rerun of remediation calculations.
- Automation of shift and on-call leave processing; preparatory work. Ongoing.
- 'What is a week' implementation plan. June 2022.
- Calculation of financial liability provision based on end of financial year data. July 2022, on track.

△	Not started	✓	Complete	🟢	On track
(#)	Change on prior month	🕒	Progress impacted	🟡	Potential concerns
		🚧	Underway	🔴	Significant concerns

KEY PROJECT RISKS, ISSUES AND BLOCKERS









Item	Mitigation/plan	Status
Lack of clarity about time and resource requirements to complete Assurance Framework. (Risk)	Requested more visibility of each step to enable resource planning and scheduling to support the process.	Open
Continued delay in getting answers for National Questions. (Issue)	Issue raised and escalated by NPMO in the National CSA report.	Open
Lack of clarity about role and involvement of Labour Inspectorate. (Issue)	Requested more visibility of process and timeframe for clarification.	Closed
Resourcing challenges due to Covid. (Issue)	Have been using contractors and tight project management.	Open
The DHB is concerned about the lack of formalised processes to achieve consistency and what is the definition of "National Consistency". (Issue)	To be resolved at National level.	Open

ASSURANCE

Component	One	Two	Three	Four	Five	Six	Seven
Status	Underway	Underway	Not released	Not released	Not released	Not started	Underway
Start date	Nov 2021	Nov 2021	-	-	-	-	Apr 2022
Finish date	-	-	-	-	-	-	-
Open actions	-	-	-	-	-	-	-

PROJECT INFO

Project Manager	Rachel Sutton	Employee numbers	1,886 current employees and 2,849 terminated employees as at 31 March 2021
Remediation partner	Internal	Payroll provider	Ceridian

	Not started		Complete		On track
	Change on prior month		Progress impacted		Potential concerns
			Underway		Significant concerns

OVERVIEW OF PROJECT STATUS

PHASE:	Review	Rectify	Remediate
	✓ Nov 2020	🕒 Aug 2022 (June 2022)	🕒 Dec 2022 (Sept 2022)

	Resourcing	Stakeholder	Project	Timeline	Plans
This month	🟢	🟢	🟢	🟡	🟢
Last month	🟢	🟢	🟢	🟡	🟢

Project overview

The DHBs project is progressing well – the focus continues to be on the rectification and remediation phases of work.

The DHB is waiting for the National Questions to be answered so that they can finalise the remediation module configuration. The DHB advised that they have completed all remediation module testing for the initial data set. To progress the remediation phase of work, the DHB has received additional payroll data from Datacom to cleanse and validate.

The DHB has updated their project timelines to reflect the delay in the solutions for the remaining National Questions.

Key tasks completed

- Completed remediation modules testing with the initial data set (May 2010 – April 2020). Note – further module configuration and testing might be required depending on the outcome of National Questions.
- Received an additional data set from Datacom for remediation (May 2020 – April 2022).
- Collaborated with Datacom on the system development for rectification. The DHB is awaiting confirmation from Datacom on system development timelines – they expect to receive confirmation over the next week.
- Continued with the deep dive analysis on processes to ensure that they will support go-forward compliance in conjunction with systems.
- Finalised the implementation plan for financial liability estimate guidance.

Key tasks planned

- Depending on the solutions for the remaining National Questions, complete additional testing of remediation modules.
- Commence data validation testing of the additional data set and run this data through the existing remediation modules. The DHB plans to complete this in June.
- Progress with payroll system configuration development.
- Continue analysis on processes to ensure that they will support go-forward compliance in conjunction with systems. This will be ongoing until rectification is complete.
- Complete assurance framework two.

KEY PROJECT RISKS, ISSUES AND BLOCKERS

Item	Mitigation/plan	Status
Datacom and Change Healthcare’s ability to provide a compliant payroll system and time and attendance system within the required timeframe. (Risk)	The DHB has been engaging with Change Healthcare and Datacom to progress the rectification phase of the project. The DHB expects to receive system development timelines from Datacom imminently. The DHB is working with Change Healthcare to finalise the requirements for testing of the time and attendance system.	Open and updated
Delays in resolving the National Questions are impacting timelines. (Issue)	To be resolved at National level.	Open

ASSURANCE

Component	One	Two	Three	Four	Five	Six	Seven
Status	Complete	Underway	Not released	Not released	Not released	Not started	Not started
Start date	Nov 2021	April 2022	-	-	-	-	-
Finish date	March 22	-	-	-	-	-	-
Open actions	Zero	-	-	-	-	-	-

PROJECT INFO

Project Manager	Jean McAlevey	Employee numbers	c.15,000 current and terminated employees as at September 2021
Remediation partner	No Limits Consulting – review, rectification and remediation	Payroll provider	Datacom

2. Detailed DHB project summaries

Taranaki

OVERVIEW OF PROJECT STATUS

PHASE: Review Rectify Remediate

	✓ Nov 2021	🕒 Sep 2022	🕒 Nov 2022		
	Resourcing	Stakeholder	Project	Timeline	Plans
This month	🕒	✅	✅	🕒	🕒
Last month	🕒	✅	✅	🕒	❗

Project overview

Internal payroll resourcing issues due to Covid and the growth in DHB employees continue to impact the remediation timeline. Staff in the Payroll Team have agreed to work overtime to get through backlog of validation work. Training for this work was completed 26-May. Estimated timelines for completion of this work is 3-4 weeks.

After considering a change to the PeopleSoft payroll system used by Waikato DHB, Taranaki DHB have made the decision to continue with their existing provider StarGarden.

Following a cross-referencing process, the PM discovered that some scanned timesheets had outstanding data that needed to be extracted. The bulk of this work has been completed and staff are now working through remaining refinements and will continue to do so until rectification implementation. Less than 10% of scanned timesheets remain to be processed.

Key tasks completed

- Data validation/cleaning of data in StarGarden is underway. Remediation calculations are estimated to be ready by November 2022 for processing.
- After providing StarGarden with the specifications required for the payroll system rectification, the provider is creating a statement of work which will include timeframes. The DHB is chasing this. In the meantime, the DHB has provided the NPMO with a project plan. This is continuously being refined with the project team.
- Confirmed permanent archive repository for scanned payroll data (timesheets etc).

Key tasks completed continued

- Continuing to work through the process to enable time and attendance configuration in StarGarden. Go-Live for this is September 2022.
- Meeting held with StarGarden on 12 May to walk through what changes are required in the system. The changes to be made are estimated to take 2 months of development time.
- StarGarden have completed their remediation validation process and passed their model to the DHB Payroll team to do their own validation of the model.
- A training session was held on 26 May with members of the payroll team to understand the process to validate the remediation calculations. The team have started working through a sample size of 100 employees, based on those with highest liability owing, to identify systemic issues in the model. This will take 3-4 weeks and is a collaborative process with Integrity1.
- Union member (E Tū) met with the remediation partner to review how the model works and understand the validation process. The DHB is intending to hold another session for other unions who were unable to attend.
- Provided a high level update report to unions.
- Planning session held 27 May with Integrity1 to work through timeframes and dependencies.

Key tasks planned

- StarGarden to provide a go-forward plan, change management process and timelines.
- Create go-forwards methodology for responding to non-compliance issues identified in compliance assessment. To be provided to the NPMO.

△	Not started	✓	Complete	🟢	On track
(#)	Change on prior month	🕒	Progress impacted	🟡	Potential concerns
		🚧	Underway	❗	Significant concerns

Item	Mitigation/plan	Status
Delays in capturing the relevant data from the scanned manual timesheets. (Risk)	The majority of timesheets have been scanned and processed, the remaining is easily achievable in time available. A further check will confirm any outstanding items not captured.	Closed
DHB validation process requires a payroll resource which may not be available and cause a bottleneck in the process (Risk)	The DHB have agreed to limit DHB validations to acceptable workload and escalate only if findings are unsatisfactory. The Payroll Team have committed their Fridays to complete this process and are actively engaged.	Open
Concerns around about continuous work required to make WIAW Model A compliant (Risk)	The StarGarden system can implement Model A within the system however there are concerns regarding the ongoing support needed from the payroll team to maintain these requirements going forward.	Open
Delays in receiving information from StarGarden (Risk)	DHB continues to follow up.	Open

KEY PROJECT RISKS, ISSUES AND BLOCKERS

ASSURANCE

PROJECT INFO

Component	One	Two	Three	Four	Five	Six	Seven
Status	Underway	Underway	Not released	Not released	Not released	Not started	Not started
Start date	Jan 2022	April 22	-	-	-	-	-
Finish date	-	-	-	-	-	-	-
Open actions	-	-	-	-	-	-	-

Project Manager	Rob McEwan, Director, Baker Tilly	Employee numbers	2,300 current employees and 2,200 terminated employees at September 2021.
Remediation partner	Integrity1 and Baker Tilly (auditing outcome).	Payroll provider	StarGarden

New Zealand Blood Service

OVERVIEW OF PROJECT STATUS

PHASE: Review Rectify Remediate

✓
Aug 2021
🕒
On hold
🕒
On hold

	Resourcing	Stakeholder	Project	Timeline	Plans
This month	On hold	On hold	On hold	On hold	🕒
Last month	On hold	On hold	On hold	On hold	🕒

Project overview

NZBS met with EY to go over the requirements for the updated financial liability estimates.

NZBS has been consulting with an expert to carry out the rectification requirements for the payroll system, the original contractor who was expected to start in April is unavailable until August 2022. NZBS are preparing the contracts for this piece of work.

Steering committee meetings have not been restarted and no progress was made on Assurance Framework component one in the month.

The DHB needs to reforecast both their rectification and remediation timelines. The NPMO continues to raise with the Project Manager that the following may impact their ability to meet their original planned timelines:

- National question resolution.
- Rectification expert onboarding.
- The 9 week payment processing period.
- Time required to complete assurance framework components.
- Internal resourcing capacity.

Key tasks completed

- Met with EY to check in on the financial liability estimates, May 2022.

Key tasks planned

- Complete Assurance Framework component one: Compliance Assessment. June 2022 delayed from December 2021.
- Look into alternative rectification resources. April 2022 – ongoing.
- Organise contracts with the rectification contractor. June 2022.

- △ Not started
- 🕒 Progress impacted
- 🚧 Underway
- ✓ Complete
- 🕒 Potential concerns
- 🚨 Significant concerns

Item	Mitigation/plan	Status
Continued delay in getting answers for National Questions. (Issue)	To be resolved at National level.	Open
Lack of formalised structure for Labour Inspector approvals/endorsements. (Issue)	To be resolved at National level.	Closed
The NZBS is concerned about the lack of formalised processes to ensure that DHBs and NZBS are cohesive in their approach, and concerned about their ability to achieve consistency. (Issue)	To be resolved at National level.	Open
Lack of NZBS resources dedicated to the project resulting in delays. (Issue)	Exploring the possibility of hiring a part time Project Manager to assist.	Open
External rectification contractor delays. (Issue)	Contractor expected to start in August 2022.	Open

KEY PROJECT RISKS, ISSUES AND BLOCKERS

ASSURANCE









PROJECT INFO

Component	One	Two	Three	Four	Five	Six	Seven
Status	On hold	Not started	Not released	Not released	Not released	Not started	Not started
Start date	Nov 2021	-	-	-	-	-	-
Finish date	-	-	-	-	-	-	-
Open actions	Zero	-	-	-	-	-	-

Project Manager	Colin Skelton	Employee numbers	c.1,300 current and terminated employees as at June 2019
Remediation partner	EY	Payroll provider	Datacom

Report definitions

The below are common measures and definitions for timeline and project status used throughout this report.

Project timeline status key		Status key	
	Complete	Work is complete. No further activities are required.	
	Underway	Further activities are required to complete the work. Work is on track.	
	Progress impacted	Work is underway, but progress has been impacted. Remedial action may be required.	
	Not started	Work has not yet commenced. Timelines have not been set.	
			
			On track
		Work is on track in key project areas. There are no concerns, and no action is required. Up to date project plan provided.	
			
			Potential concerns
		Work is not on track in key project areas. Some concerns and problems have been identified. Corrective action is required. Initial project plan has been provided by may be out of date.	
			
			Significant concerns
		Work is not on track in key project areas. Several concerns have been identified and there are significant problems. Immediate remedial action is required. No project plan provided.	
			
			Change
		Indicates where there has been a change month to month and the direction of the change. No change is not marked. Prior month information is marked by brackets.	

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