



MINISTRY OF
HEALTH

MANATŪ HAUORA

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Consultation
on the
Transfer
of
Te Puia Hospital
and
Associated
Community Health
Facilities

September 1999

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Mihi

"Tērā te haecata tākiri ana mai
ki runga o Hikurangi!
Ara whaiuru, whaiuru, whaiuru!
Ara whaiato, whaiato, whaiato!
Ara rā tini, ara rā tini, ara hi!"

Tīhei mauriora!

Tēnā, ko Ranginui ki runga; tēnā, ko Papatuanuku ki raro. Nā rāua nei ko te ira tangata; nā rāua anō ko tātau te ira tangata.

Nā reira, e tika ana kia mihi ki ngā maunga, ki ngā puke, ki ngā awa; ki ngā moana, ki ngā waahi tapu o tēnei takiwā. He mihi i runga anō i te kōrero o nehe:

"Rārangi maunga, tū tonu, tū tonu.
Rārangi tāngata, ngaro noa, ngaro noa!"

Kei te huri te kānohi ki ngā mate o Te Tairāwhiti, otirā ki ngā mate o ia marae, o ia rohe o tātau. Haere koutou. Haere koutou, takahia ai te ara tika mō tātau te tangata. Haere koutou pērā i te rangai maomao ka taka ki tua o Nukutaurua, e kore amuri koutou e hokia. Nā reira, āpiti hono, tātai hono, ko koutou te hunga wairua ki a koutou. Āpiti hono, tātai hono, ko tātau ngā maramara o rātau kia a tātau. Tēnā tātau katoa!

Ākuanei, ka tae tātau katoa ki te Tau Rua Mano. Ākuanei, ka kite te whitinga o te rā ki runga o Hikurangi i te tīmatatanga o tau motuhake rā. Ākuanei hoki pea, ka tau te kaupapa o hauora ki uta, kia puawai ai ngā moemoea o te iwi o Ngāti Porou.

E mea ana te kōrero o te iwi, ko te hauora o te tangata he taonga. Kua whakaae kē te Karauna kia whakapiki ake te hauora o te Māori ki tā terā o Tauīwi. Kua whakaae hoki te Karauna mehemea ka hiki te Māori i ōna ake kaupapa pēnei ai, ka tere te whakaora. I ngā tau ki mua, mā Ngāti Porou Hauora te arahi tēnei kaupapa i roto o te rohe nei, tae noa ki te kōrero, ki te wero ki te Karauna i raro i ngā ohaakī o te Tiriti o Waitangi. Nā te iti, nā te rahi ka tae ki ngā taumata o te hiahia.

"Ko te pae tāwhiti, whaia kia tata.
Ko te pae tata, whakamaui kia tina!"

Introduction

This paper provides background on the proposed transfer of **Te Puia hospital** and associated community facilities* at Ruatoria, Tikitiki, Te Araroa, and Tolaga Bay, by Tairāwhiti Health Limited to Ngāti Porou Hauora.

In it, we review aspects of East Coast health provision between 1995 and 1999 which are relevant to the proposed transfer of Te Puia hospital and associated facilities, by Ngāti Porou Hauora under the Community Trusts Assistance Scheme.

A summary of the criteria and scope of the Community Trusts Assistance Scheme is also provided for reference, along with a brief assessment of Ngāti Porou Hauora's application and eligibility for a suspensory loan under the Scheme.

The paper then deals with the land issues around the transfer of the **Te Puia hospital** and associated community health facilities, and asks the East Coast community to consider and respond to the implications of the proposal.

* *The facilities involved comprise:*

- 1) *The Public Nurse clinic/house and Dr residence/clinic at Te Araroa;*
- 2) *The clinic at Tikitiki;*
- 3) *The Public Nurse clinic/house at Ruatoria;*
- 4) *Te Puia Hospital, including associated housing;*
- 5) *The clinic and GP residence house and the Public Nurse clinic/house at Tolaga Bay.*

Location Of Facilities



Location

Land

Main Hospital

Te Puia Springs

- | | |
|------------------------------------|--------------|
| • Main Hospital building & grounds | PW Act - S40 |
| • Te Ao Marama - Whaiora Unit | PW Act - S40 |
| • ten Staff residences | PW Act - S40 |

Other Facilities

Te Ararua

- | | |
|--------------------------------|--|
| • combined Dr residence/clinic | Freehold land, owned by Māori
Trustee. Lease Expires 2005 |
| • PHN residence/clinic | PW Act - S40 |

Tikitiki

- | | |
|----------|--------------|
| • clinic | PW Act - S40 |
|----------|--------------|

Ruatoria

- | | |
|------------------------|-----------------|
| • PHN residence/clinic | PW Act - S40 |
| • clinic | Community owned |

Tolaga Bay

- | | |
|------------------------|--------------|
| • Dr residence | PW Act - S40 |
| • clinic | PW Act - S40 |
| • PHN residence/clinic | PW Act - S40 |

Part A : Relevant Aspects of East Coast Health Provision 1995 – 99

The following provides a brief history of the relevant aspects of East Coast health provision as it relates to Ngāti Porou Hauora and its provision, since 1995, of health services for the East Coast under local ownership.

1. Ngāti Porou Hauora Starts Out

Ngāti Porou Hauora began its service provision in August 1995. Late in 1996, Ngāti Porou Hauora signed an agreement with Tairāwhiti Healthcare to integrate their Coast-based services with those delivered by Tairāwhiti Healthcare, including those at Te Puia Hospital. Throughout 1996, it worked extensively through complex subcontract issues with the Midland Regional Health Authority and Tairāwhiti Healthcare to progress the organisation's vision of integrated health services under local ownership. (*Appendix One: Profile on Ngāti Porou Hauora*)

2. Tairāwhiti Healthcare Announces Withdrawal of Services

In January 1998, Tairāwhiti Healthcare advised the Health Funding Authority that it intended to stop providing a number of health services to the East Coast population and, as a result, would vacate Te Puia Hospital and its associated facilities, including community based services. Tairāwhiti Healthcare gave notice to the Health Funding Authority that they were exiting services on the East Coast on the 20 December 1997.

In December 1998 the Board of Tairāwhiti Healthcare declared the assets on the East Coast to be surplus and ministerial approval in principle was received in early 1999.

3. Health Funding Authority Contract

In January 1999, Ngāti Porou Hauora began providing services under a direct contract with the Health Funding Authority.

Initially the contract was for six months to 30 June 1999, but this has since been extended to 1 November 1999 while the Health Funding Authority and Ngāti Porou Hauora agree on a service development path for the contract beyond that point. The HFA has confirmed that it intends to continue to fund services by Ngāti Porou Hauora for the longer term. (*Appendix Two: Ngāti Porou Hauora Services*)

4. Application for a Community Trusts Assistance Scheme Suspensory Loan

Ngāti Porou Hauora provided an initial application for a CTAS suspensory loan in 1996, and submitted a revised application in May 1999. This application was to purchase Te Puia Hospital and associated community health facilities on the East Coast held by Tairāwhiti Healthcare. The application was for the purchase of land, buildings and equipment, including an allowance for deferred maintenance. (*Appendix Three: Community Trusts Assistance Scheme*)

Part B : Review of Ngāti Porou Hauora's Application

The following provides a brief review of the relevant factors in Ngāti Porou Hauora's application for a CTAS suspensory loan.

1. Business Plan and Independent Review

Ngāti Porou Hauora produced a business plan, and in line with the CTAS requirements, this was independently reviewed.

A variety of alternative funding options had been explored. Based on its business plan, it was determined that the Crown was likely to be the only funding option available to Ngāti Porou Hauora.

Both Ngāti Porou Hauora's business plan, and the independent review, were assessed by Ministry of Health and Treasury officials.

2. Recommendation to Government

Officials representing the Ministry of Health and Treasury recommended to Government, in June 1998, that loan approval be given subject to:

- confirmation of community interests and representation criteria (*Appendix Four: Ngāti Porou Hauora Board and Management*), and
- clarification on the land issue.

Part C : Determining Availability for Sale - the Land Issue

An important aspect of the CTAS programme is determining whether the hospital facilities are in fact available for sale.

1. Determining Availability

This is a two part process where, in the first instance, the facilities are declared as surplus to Crown Health requirements and, in the second, confirmation that the property can be sold.

This includes determining whether there is any prior claim on the property, and if so, the basis of that claim and then, whether the property can be made available for sale to the community group.

A consequence of this process has been that it can take anywhere from 6 months to in excess of two years to determine whether health facilities can in fact be sold.

2. Claims on the Land

Te Puia hospital and associated community health facilities on the East Coast have been declared surplus to Crown Health requirements.

The key issue however is that Te Puia Hospital and the community health facilities are on land that is subject to offer-back to the original owners under S40-S42 of the Public Works Act. There are also at least two claims relating to Te Puia, including the site on which the hospital is built, lodged with the Waitangi Tribunal.

It is understood that Te Puia hospital land was originally awarded by the Native Land Court to descendants of Iritekura.

It is also clear that it will take considerable time to establish rightful ownership, and the implications of this are explored further in this paper.

However, given the CTAS scheme is currently in the process of being wound up, and therefore a limited period of time is now available to Ngāti Porou Hauora, decisions with regard the transfer of Te Puia hospital, and the associated facilities, need to be made now.

Part D : The Process for the Transfer of Te Puia Hospital and Associated Community Facilities

There are essentially two processes available around the transfer of Te Puia hospital and associated community health facilities by Tairāwhiti Healthcare.

The proposed process is that Tairāwhiti Healthcare should transfer the hospital and associated facilities to Ngāti Porou Hauora via the Health Reforms Act of 1993, executed by an Order in Council.

The alternative process is for Tairāwhiti Healthcare to dispose of the properties under the standard land settlement process.

1. The Order in Council Process

This process involves transferring the properties to Ngāti Porou Hauora through the Health Reforms Act of 1993. This Act provides for the establishment of a Transferee, in this case, Ngāti Porou Hauora, which is achieved through an Order in Council.

In effect, this process would defer settlement of claims by former owners, and those made under the Treaty of Waitangi, while continuing to protect their rights by way of a caveat over the properties. Thus, through this process, the rights of the original owners and claimants remain protected.

Ngāti Porou Hauora would continue to provide health services from Te Puia and the associated community health facilities. These facilities, if purchased by Ngāti Porou Hauora, would be an asset, both for them and the community.

It is envisaged that transfer under this process could be completed within a matter of months.

2. The Alternative Standard Land Settlement Process

The standard land settlement process would be subject to:

- offering the properties back to former owners under Section 40-42 of the Public Works Act 1981
- the Crown's gifted land policy, and
- the protection mechanism for Māori interests in Crown land.

Offer Back

Sections 40-42 of the Public Works Act require that the land at Te Puia hospital and at the associated community health facilities are offered back to the former owners.

Gifted Land Policy

If compensation was paid for the land in 1905 when a number of Te Puia township sections were taken for the hospital under the Public Works Act 1894, then the gifted land policy would not apply. If compensation was not paid, the policy could apply which would then involve locating the beneficially entitled persons. The property would then enter the Māori Land Court, beyond the control of both Crown and Tairāwhiti Healthcare.

Protection Mechanism

However, if the properties are exempt from Section 40, and if the gifted land policy does not apply, then the properties will still need to be processed through the Protection Mechanism for Māori Interests in Crown Land.

Despite research undertaken for Tairāwhiti Healthcare, former owners, or beneficially entitled persons, have not yet been clearly identified in relation to the Te Puia hospital site. To extend this investigation must ultimately involve the Māori Land Court where significant delays will be unavoidable.

Due to the complex acquisition history of Te Puia hospital properties, it is likely that the land settlement process could take up to five years and, as a consequence, the CTAS funding option would no longer be available to Ngāti Porou Hauora.

Summary

Our aim in this booklet has been to set out the land issues around the sale and purchase/transfer of Te Puia hospital and associated community facilities, and also to provide relevant information about Ngāti Porou Hauora and its application for the purchase of Te Puia hospital under the Community Trusts Assistance Scheme.

Our request is that you consider and respond to the implications of Ngāti Porou Hauora's proposal and, through consultation, ask for any further information you may require.

As indicated, the Community Trusts Assistance Scheme is in the process of being wound up and Ngāti Porou Hauora have a limited period of time available to them under the Scheme.

We look forward to your consideration and response.

Ngāti Porou Hauora

1. Kaupapa

**Manaakitia ngā mea katoa hei oranga;
Wairua, Hinegaro, Tinana, me te Whānau**

To promote total healthcare for better health,
spiritual, mental, physical and family

2. Mission

Ngāti Porou will provide a high quality integrated Rural Health Service for whānau, hapū, marae and communities from Pōtikirua to Te Toka-a-Taiau

We will achieve this by:

- Encouraging participation of whānau, hapū, marae and communities in our development of quality improvement
- Providing services that are customer focussed at all times
- Valuing, supporting and empowering our staff to strive for excellence
- Recognising that our people are the principal resource in striving for high quality health services
- Ensuring adequate resources are available, ie people, training, equipment
- Obtaining a commitment to quality improvement from each team
- Implementing Quality Systems which result in Ngāti Porou Hauora achieving accreditation
- Ensuring that our services are culturally appropriate, effective, accessible and affordable
- Regularly monitoring and evaluating quality improvement processes

3. Values

**Ngāti Poroutanga
Te Tiriti O Waitangi**

affirm whānau/hapū control of health
assert the rights and responsibilities for health
resources

**Tikanga
Whakapakari
Equity and Quality
Efficiency and Effectiveness
Prevention and Promotion
Access and affordability**

incorporate Māori perspective in all health strategies
whānau, hapū, iwi development is integral to health
equal distribution of quality services to all
best practice standards and strategies
empower for self care is a priority
maximise use and minimise costs of
health to the people

Appendix Two

Ngāti Porou Hauora - As at 1 July 1999

Services

- Comprehensive primary medical care
- Well child
- Domicillary Nursing
- School Visiting
- ACC Assessments
- Psychiatric Mental Health
- Residential Mental Health
- Counselling
- Maternity
- Adult and Adolescent Dental
- Physiotherapy
- Accident and Emergency
- Ambulance
- Long stay Elderly Care
- Acute In-patient
- Specialist Out-patient
- Liaison and advocacy with children and whānau to access health, social and education services toward independence

Service Interfaces

- Te Puia hospital
- Specialist outpatient clinics
- Ngāti Porou Haoura clinics
- Midwives
- Physiotherapist
- Counsellors
- Tairāwhiti Healthcare
- Community agencies
- Schools
- Health Workers
- Support for Māori Youth
- Young Mothers Support
- Kaupapa Māori activities

Locations

- Te Araroa
- Tikitiki
- Ruatoria
- Tāwhiti
- Te Puia
- Tolaga Bay

Appendix Three

The Community Trusts Assistance Scheme

The following provides a summary of the Community Trusts Assistance Scheme as background to Ngāti Porou Hauora's application and eligibility under the programme.

1. Government Announces Community Trusts Assistance Scheme

In May 1996 the Government announced it was making funds available over two years to help community groups involved in providing local health services to buy surplus hospital facilities from the Crown. Assistance would be provided to any community group providing, or intending to provide, health services within their community, provided they met the eligibility criteria.

2. The Scope

Assistance under the programme would be way of a suspensory loan, either to cover the purchase costs of the hospital facility, or part of the facility, required for the community group to fulfill their contracted services, plus the expenses incurred that are directly related to purchase (ie stamp duty, reasonable legal fees), or to cover the costs of subdivision of the property, where required.

3. Eligibility

To be eligible under the Community Trusts Assistance Scheme, community groups had to have:

- negotiated a contract with a Regional Health Authority to provide health services; and
- developed a business plan, available for assessment by an independent reviewer.

The business plan had to demonstrate

- the viability of the operation in line with the price the Regional Health Authority was prepared to pay for the services
- that the hospital facility was the most appropriate and cost-effective building to provide services from,
- that the group had explored other financing options and required Crown assistance to purchase, or part purchase, the hospital facility; and
- that the group had fully considered the development and ongoing maintenance costs for the facility.

4. Conditions

The main conditions of the suspensory loan were that:

- the community group had to be a legal entity,
- the funds advanced had to be secured as a first charge over the hospital facility,
- the term of the loan would be five years,
- no interest would be payable on the loan,
- repayment of the principal would be required within five years if the health service contract with the Regional Health Authority was not renewed, or the community group ceased to provide health services in terms of the RHA contract, and
- the land had to be available for sale.

Appendix Four

NGĀTI POROU HAUORA BOARD MEMBERS

Hikiana Rangihuna	Matakaoa
Lou Tangaere	Waiapu - Kaumatua, Adviser to Government on Forestry, Fisheries and Land Issues
Tame Te Maro	Ruatoria - Kaumatua, Treaty of Waitangi
Anne Juliet Bogle	Waipiro/Te Puia - Lawyer
Lois McCarthy-Robinson (Chair)	Tokomaru Bay - Community Organisations and Small Business Management
Kreig Tukukino (Deputy Chair)	Uawa - Marketing and Management
Heneriata Paenga	Kaiti - Consumer Advocate
Libby Hayes	Hikurangi - Community Clinics Trust Rep
Gina Chaffey	Staff Representative

NGĀTI POROU HAUORA MANAGEMENT MEMBERS

Dianne Kay Gibson	Senior Management
Georgina Paerata	Principal Nurse, Management
Rose Kahaki	Senior Nurse and Mental Health Management
Ruta Durie	Senior Nurse and Community Leadership
Nazim Merchant	Financial Controller

(appearing in Ngāti Porou Hauora's Business Plan and as at 1 July 1999)