

01 August 1995

TO THE WHAKATOHEA NEGOTIATING COMMITTEE

This paper is prepared for the Negotiating Committee to furnish you with information pertaining to the changes in the health service in Opotiki that may have some relevance in claim deliberations:

Possible opportunities for Whakatohea, with advantages and disadvantages are also offered for further discussion.

The Eastbay CHE, following a recommendation from the Opotiki Health Services Committee have supported the closure of the Opotiki Hospital and the building down town of a total health care facility which will contain five general beds, three birthing beds, theatre, x-ray, accident and emergency lab, accommodation for General Practitioners (including one Whakatohea doctor), physio specialists, dental services, public health nurse, district nurse and social worker home aides will also be accommodated. A large whanau room, staff on call accommodation, an ambulance facility also included. (The Whakatohea representative on this committee is Mary Delamere).

Once the decision was made by the CHE further groups to broaden the local input were called together. They were a:

Site committee: to determine where this facility should be sited. Whakatohea was represented by Claude Edwards, Fred Cookson and Guy Naden. This committee was also to look at a Company structure for ownership of the building.

Provider Committee: to determine the intention of providers to support the concept. All providers supported the move to down town to a site close to the Whakatohea to ensure that they were able to remain autonomous but still have easy access to the new centre. This move was also supported by the Board through a letter from the Chairman.

Eastbay have notified that the hospital land is surplus to requirement.

A new expanded Opotiki Transitional Committee (with the addition of Guy Naden for Whakatohea, and a person yet to be named from Whanau a Apanui) was brought together.

This committee, submitted to the RHA an application for transitional funding for 1.3 million dollars to assist in the purchasing of land, equipment, training etc. The RHA have indicated that the money available will be less than half the amount requested.

Eastbay have notified that the hospital land is surplus to requirement. The property consists of - 3 houses in reasonable condition

2 flats in poor repair

1 old nurses home presently occupied by Mahi Tahī

Staff quarters

Incinerator

Pump

Sewerage ponds

12 acres of land

Hospital building grounds

The land preferred for the construction of the new facility is the telecom land behind the post office. Telecom has indicated their intention to sell the land. Whether or not this land is automatically subject to the claim, is not quite clear.

It is intended to form a trust or company to own the facility. The partners in the company could be the community (through the transitional funding) Whakatohea and the CHE. The CHE's contribution would be from the sale of the hospital land.

The additional costs of the building will be paid for through market rentals to be charged. The CHE in the first instance will be responsible for approximately 80% of the rent.

Possible options or opportunities for Whakatohea during change in Health Services;

WHAKATOHEA TELECOM LAND	ADVANTAGES	DISADVANTAGES
Fund and build the new facility	<ul style="list-style-type: none"> *Effective use of the land. *Reasonable income in rental. *Guaranteed rental. Valuable asset for Whakatohea. 	<ul style="list-style-type: none"> *Whakatohea carries total risk. *Maintaining full lease on facility. *Maintenance and up keep *Reluctance of providers to work from Whakatohea owned facility. *A \$2,000,000 building would drop in value by approximately \$400,000 on completion - because limited resale value in Opotiki. *CHE withdraw services.
Whakatohea Claim Telecom Land and Contribute to Health Centre	<ul style="list-style-type: none"> *Ensure linkage with Whakatohea Health Centre *Good safe return on land *Whakatohea becomes partner in Health Company. *Risk shared *Opportunities for Whakatohea to acquire larger asset in Health Service. 	<ul style="list-style-type: none"> *Whakatohea not sole owner.

WHAKATOHEA TELECOM LAND	ADVANTAGES	DISADVANTAGES
Whakatohea form a trust retain hospital and run Health Services	<ul style="list-style-type: none"> *Whakatohea becomes the budget holder for Health Services *Ongoing use for hospital site 	<ul style="list-style-type: none"> *Whakatohea carries total risk *\$500,000.00 needed to upgrade hospital for relicensing *High maintenance costs
Whakatohea include Hospital in claim and develop it to the advantage of the Iwi and communities	<ul style="list-style-type: none"> *Generate income for Iwi *Employment opportunities *Positive impact on community and Iwi *Utilise the beauty of area - fishing, bush, sea, hunting *Opportunities for rangatahi *Utilise skill of Iwi - sport, craft, teaching *Has full kitchen *If not to be used as hospital 500,000.00 up grade not required *Ongoing investment 	<ul style="list-style-type: none"> *Hard work *Would need careful planning *If investor or project fails, Whakatohea may have a major liability
Claim Telecom Land	<ul style="list-style-type: none"> *Whakatohea own land *Possible resale 	<ul style="list-style-type: none"> *Rates and outgoing *Cost of development *No income

I hope the above gives an over view of where Whakatohea could profit from the proposed changes.

Although I am employed as the project Manager from Eastbay, I believe that there are opportunities for Whakatohea that will benefit the Iwi and the community.

I have listed some of the possibilities and of course it is the negotiating committee that must make the decision, but if I was to make a recommendation to Whakatohea I would suggest that a win - win situation would be.

- * Claim hospital site and either - Whakatohea develop it
- Lease to develop
- * Claim Telecom Land and - use it as an investment in New Health Facility

I hope this is of use in your deliberations. I would appreciate an early response to the committees intentions to ensure they are addressed in what ever developments occur.

Yours faithfully

Heather D Thomson
Manager



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9 January 1996

Whakatohea Negotiating Committee
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Dear Committee

Herewith is a summary of the progress and state of development of the "Community Health Centre", previously called the One Stop Shop.

After much consultation and discussion in February 1995, the decision to close the present hospital and establish a facility in a down town position was made by the Opotiki Health Services Committee. This recommendation went to the Eastbay CHE Board, and the recommendation was accepted. This was supported by Midland.

Several groups were formed. The Whakatohea Trust Board and Whanau-A-Apanui were asked for representatives, and various people were nominated to each committee.

The Site committee was the most significant for Whakatohea, and after long deliberations (four sites were considered and Engineer's reports obtained), the preferred site was identified as the Telecom land behind Post Bank, and the Post Bank building if that became available.

The concept of having everything pertaining to health in one place was a major factor in the decision as siting the Centre next to the Whakatohea Health Clinic, patients of the clinic could access x-ray, laboratory and theatre as easily as anyone else.

Reasons for site selected:

- * As above. Proximity to Whakatohea Health Clinic.
- * This site was the only one considered by the Whakatohea representatives as being suitable.
- * Central location.

- * Ease of access to everyone.
- * Development potential.
- * Parking.
- * Helicopter pad could be established in close proximity.
- * Telecom, and later Post Bank willing to sell.
- * Size.

Land Status: Hospital Site

The Department of Lands and Survey and TSO notified of intention of Eastbay Health to sell the above property.

(description of property submitted to committee mid 1994).

Proposed site - Telecom/Post Bank:

- * Both Telecom and Post Bank have been approached to ascertain their willingness to sell. Both have indicated a desire to do so.
- * So as not to disrupt any claim negotiations, no formal bid has been submitted by Eastbay health, but it is now essential that we have an indication from Whakatohea Negotiating Committee, of their intentions so that we can either proceed with that site or not.

My request at this time is a decision as to:

- * Does the Negotiation Committee intend claiming the land.
- * Will the Negotiating Committee agree to the Health Facility being built on it.
- * Is it the intention of the Negotiating Committee to claim both land and buildings on the Post Bank site.

Advantages for Whakatohea:

Land:

The Community Trust with 50% Iwi representation through the Trading Trust, would pay commercial lease on the land.

Say, if the land was worth \$100,000, the return to Whakatohea would be in the vicinity of 10 - 12 % - \$10,000 - \$12,000 per annum long term rental of 15 - 20 years. The building will be purpose build, and would probably ensure a permanent tenancy. If the building was also claimed, this rental would be adjusted accordingly.

Hospital site available if required.

Possible greater ownership of new facility by Whakatohea of new facility estimated at (total value \$2.1 million).

Disadvantages:

Land would be committed long term of health services.

Reduce claim dollars.

(Value of Telecom land approx 30,000

Value of Post Bank - land and buildings 400,000.

Community Trust:

An interim Community Trust has been established to take ownership of the building (not the health services. Health services providers will be tenants only).

It is intended that the Trust have 50% Iwi membership which will ensure Iwi needs are considered.

John Delamere can speak to this as he has attended Trust meetings, and had contact with Midland and CHE on behalf of Whakatohea.

I hope this helps with your deliberations. Although I have a contract with Eastbay Health, I am trying to ensure that Whakatohea is heard and involved in all aspects of the development. I personally believe that the establishment of a Community Health Centre on the proposed Telecom/Post Bank site will in the future, see Whakatohea as a major player in Health Service delivery in Opotiki.

Yours sincerely



Heather Thomson
Project Manager