

Oifig Cheannasaí na Caipiteal agus nEastát

Sir Patrick Duns, Sráid na Canálach Móire, Íochtarac, BÁC 2

Teil: 01-6424747

Office of Head of Capital & Estates

Sir Patrick Duns, Lower Grand Canal St., Dublin 2

Tel: 01-6424747

Mr David Cullinane, TD, Dail Eireann, Leinster House. Kildare Street Dublin 2

23rd November 2021

PQ 54587/21* To ask the Minister for Health the average length of time each stage in the capital application process takes in the context of new build acute inpatient beds; the length of time of the application process, the funding approval process, the procurement process and the build process, respectively; and if he will make a statement on the matter. -David Cullinane

Dear Deputy Cullinane,

The Health Service Executive has been requested to reply directly to you in the context of the above Parliamentary Question which you submitted to the Minister for Health for response.

The capital projects undertaken by the HSE in any given year are varied in terms of scope and scale and the length of time taken to obtain statutory approvals will vary from project to project as will the length of time to prepare reports in line with the Public Spending Code. Attached is a typical timeline for associated Capital projects.

Yours sincerely,

Jim Curran National Director. Capital & Estates

Typical Capital Project Timeline (Major Projects > €20m)

The Public Spending Code, A Guide to Evaluating, Planning and Managing Public Investment was launched on 11th December, 2019 (Circular 24/2019) replacing the original Public Spending Code (Circulars 13/13 and 06/2018) and applies to all public bodies and all bodies in receipt of Exchequer capital funding.

The new Public Spending Code sets out a revised project lifecycle as outlined below. Subject to approval each project must work its way through the project lifecycle. For a project to be successfully delivered from concept to completion, this would entail the following stages that must be carried out in sequence as set out in the new Public Spending Code − estimated durations (to practical completion) for each stage, including approval of that stage, are indicated for a typical project with a project value greater than €20m.

- Prepare a Strategic Assessment Report 9 months (includes Design Team procurement)
- Develop a Preliminary Business Case 3 months
- Complete a Detailed Project Brief and Procurement Strategy as part of the Final Business Case Stage – 12 months (includes statutory approvals and detail design).
- Prepare tender documents and conduct the required public procurement process 6 months
- Update the Final Business Case to take into account information from the tender process 3
 months
- Construction Works 15 to 24 months

The above indicative timeline **(48 to 57 months)** assumes prompt approvals at each decision gate, smooth journey through the planning, statutory, procurement and implementation processes.

These stages can occur over a significant time period meaning that active management of the project is required throughout to ensure the project outcomes are achieved and value for money secured.

Approval at any stage in the project life cycle constitutes approval to the next stage rather than overall project approval. It is approval to a commitment of the level of resources required for the next stage in the lifecycle. This allows the commitment of relatively limited resources to the project only as required with the budgetary commitment increasing as the project moves through the lifecycle. While there may be a commitment in principle to the policy objectives being pursued, departments and public bodies should be prepared at any stage, despite costs having been incurred in appraising, planning and developing a project, to abandon it if on balance, continuation would not represent value for money.