



Oifig an Stiúirthóir Náisiúnta Caipiteal agus Eastáit  
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Mr David Cullinane, TD,  
Dail Eireann,  
Leinster House,  
Kildare Street  
Dublin 2

12<sup>th</sup> April 2022

**PQ 16488/22\* To ask the Minister for Health the number of capital projects in healthcare in which the time frame from the original application for funding to the HSE or the submitting of a proposal or business case was made to the HSE estates and the completion of the project was greater than periods (details supplied) since 2010; and if he will make a statement on the matter. - David Cullinane**

**Details Supplied: 1 year, greater than 2 years, greater than 3 years, greater than 4 years, greater than 5 years, greater than 6 years and greater than 10 years**

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.

Capital Submissions are made to the National Capital & Property Steering Committee (NC&PSC) of the HSE where they are reviewed for alignment with HSE and Government strategy and policy. If recommended for approval, these submissions are added to the HSE Capital Investment Programme. To fully assess a proposed capital submission, a suite of documents including a project appraisal and business case are required to be completed. Often, these submissions will be revised and refined before a final suite of documents is submitted to the NC&PSC for assessment.

Each year the forecast cost of all projects in the HSE Capital Investment Programme exceeds the available allocation. A prioritisation exercise is then undertaken to determine which projects will be included in the HSE annual Capital Plan. This process involves senior representatives of each service directorate in the HSE and Capital and Estates. The deliberative process may mean that some projects are not initiated in any particular year.

Each capital project has its own unique timeline for completion. A larger, more complex and costly project will take longer to design and construct than a simpler project of lower cost. Attached to this response is an illustration of typical timelines associated with the delivery of a major capital project. It references the Public Spending Code, with which the HSE is obliged to comply when delivering all capital investment.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Paul de Freine", with a long, sweeping flourish at the end.

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**Paul de Freine**  
**Interim National Director,**  
**Capital & Estates**

## Typical Capital Project Timeline

The Public Spending Code, A Guide to Evaluating, Planning and Managing Public Investment was launched on 11<sup>th</sup> 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 Public Spending Code sets out a revised project lifecycle 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 several stages that are carried out in sequence in accordance with the Public Spending Code – estimated durations (to practical completion) for each stage, including approval of that stage, are indicated for a typical project up to €50m in value:

- Preparation of a Strategic Assessment Report – **9 months** (includes Design Team procurement)
- Development of a Preliminary Business Case – **3 months**
- Completion of a Detailed Project Brief and Procurement Strategy as part of the Final Business Case Stage – **12 months** (includes statutory approvals and detail design).
- Preparation of tender documents and conducting the required public procurement process - **6 months**
- Updating the Final Business Case to take into account information from the tender process – **3 months**
- Award of the appropriate contract, active implementation of the project, and regularly reporting to the Approving Authority – **15 to 24 months**

The above indicative timeline (**48 to 57 months**) assumes prompt approval at each decision gate and an uneventful 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 instead, 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.