



HSE Audit & Risk Committee Special Meeting

Minutes

A Special Meeting of the HSE Audit & Risk Committee to discuss HSE Capital Plan 2023 was held on Wednesday 9th November at 08.30am via videoconference.

Members Present: Brendan Lenihan (Chair), Fergus Finlay, Michelle O’Sullivan, Ann Markey, Martin Pitt, Colm Campbell and Pat Kirwan

HSE Executive Attendance: Mairead Dolan (Interim CFO), Dean Sullivan (CSO), Tom Malone (Interim ND Internal Audit), Patrick Lynch (ND GR), Paul de Freine (ND Capital & Estates), Mike Bermingham (AND), Yvonne Gregory (GM), Dara Purcell (Corporate Secretary), Niamh Drew (HSE Board Office)

1. Committee Members Private Discussion

The Chairman welcomed the Committee members to the Audit & Risk Committee Special Meeting to discuss the HSE National Service Plan 2023 – Capital Plan.

No conflicts of interest were made.

2. Capital Plan 2023

The Chair welcomed the EMT and advised the Committee that papers were taken as read.

The CSO presented the draft HSE Capital Plan 2023 to the Committee and advised that the final draft HSE Capital Plan will be presented to the Board for approval prior to formal submission to the Minister for Health.

The CSO outlined that capital funding of €967m plus an additional €50m for capital infrastructure Covid-19 actions, has been provided for infrastructure, equipping and furnishing in the 2023 Letter of Determination, and a further €10m is available from income in 2022. Therefore the total available capital investment is €1.027bn. Contractual commitments for 2023 are €615m (including €325m for the National Children’s Hospital), and the remaining funding available will be €412m which is proposed to be directed towards Infrastructural Risk, Minor Capital Programme, Equipment Replacement Programme, Ambulance Replacement Programme, Climate Action and Sustainability, and Enhanced Community Care, circa €188m, with the balance, circa €224m proposed to be allocated to other projects in design and new projects.



The Committee considered the Draft Capital Plan and discussed and provided commentary on a number of issues relating to the draft Plan.

Contingency Funding for Projects

The Committee sought clarification in relation to the position on contingency funding for projects in place, and the impact of current and future construction inflation on all projects. ND Estates advised that this is a particular challenge currently. Contingency allowances are made in project budgets, with provisions made in public sector forms of contract to address inflation during construction periods. Particular arrangements were made in the construction contract for the New Children's Hospital in respect of inflation.

Older Persons and Public Private Partnerships

A discussion took place in relation to the Public Private Partnership (PPP) procurement process for the provision of 530 community nursing beds on seven sites. The Committee was informed that planning permission has been granted for all locations and progress will be made in 2023 with a contractor commencing construction on the relevant sites. The Committee requested that they be kept up to date on progress during 2023 and it was agreed that this would be included on the Committee's Workplan for 2023.

Regional Health Areas (RHAs)

The Committee suggested that the wording in relation to the RHAs and the discretionary budget uplift for CHOs and Hospital Groups be reviewed in the draft Plan. The CSO committed to review prior to it being submitted to the Board.

HSE Climate Action and Infrastructure Decarbonisation Strategy and Implementation Roadmap

The Committee discussed the €20m allocation for Climate Action and emphasized the need for the Infrastructure Decarbonisation Strategy and Implementation Roadmap to be progressed as a priority, and noted that it will be considered at the next Committee meeting. The Committee requested that a list of Climate Action Plan - Pilot "Pathfinder" Projects be included in the Plan.

Equipment Replacement Programme

A discussion took place in relation to the €65m provided in the Plan to replace older and less reliable equipment and fund investment in additional equipment to support the management of risk and patient safety, and the possible need for a greater allocation this year. The Committee noted that this was reduced from the final spend in 2022 and sought further clarifications from the CSO with regards to the



delivery of the 2016 Equipment Replacement Programme. CSO agreed that a review of medical equipping funding will be undertaken as a follow-up to the 2016 Report to determine the sustainable level of funding allocation needed for the future.

In relation to ambulance replacement funding, the CSO agreed to a request from the Committee that a similar exercise to determine the sustainable level of funding for ambulance replacement would be undertaken. This is in the context of the overall fleet requirements and the HSE Decarbonisation Strategy, which will be actioned in conjunction with the National Ambulance Service.

It was noted that the National Ambulance Service (NAS) Strategic Plan Capital Plan requirements and planning process would be discussed at the next Audit & Risk Committee meeting.

Projects to Complete in 2023

The Committee requested that the appendix outlining the projects to complete in 2023, including capital projects that were completed in 2021 / 2022 and will be operational in 2023, which had not been included in the version of the draft Plan shared in advance, be circulated to them to as a matter of urgency.

Palliative Care

The Committee highlighted that there was no figure included to progress palliative care projects at regional locations. The CSO advised that headings in the Plan were previously agreed with the Department of Health (DoH), and palliative care was not included at that stage, but will ensure it is included in the next draft.

COVID-19

A discussion took place in relation to the figure of €50m provided for capital infrastructure for Covid-19 actions, and the figure of €1.36m relating to Covid-19 (completion of emergency response works). It was agreed that a note be included to explain the intended purpose of these allocations, including the provision of safe environments for patients and staff.

The Committee discussed the provision of additional bed capacity numbers being delivered relative to access to care, and projects that are expected to advance in 2023 as outlined in the Plan.

The Committee discussed the need for priorities in the Capital Plan to be aligned with the Corporate Plan objectives. CSO undertook to do a further review of the relevant sections of the Capital Plan to



ensure that the stated objectives relate to the actions listed under Capital and Infrastructure in the Corporate Plan.

The CSO advised the Committee that the draft Plan had been shared with the DoH, whose comments have now been received. He advised the Committee that the Capital Plan would be updated to address as far as possible the suggestions of the Committee members, along with the DoH's views.

The Chair thanked the CSO and his team for their input and the time given to the draft Capital Plan. He also welcomed the improvement in the layout of the plan.

The Committee agreed to endorse the draft Capital Plan, subject to their recommendations and comments being appropriately reflected, for onward submission to the HSE Board for consideration and approval.

The meeting concluded at 10.00am.

3 A.O.B

No other business arose.

Signed:

A handwritten signature in black ink, appearing to read 'B Lenihan', written over a horizontal line.

Brendan Lenihan
Chairperson

Date: 8th December 2022