



Feidhmeannacht na Seirbhíse Sláinte  
Health Service Executive

## HSE Board Briefing Template

**Subject:** Proposed Lease of Primary Care Centre at Church Street Rathdowney Co Laois.  
PRG ref: M/L/1221/1216

**Submitted for meeting on:** 8 February (EMT), 10 February (ARC), and 25 February (Board) 2022.

**Name & title of author:** Dean Sullivan, Chief Strategy Officer

**Why is this information being brought to the Boards attention?**

Approval of the HSE Board members is required as the property transaction is valued above €2m.

**Is there an action by the Board required, if so please provide detail?**

This transaction was approved by EMT and ARC, it is recommended that the HSE Board approve the proposal for the lease of a Primary Care Centre at Church Street Rathdowney Co Laois from [REDACTED]

The total cost of the lease is €4.7m (excl. VAT & excl. service charge) for a 25-year period.

Please indicate which of the Board's objectives this relates to;

- The development and implementing of an effective Corporate Governance Framework, incorporating clinical governance and a performance management and accountability system;
- Developing a plan for building public trust and confidence in the HSE and the wider health service; **X**
- Ensuring the HSE's full support for and implementation of the Government's programme of health reform as set out in the Sláintecare Implementation Strategy; **X**
- Exercising effective budgetary management, including improving the value achieved with existing resources and securing target saving, with the objective of delivering the National Service Plan within Budget.

**Brief summary of link to Board objectives.**

As part of effective governance and control in line with the HSE Property Protocol this paper is presented to the EMT and thereafter ARC and the Board, for their consideration and approval as it remains a reserved function of the Board to approve property transactions proposed above €2m and those at nominal value.

**Background - provide context in order to ensure that the Board fully understand the issue.**

Currently the primary care services for the local population of approximately 7,000 people are delivered from a very small & poor health centre located in Mooreville, Rathdowney. The existing Health Centre total floor area is 103 sq. meters and is a single storied old prefab type building.

The facility does not appropriately accommodate current services. Rooms are small and there is limited availability of clinical space for community nursing service not to mind visiting therapies. There is no multifunctional room or meeting room in the existing facility and limited storage.

There is no space for suitable expansion at the existing Health Centre and parking is limited. There are specific challenges relating to where these services are provided which have been ongoing for a number of years; the

current accommodation for staff falls short of current legislation and standards in respect of Access, Health & Safety Standards and Environmental & Occupational Health Standards.

Integrated Health Care and multi-disciplinary working is inhibited by the current design and configuration of the Health Centre from which primary care is provided. These issues are now reaching a critical point which must be addressed.

In keeping with the programme for the delivery of Primary Care Centres, the HSE published a request for submissions for PCC proposals for the Rathdowney area. All submissions received were evaluated initially on a pass/fail basis with a number of these submissions subsequently qualifying for the priced offer stage (Stage 3). In order to secure a buy-out option at the end of the Lease in this location, the HSE have opted to take on responsibility for leasing the accommodation for GPs within the Centre and to be responsible for all engagement and offering licence arrangement to local GPs. Therefore, confirmation of GPs commitment to the proposed Centre by the developers was not required but a buy-out option was required. In total four valid priced offer submissions were received for evaluation for Rathdowney as a result. These submissions were evaluated against the advised award criteria. The award criteria included various sub criteria namely cost, project delivery risks (site acquisition, planning/zoning, funding), building design proposal and suitability of site location. Marks were awarded for each sub criteria with the top ranked bidder being deemed to have submitted the most economically advantageous bid. The outcome of the process is set out in the table below.

Name of Firm	Ranking
[REDACTED]	1
[REDACTED]	2
[REDACTED]	3
[REDACTED]	4

The successful bidder who submitted the top ranked proposal was Westcourt Healthcare Ltd / Ormond Construction Limited. [REDACTED]

This new primary care centre will be a 2-storey building of some 11,300 sq.ft. which will facilitate 25 WTEs that will deliver the following primary care services:

- I. Community Nursing
- II. Dental Services
- III. Occupational Therapy
- IV. Physiotherapy
- V. Social Work
- VI. Psychology Service
- VII. Speech and Language Therapy
- VIII. Dietetics
- IX. Bookable rooms

Accommodation for a GP will also be included in the overall schedule of accommodation provided by the HSE to the developer. The HSE will pay the rent and the service charge on the overall PCC with the expectation that any GP who occupies the PCC will enter into the standard GP licence with the GP contributing costs for the clinical rooms where there is exclusive occupancy by the GP.

As a consequence the HSE will delete all clauses relating to the right to terminate as a consequence of a reduction in GP numbers etc.

The PCC will have 90 car parking spaces to be shared between all occupiers of the PCC.

The Primary Care Centre facility will represent the focal point for the provision of all primary, community and continuing care services in Rathdowney. It will enable greater integration amongst teams and enhance service delivery for the future.

It is expected that, subject to receipt of planning permission for the development, construction work will commence in Q3 2022. The development is expected to be completed in Q4 2023.

**Highlight any implications that the Board should be made aware of in its consideration such as;**

- **Current status**

Awaiting Board Approval.

- **Budget**

The proposed area for this primary care centre is c.11,326 sq.ft. The rent for this primary care centre is [REDACTED] all costs plus vat for an initial term of [REDACTED] with the option to extend for a further 5 years. The total cost of rent for full term is €4.7m (excl. VAT) plus service charges. Included in the submission is a buyout option which will allow the HSE to purchase the building after [REDACTED]. Costs are excl. VAT and VAT advice will be taken should the HSE decide to purchase the building.

The estimated future cost of equipping the primary care centre is €250k which includes additional costs of €100k for the fit-out of a Dental Surgery & Dental Central Sterile Services Department.

**Resources**

Existing staff will transfer to the new PCC space when completed.

- **Impact to delivery of services**

The facility, in design and in execution, will reinforce care values including individual dignity, privacy and safety. The overall environment will support the attainment of optimal therapeutic outcomes for those in receipt of primary care as well as specialist care and investigations for outpatient and day patient services.

- **Corporate Plan**

Aligned with HSE Corporate Plan & Service Plan.

- **Sláintecare**

In line with Sláintecare Report 2017 & Sláintecare Implementation Strategy 2018.

- **Social factors** (e.g., impact on specific area such as the elderly, disabilities)

The facility will provide a warm, welcoming and child centred environment. It will support flexibility in service delivery and contribute to attainment and maintenance of best practice in all aspects of the care provided.

- **Technological factors**

Not applicable.

- **Legal factors**

The HSE will enter into an Agreement for Lease (AFL), Lease and a Service Level Agreement (SLA).

**Sustainability**

The proposed Primary Care Centre in Rathdowney will be delivered in line with the latest standards applicable to HSE Primary Care Centres, specifically those of the Mechanical & Electrical Performance Specification document. This outlines that *"The Landlord / Developer shall provide a building that meets the performance specifications of the Nearly Zero – Energy Buildings (NZEB) standard in accordance with the revised Building Regulations Part L"*.

**Value for Money**

The procurement of the proposed Rathdowney Primary Care Centre has been competitively sourced and, based on the lease terms agreed, provides the HSE value for money.

**Conclusion**

Approval is sought to proceed with the taking of the lease as outlined above. Earliest possible approval is requested in light of the poor quality of existing accommodation and the needs of service development in Rathdowney.

**Recommendation**

It is recommended that the HSE Board approves the transaction outlined above.