



Feidhmeannacht na Seirbhíse Sláinte  
Health Service Executive

### HSE Board Briefing Template

**Subject:** Acquisition of lands by the HSE at Leopardstown Park Hospital, Foxrock, Co. Dublin by way of a 500-year lease.

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

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

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

As the transaction is at a below market value approval of the Board of the HSE is required.

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

This transaction was approved at EMT and ARC, it is recommended that the HSE Board approve the proposal for the acquisition of a [REDACTED] year lease of lands [REDACTED] at Leopardstown Park Hospital, Foxrock, Co Dublin from Leopardstown Park Hospital Trust.

The total cost of the lease is [REDACTED] (excl. VAT).

The open market value of the lands given the current zoning is in the order [REDACTED]

**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; **X**
- Developing a plan for building public trust and confidence in the HSE and the wider healthservice
- 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;
- 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. **X**

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

The cost of the lease of the [REDACTED] period is [REDACTED] (excl. VAT). Approval of the HSE Board is required as the property transaction is below market value.

The Board are also asked to approve the terms of the lease and structure of the transaction as outlined in this paper.

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

Leopardstown Park Hospital (LPH) is a public funded 153 bed hospital which currently offers long term residential care, day care, respite, rehabilitation and welfare services to older persons. The upgrading and enhancement of LPH facilities is required to comply with the National Standards for Residential Care Settings for Older People.

The buildings at LPH are nearing the end of their useful economic life and are no longer fit for purpose. In response

to this, the LPH Trust appointed a team of experts to prepare a masterplan for the redevelopment of the Hospital. The finalised masterplan seeks to facilitate and achieve an efficient campus layout to support effective Hospital operations into the future. The masterplan deals with the delivery of this on a phased basis, with phase 1 consisting of the development of a [REDACTED] bed residential care facility to replace the existing facility.

As the HSE will fund 100% of the proposed redevelopment it is important that the HSE acquires land ownership in order to protect the interest of the state

It is proposed that the LPH Trust, the current owners of the lands at LPH, will transfer a significant portion [REDACTED] of the Hospital lands [REDACTED] to the HSE on the following terms and conditions:

- Term & Tenure – [REDACTED] long lease
- Transaction Fee – [REDACTED] exclusive of VAT

The HSE will manage the construction of the [REDACTED] bed hospital on the site. The cost of the new hospital is estimated to be in the region [REDACTED] and the estimated timeline for delivery for substantial completion is [REDACTED]. This project is included on the HSE Capital Plan.

To achieve this objective, the following terms and conditions have been negotiated:

#### 1. Structure of the Transaction

The transaction will proceed by means of a contract for sale between the LPH Trust and the HSE for the granting of a long leasehold interest ([REDACTED] years) of the Property which will incorporate, amongst other matters, the following:

- A planning pre-condition whereby the transaction will be subject to receipt of a satisfactory planning permission by the HSE for the Works [REDACTED] bed Hospital);
- Covenants requiring the HSE to advance the planning application for the Works expeditiously and within certain timelines. The HSE is ready to lodge the planning application subject to the consent of the LPH Trust;

iii.

[REDACTED]

- A Transaction fee [REDACTED] (excl. VAT) will apply and be payable by the HSE to the LPH Trust on completion of the transaction (i.e. on the grant of the Long Lease to the HSE);

v.

[REDACTED]

■

- The Property to continue to be known as the 'Leopardstown Park Hospital'.

## 2. Current vs. future occupancy arrangements: LPH Board

The LPH Board currently occupies the Hospital site under a Licence from the LPH Trust. The LPH Trust served the requisite notice period of one year on the LPH Board in June 2021 and from June 2022 it is intended that new temporary Licences will be put in place between the LPH Trust and the LPH Board as follows:

- Licence 1 – to document occupancy of the Hospital lands which are the subject of the redevelopment of the [REDACTED] Hospital [REDACTED]
- Licence 2 – to document the continued requirement to occupy the portion of lands to be retained by the LPH Trust for future development or disposal. This portion of land will be the subject of the long stop date and compensatory Licence Fee referred to above in the prior section [REDACTED]

These Licences will last for the duration of the construction programme and until the granting of the long lease to the HSE is complete. At this point all licences granted in favour of LPH Board by the LPH Trust will be terminated at which point the HSE will be obliged to put new occupancy arrangements in place with the LPH Board. It is envisaged that the new occupancy arrangements will be linked to the LPH Board's SLA with the HSE. [REDACTED]

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

- **Current status**  
Awaiting Board Approval
- **Budget**  
The capital funding for the transaction is included in the HSE Capital Plan.
- **Resources**  
Existing resources will transfer into the new facility when completed
- **Impact to delivery of services**  
The purpose of this transaction is to enable the development of a new community nursing unit to replace the existing Leopardstown Park Hospital. The existing facilities does not comply with HIQA standards and will be closed if these facilities are not replaced.
- **Corporate Plan**  
Aligned with HSE Corporate Plan & Service Plan
- **Sláintecare**  
Aligned with Sláintecare on delivery of services.
- **Social factors (e.g., impact on specific area such as the elderly, disabilities)**  
Public community nursing home facilities required in the area.
- **Technological factors**  
Not applicable
- **Legal factors**  
As outlined above

### Conclusion

Not applicable

### Recommendation

It is recommended that the HSE Board approve the transaction outlined above

