



Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

HSE Board Briefing Template

Subject:

Acquisition by way of lease of an office suite at 52 Broomhill road, Tallaght Dublin 24 to provide fit for purpose Business Support/Administrative space.

PRG Reference: E/A/0120/2515

Submitted for meeting on: 11 January (EMT), 20 January (ARC), 28 January 2022 (Board)

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Why is this information being brought to the Boards attention?

As the value of this transaction is above €2m, the transaction requires HSE Board approval.

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 approves the proposal to lease an office suite at 52 Broomhill road, Tallaght, Dublin 24 from RQ Two, Huckletree D2, 42 Pearse Street, The Academy, Dublin 2.

The total rental cost of the lease is [REDACTED] incl. parking, service charges and fit out (excl. VAT) over a [REDACTED] 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; **X**
- Developing a plan for building public trust and confidence in the HSE and the wider health service;
- 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. **X**

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.

The CHO7 Senior Management Team is seeking additional accommodation to support the Enhanced Community Care Programme to be delivered as part of Sláintecare Action Plan. This lease proposal will provide accommodation for non-clinical office based staff who will decant from existing clinical settings i.e. Kilnamanagh PCC and Russell / Springfield PCC.

Thereby allowing clinical staff to operate from these settings; thus optimising the clinical use of these facilities as intended under the ECC programme.

The proposed non-clinical office based staff will be decanted from various clinical locations to one central location; the staff numbers to be decanted are as shown below:

- The existing Management Team (23 non-clinical office based staff) from the Russell / Springfield PCC building. Russell / Springfield PCC is within walking distance of Tallaght University Hospital and is an ideal location for the Integrated Care Team for Older Persons and / or a Chronic Disease Management Team.
- The existing Home Support Service team (currently 18 non-clinical office based staff but will be increased to 37 shortly) from Kilnamanagh PCC.
- The existing Immunisation team (20 non-clinical office based staff) from Kilnamanagh PCC.
- The existing Warmth & Wellbeing team (4 non-clinical office based staff) from Kilnamanagh PCC.

The transaction can be summarised as follows:

- **Area** – 23,026sq ft Gross Internal Area (GIA)
- **Rent** - [REDACTED] per annum to incl. 107 car spaces [REDACTED] per sq. ft. and [REDACTED] per car parking space)
- **Current condition** – open plan office accommodation. Landlord to undertake refurbishment and fit-out to HSE specification. Cost of fit-out factored into the rent
- **Capital cost** – Equipping. Estimated cost [REDACTED]
- **Service Charge** - All services and utilities to be taken over and paid for by the tenant for the duration of the term

Provided a Deed of Renunciation is not signed, at the end of the term the HSE will have the option of renewing the lease as a Deed of Renunciation has not been signed.

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

- **Current status**
Awaiting Board approval
- **Budget**
The rent for this building is [REDACTED] per annum. The capital cost for equipment is [REDACTED]
- **Source of Funding**
The capital funding required is provided in the HSE Capital Plan in 2022.
Revenue funding for the rent, service charge and other operational costs associated with this building will be provided in future National Service Plans when the building becomes operational. This is currently anticipated to be Q1 2023.
- **Programme**
Subject to HSE Board approval for the transaction it is anticipated that the lease agreement will be concluded in Q1 2022 and the building will be ready for occupancy in Q1 2023.
- **Resources**
Consolidation of existing management and administrative resources into this location will free up space for clinical activities in the space vacated for ECC services. ECC staff are currently being recruited.
- **Impact to delivery of services**
This transaction will enable the roll out of ECC services in this area
- **Corporate Plan**
Aligned with HSE Corporate Plan & Service Plan
- **Sláintecare**
In line with Sláintecare Report 2017 & Sláintecare Implementation Strategy
- **Social factors (e.g., impact on specific area such as the elderly, disabilities)**
Positive impact of consolidating business support functions which in turn support service delivery.
- **Technological factors**
Not Applicable
- **Legal factors**
The HSE will enter into a Lease Agreement

Sustainability

This is an existing building and that the Landlord has recently invested in the buildings Mechanical & Electrical plant and fittings to improve the BER and efficiency rating of the building. The building also benefits from openable windows and good natural lighting.

Value for Money

HSE Capital & Estates have negotiated this transaction to the best and final form as reported in this paper, with reference to the comparable evidence available. In view of fit-out works being undertaken by the landlord the rate per sq. ft. represents 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 urgency of implementing the HSE's own Corporate and Service Plan and the roll out of the ECC Programme within CHO 7.

Recommendation

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