



Feidhmeannacht na Seirbhíse Sláinte  
Health Service Executive

## HSE Board Briefing Template

**Subject:**

Acquisition by way of lease of a two floor office suite at The Iveagh Building, Carrickmines, Dublin 18 to provide fit for purpose Business Support / Administrative space in Community Healthcare East (CH East).  
PRG Reference: E/L/1121/2173.

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

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

**Why is this information being brought to the Board's attention?**

Approval of HSE Board members is required as the transaction is over €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 approves the proposal to acquire a lease of a two floor office suite at the Iveagh Building, Carrickmines, Dublin 18 from IPUT Real Estate, 47-49 St Stephens Green Dublin 2.

The total rental cost of the lease is [REDACTED] (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;
- 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.**

CH East business support functions are a key enabler of service delivery and integral to achievement of service strategic objectives. These support functions and their associated resources have undergone and continue to undergo significant expansion and development. They are presently dispersed across the CHO across multiple sites resulting in a fragmented and suboptimal business support structure.

In the context of the Enhanced Community Care (ECC) programme and the associated allocation of resources and service developments, the matter has become critical and current accommodation configuration is rendered unsustainable. CH East proposes to establish an independent business support hub which will:

- Address legacy and current business support accommodation requirements.
- Provide fit for purpose infrastructure with parking to allow for expansion/future proofing.
- Consolidate business support functions (with particular focus on those located at Bray Civic Centre and Clonskeagh Campus) allowing for optimal working arrangements.

- Be strategically located within the geographical area of CH East, close to public transport corridors.
- Release space to enable role out of ECC (Community Specialist Hubs) at Clonskeagh Campus and Bray Civic Centre.

CH East projects the WTE accommodation requirement, for Business Support, following both ECC implementation and the development of other service initiatives to be 262 persons/ desks. On foot of this service assessment, an option appraisal was developed in consultation with CH East and following the short listing and appraisal exercise a leasehold opportunity, at The Iveagh Building, Carrickmines was identified as the best available matched to need. A HSE “own build” was included in this appraisal however following both qualitative & quantitative review this leasehold option proved the most advantageous to the organisation.

The term of the lease will be [REDACTED] years with a HSE only break option at year [REDACTED]

The total area is 32,800 sq. ft. to include 90 car spaces at a cost of [REDACTED]

The current condition of the office space is good and it is fully fitted with 232 open plan desks plus portioned office/meeting room space, board room and canteen/staff break out areas with the scope for additional desks and offices to make the unit conducive to the requirements of CH East (262 WTE's: 229 desks & 33 offices). The acquisition of Iveagh in its exiting fitted format will allow CH East to implement the required initial staff transitions during 2022 therefore utilising the building immediately. Up to [REDACTED] in capital funding is proposed; [REDACTED]

It is proposed to finalise this lease acquisition in Q1 2022 to facilitate the transition of staff to the new facility.

#### 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 to adjust existing fit-out is [REDACTED]. Any balance to be met from service revenue/ rent free allocation.
- **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 Q3 2023 following the initial rent free period.
- 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 Q3 2022.
- **Resources**  
Will allow for expansion/future proofing of business support functions and release space on clinical sites for service delivery e.g. Enhanced Community Care programme.
- **Impact to delivery of services**  
CH East business support functions are a key enabler of service delivery and integral to achievement of service strategic objectives
- **Corporate Plan**  
Aligned with HSE Corporate Plan & Service Plan
- **Sláintecare**  
Aligned with Sláintecare Report 2017 & Sláintecare Implementation Strategy
- **Social factors**  
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**

The landlord has a strong commitment to making the Park as sustainable as possible, recognising both the environmental benefits of such an approach. The lease will contain provisions for the parties to share data on energy and water usage, waste and recycling, in order to promote efficient use of resources, increased energy efficiency and minimised environmental impact.

**Value for Money**

HSE Capital & Estates have negotiated this transaction with the support of an external Property Consultant who has brought the transaction to the best and final form as reported in this paper, with reference to the comparable evidence available. In view of the rate per sq. ft. negotiated, the current condition of the unit to include furniture and the value of the rent free period secured, we confirm that the transaction presents value for money to the organisation.

**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 CHO 6.

**Recommendation**

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