



Feidhmeannacht na Seirbhíse Sláinte  
Health Service Executive

## HSE Board Briefing Template

**Subject:** Proposed lease of additional space at the intended new Primary Care Centre, Tyone, Nenagh, Co. Tipperary. PRG ref: MW/L/0321/2333

**Submitted for meeting on:** 21 December 2021 (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 Boards attention?**

Approval of the HSE Board 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 additional accommodation space as part of the Primary Care Centre being developed at Tyone, Nenagh, Co. Tipperary under the operational lease model by More Healthcare, 23 Lad Lane, Dublin 2.

The total cost of the lease for the additional space is [REDACTED] 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; **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. **X**

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

The cost of the lease for the additional space over the [REDACTED] Approval of the HSE Board members is required as the property transaction is valued above €2m.

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

The Enhanced Community Care Strategy was introduced in 2020 as part of the National Service Plan 2020 to redesign acute hospital care pathways to support older people and those with chronic diseases. The Strategy aims to increase community capacity, reorganise care to focus on older people and chronic diseases and to enhance community networks to move care provision away from acute settings. Recruitment of staff for this Enhanced Community Care programme has already commenced.

The Standard National Brief and Schedule of Accommodation recommended that the new ECC specialist teams be accommodated in, or adjacent to, Primary Care Centres. It is proposed therefore that the ECC specialist teams will be co-located with Primary Care Services at the PCC in Nenagh. This will result in an Enhanced Primary Care Service for the mid-west based in Nenagh.

A new Primary Care Centre in Nenagh, Co. Tipperary – to be delivered via the operational lease model including Outpatient Department (OPD) accommodation for the UL Hospitals Group – was approved by the HSE Board on 29 October 2021 (Board Approval Decision Number 291021/39). It is proposed to provide the additional accommodation for the ECC specialist team by way of an increase to that overall development.

In keeping with the programme for the delivery of Primary Care Centres, the HSE published a request for submissions for PCC proposals for the Nenagh 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 total six priced offer submissions were received for evaluation from four different bidders in respect of three different potential sites in Nenagh as a result of the process. These submissions were evaluated against the advised award criteria. The award criteria included various sub criteria namely cost, level of GP involvement, 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 successful bidder who submitted the top ranked proposal in this case was More Healthcare in respect of a site at Tyone, Nenagh. [REDACTED]

In discussions with the developer, there has been engagement about potentially increasing the size of the HSE space by up to 14,747 sq ft to provide the required ECC specialist team accommodation space. There is agreement in principal that this additional space need could be accommodated through the construction of a larger Primary Care Centre facility and on the basis of the same rates as for the current approved accommodation size. The developer is currently preparing a planning permission application and will be seeking a decision shortly on whether or not the HSE wish to include the additional ECC space in the overall scheme.

The mid-west will be serviced by two chronic disease management teams and the proposed ECC accommodation in Nenagh is part of a two site solution for one of those teams. It is an enlarged chronic disease management team of 44 WTEs initially with 22 WTEs to be based in the additional accommodation at the Nenagh PCC to serve a population of approximately 110,000 people (East Limerick & Ballina and North Tipperary). The Nenagh Centre will also enable outreach clinics by the ICPOP team for the area.

The Chronic Disease Management Team to be based in the building includes the following staff members:

- **Diabetes:** Clinical Nurse Specialists, Clinical Specialist Podiatrist, Senior and Grade Podiatrists, Senior & Grade Dieticians.
- **Cardiology:** Clinical Nurse Specialists, Physiotherapist, Psychologist, Cardiac Rehab Co-ordinator, Staff Nurse, Admin.
- **Respiratory:** Rehab Clinical Nurse Specialist, Respiratory Clinical Nurse Specialists, Senior & Grade Physiotherapists, Physiotherapist Rehab Co-ordinator, Admin.
- **General:** GP Lead, Team Co-ordinator, Project Officer, Admin.

The proposed larger Primary Care Centre will represent the focal point for the provision of all primary, community and continuing care related health and social services in Nenagh. It will also be ideally located on a site in Tyone adjacent to Nenagh Hospital and co-located with a new facility for TUSLA, the Child and Family agency which will also operate from this area. This proposal will therefore enable a new era of service delivery for the wider North Tipperary region and enhance integration of service models into the future

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

- **Current status**

Awaiting Board approval.

- **Budget**

The proposal is for an increase of HSE accommodation space by up to 14,747 sq ft from the current approved accommodation size of 43,700 sq ft up to an overall size of 58,447 sq ft. [REDACTED]

[REDACTED] The total cost of rent for the previously approved space for the full term is [REDACTED] million. The overall cost would increase by [REDACTED] with the inclusion of the additional ECC space. A buyout option was included in the submission which would potentially allow the HSE to purchase the facility [REDACTED] time at an overall cost of circa [REDACTED] subject to final measurement and agreement. An agreement with the developer on a buyout would take account of the increased size of the building if the ECC space is included. The rent is subject to review every [REDACTED] years and will be adjusted in line with the Consumer Price Index. The estimated future cost of equipping the additional ECC accommodation space is [REDACTED]

- **Source of Funding**

The capital funding required for equipment will be provided in the HSE Capital Plan in 2024.

Revenue funding for the rent, service charge and other operational costs for the extension to the PCC will be provided in future National Service Plans when the PCC becomes operational. This is currently anticipated to be Q3 2024.

- **Programme**

Subject to HSE Board approval for the transaction this space will be included in the planning application for the PCC. It is envisaged that subject to planning permission that construction work will commence in Q1 2023 and be completed in Q3 2024.

- **Resources**

Staff relating to the Enhanced Community Care programme are currently being recruited.

- **Impact to delivery of services**

The facility, in design and in execution, will reinforce care values including individual dignity, privacy and safety. The programme focuses on a number of chronic diseases such as diabetes, cardiology and respiratory that impact a large number of health service users and treats them in a safe, timely, efficient and as close to home as possible.

- **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 newly constructed warm and welcoming 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 accommodation will be delivered in line with the latest HSE Primary Care Centre 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 accommodation will form part of the overall primary care development which has been competitively sourced and based on the lease terms agreed, provides the HSE value for money.

**Conclusion**

- Not applicable

**Recommendation**

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