



HSE Board Briefing Template

Subject: Acquisition of Building 4, University Technology Park, Curraheen, Cork City (UTC Building 4) for use as an office space / Outpatient Clinic Department (OPD) for Cork University Hospital (CUH). PRG Ref. S/A-L/0622/2664

Submitted for meeting on: 12 July (EMT), 20 July (ARC), and 27 July (Board) 2022.

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Why is this information being brought to the Boards attention?

Approval of 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 previously approved by ARC and EMT. It is recommended that the HSE Board approve the proposal for the acquisition of the property UTC Building 4 for use as office space/ OPD from [REDACTED] in order to provide for centralisation of the OPD service in proximity to CUH.

The purchase price of UTC Building 4 has been valued [REDACTED]
The final exact cost is contingent on the date that the agreement to purchase is executed.

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.

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.

During the pandemic, the existing CUH OPD accommodation was repurposed and utilised as the hospitals COVID 19 /Non-COVID 19 pathways. As a result, a mix of temporary and permanent OPD accommodation is being used by CUH OPD services. CUH OPD services are currently delivered from 10 separate locations within CUH environs, with associated loss of efficiency, synergy and quality of service. Despite the purchase and lease of additional space during the pandemic, CUH OPD capacity is reduced by 40% -50% from pre Pandemic levels. To support enhanced delivery of OPD services at CUH, HSE Capital & Estates undertook a needs assessment in conjunction with South/South West Hospital Group.

The needs assessment looked at a number of options including; 1. Do Nothing, 2. New Build on lands in close proximity to CUH, 3. Lease Building in close proximity to CUH, 4. Purchase Building at University Technology Park, Curraheen, 5. Build on alternative HSE sites in Cork city.

Following the detailed assessment of available options, and to support enhanced delivery of OPD services for CUH, it is proposed to acquire Building 4, University Technology Park, Curraheen, Cork City.

The building is a two storey modern office building with a total area of c.35,220ft², including 131 no. car parking spaces. The building is approximately 3km from CUH, and is serviced via a bus route.

The following infrastructural benefits will be realised from moving OPD services off the CUH site:

- Decongests a highly congested site
- Enables demolition of redundant and no longer fit for purpose buildings
- Prepares the campus for future development, including the prioritisation of critical care development
- Decant non-core administrative services from site

The clinical requirements to centralise CUH OPD services and the Critical Care project are both significant drivers to the purchase of UTC Building 4 in the first instance. The decant of personnel off campus is a precursor to commencing enabling works for the proposed CUH Critical Care development during a 10- 12 month period, commencing Q1/Q2 2023.

Clinical benefits from purchase of Building 4, University Technology Park, Curraheen, Cork City

- Relocate all CUH OPD services (bar three) off the CUH campus to a central location within 3km from CUH campus – OPD services are currently dispersed in 10 locations across the site
- The relocation will be on a permanent basis and, following a review of the location, has been endorsed by CUH Clinical OPD staff as being an appropriate location for the delivery of OPD services given the opportunity to again centralise OPD services in one building at a proximal location to CUH.
- Address OPD capacity at CUH. OPD capacity is currently reduced by 40% -50%, and current inadequate OPD facilities do not allow CUH to accommodate new consultant OPD Clinics
- Improve patient waiting times to meet Sláintecare recommendations
- Enable delivery of government critical care strategy for CUH

While there are significant decant steps required to effect the centralisation of CUH OPD activities, these steps will alleviate the current disparate configuration of CUH OPD activities, relieve the overall stress on the existing campus infrastructure, which has extremely limited vacant space for development, and allow the reconfiguration of the CUH campus to provide for both Critical Care and inpatient bed capacity in the intermediate term.

The purchase of this building is a key enabling step for CUH to achieve specific, strategic, short and intermediate term goals to facilitate clinical development of the CUH campus in line with the recommendations made in the Archus Infrastructural Healthcare Specialists review of CUH services completed in late 2021.

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

- **Current status**
Awaiting Board Approval
- **Budget**
UTC Building 4 consists of c.35,220ft²/c.3,272m². As outlined above the [REDACTED]
[REDACTED] The building also requires [REDACTED] with the majority of the costs associated with the specific OPD fit-out. The building energy rating (BER) will be rated A3 (Post fit out refurbishment).
- **Source of Funding**
Funding for the acquisition has been allocated in the 2022 HSE Capital Plan. An application will be made to the capital steering committee for funding allocation for fit out.

- **Programme**

From procurement of the building (Q3 2022), a planning submission will be submitted to Cork City Council for the change of use of the building, this process is anticipated as taking 6 months during which time the Tender Documents for the OPD fit out will be tendered and awarded once planning has been secured. OPD fit out works will take approx. 9 months. It is anticipated UTC 4 building would be fully occupied by Q4 2023.

- **Resources**

Existing staff will transfer from CUH to this property. Estimated WTE's to transfer is in the range of 75 to 115 dependant on OPD activities rostered and taking place on a scheduled basis.

- **Impact to delivery of services**

Refer to section on Background.

- **Corporate Plan**

This proposal aligns with the HSE Corporate Plan and Service Plan and is in line with key recommendations of the CUH services review by Archus Infrastructural Healthcare Specialists which was completed in late 2021

- **Sláintecare**

This proposal is aligned with Sláintecare for the delivery of services.

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

This proposal is expected to enhance the outpatient service experience and improve waiting times.

- **Technological factors**

None

- **Legal factors**

None

Sustainability

The proposed additional accommodation in UTC Building 4 will be delivered in line with the latest performance specification documents. This outlines that *"The HSE 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 selection of the proposed building in UTC Building 4 is in line with the available detailed HSE Option Appraisal. The building has been competitively sourced. Option 4 of the Option Appraisal recommends the purchase of the existing building for the HSE to fit-out. This option represents best value for money for the HSE. The proposed purchase cost range of [REDACTED]

Conclusion

Not Applicable.

Recommendation

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