



## HSE Board Briefing Template

**Subject:** Proposed Lease of Primary Care Centre at [REDACTED] Cavan  
[REDACTED]

**Submitted for meeting on:** 8 November (EMT), 10 November (ARC), 25 November (Board).

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

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

As the total value of this transaction is above €2m HSE Board approval 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 to enter into a new [REDACTED]  
[REDACTED]

The total cost of the lease [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;
- 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.**

The cost of the lease over the [REDACTED] As the cost of this transaction is above €2m Board approval is required.

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

The HSE's Primary Care Centres and Enhanced Community Care (ECC) programme is enhancing and increasing community health services and reducing pressure on hospital services. The aim of the ECC is to enable a higher percentage of the population of [REDACTED] to remain healthy out of hospital and better equipped to self-manage their optimal health status particularly if they live with long-term conditions, through integrated care delivery. Recruitment of staff for this Enhanced Community Care Service has already commenced.

The Standard National Brief and Schedule of Accommodation recommend that the new ECC specialist teams be accommodated in, or adjacent to, Primary Care Centres.

Current Primary Care Services for Cavan are located in Drumalee Primary Care Centre. [REDACTED]  
[REDACTED]

[REDACTED]

CHO1 have done a full review of all their accommodation in Cavan and have confirmed that there is no capacity for 50.5 WTE in existing accommodation.

A small number of viable options exists in this locality to support current service needs in a timely manner. Those that were identified and assessed include the following:

1. Use of Existing HSE Property
  - a. There is no capacity available in the immediate or surrounding area on HSE owned and rented accommodation.
2. Build purpose-built new accommodation in Cavan
  - a. CHO 1 Services have an urgent need for accommodation given the ongoing recruitment that is taking place.
  - b. Possible to self-deliver a purpose built unit of approx. [REDACTED]
  - c. Timeframe of [REDACTED] to build is not acceptable.
3. Enter into a new lease [REDACTED]
  - a. [REDACTED]
  - b. Space has become available to the rear of the premises but major fit out is required to make the area viable.
  - c. Rents quoted at outset are higher than that of existing PCC lease and do not include the additional fit out.

[REDACTED]
4. Enter into new lease for additional space [REDACTED]
  - a. Co-location with existing Connolly Street PCC.
  - b. Accommodation currently available only meets a quarter of the service's needs.
  - c. Lack of parking and congestion in the area.
  - d. It does not meet the current needs of the CHO1 Service and will therefore provide only part of a solution and is not acceptable.
5. Enter into a New Lease for commercial unit [REDACTED]
  - a. Located close to existing HSE premises.
  - b. [REDACTED]
  - c. Total refurbishment and reconfiguration is required.
  - d. [REDACTED]
  - e. Requires full planning permission.
  - f. Timeframe of 1.5 - 2 years.
6. Purchase of Office block [REDACTED]
  - a. Located away from other Primary Care Services.
  - b. Cost of purchase approx [REDACTED]
  - c. Cost of repurposing [REDACTED]
  - d. [REDACTED]
  - e. Timeframe 2 years.
7. Enter into New Lease for [REDACTED] Cavan
  - a. [REDACTED]

- b. Recently vacated by the VEC.
- c. Floor area of [REDACTED]
- d. Rental Costs [REDACTED]
- e. Large town centre car park that will all service other HSE premises.
- f. Timeframe of 1 year.

The proposed premises at [REDACTED] also creates a synergy with other HSE Acute buildings in the town centre area which will promote enhanced working and services to the public.

The current accommodation requirement will be included in the long term ECC solution which is planned to be delivered on expiry of this 10-year lease. The HSE also have the option to extend this proposed Lease by a further 5 or 10 years with 5 yearly rent reviews linked to CPI in the event that such extension is required.

If approved, the new premises, once operational will accommodate the ECC requirement of Drumalee PCC and a number of secondary ECC service including:

- 17 WTEs Cavan Community Health Network; clinical and administration staff who work across more than one of the 8 PCTs in Cavan.
- 9.5 WTEs new development Community Intervention Team posts.
- 14 WTEs to implement the National Access Policy for Primary Care Childrens services
- 10 WTEs to develop a new Autism Spectrum Disorder Pathway under Primary Care

The proposed development of [REDACTED] Cavan will be a key enabler of integrated Care as it will allow for greater multi-disciplinary cross service, care planning and delivery approaches. The lease will also provide accommodation - Primary Care Children's Service (which fall under ECC via Community Healthcare Networks) and Health and Wellbeing initiatives e.g. social prescribing, smoking cessation clinics.

The proposed legal agreement is broken into two separate parts: one lease agreement covering the premises and a licence covering an agreed number of car parking spaces required. This structure provides the HSE the ability to focus on the services required without the responsibilities of running a car park in a busy town location.

The proposed fit-out works also include demolition of some old out-buildings to create one town centre car park to the rear of this building.

The total cost of the lease [REDACTED]

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

- **Current status**  
Awaiting Board approval
- **Budget**  
The total cost of [REDACTED] Budget approval to enter into lease agreement has been received as part of the ECC programme. HSE Capital funding of [REDACTED]  
[REDACTED] The Landlord is responsible for all remaining fit out costs, design fees (Inc. planning permission etc.) A buyout option is not available on these units as they are part of a complex and the landlord is not agreeable to a sale or to a buyout option.
- **Programme**  
Subject to HSE Board approval for this transaction the proposed accommodation will be complete in Q4 2023 at which time the lease will commence.
- **Resources**

The new premises, once operational will accommodate 50 staff. Including the additional ECC requirement of Drumalee PCC:

- 17 WTE Cavan CHN clinical and administration staff who work across more than one of the 8 PCTs in Cavan
- 9.5 CIT WTE new development posts
- 14 WTE to implement the National Access Policy for Primary Care Childrens services
- 10 WTE to develop a new Autism Spectrum Disorder Pathway under Primary Care

▪ **Corporate Plan**

The proposal is 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)**

This proposal will have a positive social impact. The location of HSE services at the centre [REDACTED]

▪ **Technological factors**

The proposal if granted will provide the technology as part of the building fabric, to include a strong emphasis on self- management programmes, virtual / remote video consultations and digital working.

▪ **Legal factors**

The landlord will provide rentalised fit-out across the premises, dealt with via the agreement for lease. The lease terms will be 10 years from completion of fit-out with a CPI rent review at every 5 years. CPI capped at 5% and collared at 0%.

Separate licence agreement for the car park.

**Sustainability**

This is an existing building that will be completely renovated as part of the fit out works being carried out by the landlord. The proposed accommodation will be delivered in as far as practical to meet the performance specifications of Nearly Zero-Energy Buildings (NEZEB) standard in accordance with the revised building regulations part L and will meet the requirement of achieving an A3 BER rating.

**Value for Money**

The proposed Premises [REDACTED] based on the lease terms agreed, delivers best value for money for the HSE in reference to leased accommodation options available on the market.

**Conclusion**

Not applicable

**Recommendation**

It is recommended that the HSE Board approve this proposal as outline above.