



HSE Board Briefing Template

Subject: Proposed Lease of Primary Care Centre, [REDACTED] Co. Kilkenny.
[REDACTED]

Submitted for meeting on: 11 October (EMT), 13 October (ARC), 26 October 2022 (Board)

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Why is this information being brought to the Boards attention?

Approval of the 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 approved by EMT and ARC, it is recommended that the HSE Board approve the proposal for the lease of a Primary Care Centre at [REDACTED]
[REDACTED]

The total cost of the lease [REDACTED] (option available to extend this lease by a further 5 years).

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;
- 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.

Brief summary of link to Board objectives.

The cost of the lease over the [REDACTED]
[REDACTED] Approval of 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.

Currently the Primary Care services for the local population of approximately 11,830 people (Census 2016) are delivered from the Health Centre in Graiguenamanagh in a building owned by Kilkenny County Council and from other smaller health centres at Gowran and Inistioge. G.P. services are provided from a number of G.P. Practices. There are specific challenges relating to where these services are provided; the current accommodation for staff falls short of current legislation and standards in respect of Access, Health and Safety Standards and Environmental and Occupational Health Standards. There is no space for expansion of services in many of the current health centres.

Integrated Health Care and multi-disciplinary working is inhibited by the current design and configuration of the Health Centre and multiple locations from which primary care is provided. These issues are now reaching a critical point which must be addressed.

In 2012, a national review of primary care centre locations was carried out by the Primary Care Division of the HSE in conjunction with HSE Estates which identified the totality of primary care locations. [REDACTED]

In keeping with the programme for the delivery of Primary Care Centres (PCC), the HSE published a request for submissions for PCC proposals for the [REDACTED]. 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 one valid priced offer submission was received for evaluation for [REDACTED] as a result. The submission was 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. A Buy-Out option was included as part of the competition however the bidder submitted a tender without exercising the buy-out option. The outcome of the process is set out in the table below.

Name of Firm	Ranking
[REDACTED]	1

The successful bidder who submitted the top ranked proposal was [REDACTED]

This new primary care centre will be a two-storey building which will have the ability to facilitate 48 WTEs that will deliver the following primary care services:

- I. Community Nursing
- II. Dental Services
- III. Occupational Therapy including Paediatric Gym x 1
- IV. Physiotherapy
- V. Psychology Service
- VI. Speech and Language Therapy
- VII. Dietetics
- VIII. Community Intervention Team
- IX. Administration
- X. Bookable rooms to facilitate outreach services such as Podiatry, Social Work, Community Medical Doctors, Social Inclusion, etc.

The Primary Care Centre facility will represent the focal point for the provision of all primary, community and continuing care services in [REDACTED]. It will enable greater integration amongst teams and enhance service delivery for the future.

There will be two G.P. Practices accommodated in the Primary Care Centre.

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

- **Current status**
Awaiting Board Approval
- **Budget**

The proposed area for this Primary Care Centre is 20,053ft². As approval is required to allow us enter into an Agreement for Lease, which will in turn will allow the developer submit a planning application, approval is sought for a design development contingency allowance of up to 10% over the proposed area of the Primary Care Centre, i.e. 22,058ft² to mitigate against planning conditions & risks and detail design requirements. The rent has been agreed as [REDACTED] with the option to extend for a further 5 years. The total cost of rent for full term (incl 10% design development allowance) for the Primary Care Centre is [REDACTED] excl. VAT and excl. service charges). The capital cost of equipping the facility is [REDACTED] which includes a Dental Suite fit out.

▪ **Programme**

Subject to HSE Board approval and receipt of planning permission the developer expects to be in a position to commence construction in 2023 with the building completed in 2025.

▪ **Resources**

An extensive recruitment campaign has been undertaken to staff the Primary Care Centre with opportunities for existing HSE staff to transfer to the new service when completed.

▪ **Impact to delivery of services**

The facility, in design and in execution, will reinforce care values including individual dignity, privacy and safety. The overall environment will support the attainment of optimal therapeutic outcomes for those in receipt of primary care as well as specialist care and investigations for outpatient and day patient services. It will redirect the delivery of care away from the acute settings and more towards the community in so far as possible.

▪ **Corporate Plan**

Aligned with HSE Corporate Plan & Service Plan.

▪ **Sláintecare**

In line with Sláintecare Report 2017 & Sláintecare Implementation Strategy 2018. The PCC will give significant benefits & synergies to the delivery of services in [REDACTED] and the wider Network 2 area.

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

The facility will provide a warm, welcoming and patient centred 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 Primary Care Centre at [REDACTED] will be delivered in line with the latest standards applicable to HSE Primary Care Centres, specifically those of the 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 [REDACTED] Primary Care Centre development was competitively sourced based on the lease terms agreed and provides the HSE value for money. Given the recent significant cost inflation, the rent and service charge rates proposed represent significant cost savings for the delivery of the PCC.

Conclusion

Not Applicable

Recommendation

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