



HSE Board Briefing Template

Subject: Proposed Lease of Primary Care Centre at [REDACTED] to facilitate the Integrated Programme Older Persons (ICPOP) Team.

PRG ref: SE/L/0522/2688.

Submitted for meeting on: 13 September (EMT), 15 September (ARC), 30 September 2022 (Board).

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

Why is this information being brought to the Boards attention?

As the 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 for the lease of clinical health care and associated office space for CHO 5 at [REDACTED] for the delivery of health care and associated support for the Integrated Programme for Older Persons (ICOP) team.

The total cost of the lease is [REDACTED] (excl. VAT) over a [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;
- 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.

It is proposed to lease Primary Care accommodation at [REDACTED]

The cost of the accommodation over the [REDACTED] period is [REDACTED] (excl. VAT). 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 National Service Plan 2022 provides for the development of Enhanced Community Care (ECC) hubs for "the delivery of an integrated model of care delivering services and supports as close to home as possible." In Kilkenny, in order to facilitate the delivery of new ECC services to align with the NSP 2022, additional space is required for the establishment of a new ICPOP Team, including:

- Memory Assessment Support Service (MASS),

- Children's Disability Network Team,
- Community Healthcare Network Team,
- Community Support Team and their supporting staff.

This is an expansion of the services currently provided by the Primary Care Teams. In addition the Home Support Office, the Nursing Home Support staff and the trainers & auditors necessary to provide Older Persons services to Carlow/Kilkenny and to South East region will be located at [REDACTED].

As part of this development it is planned that staff that currently provide/support these services will be consolidated together in as few locations as possible for the efficient delivery of the programmes. A recruitment campaign for staff and services not currently in place is currently underway.

The HSE current portfolio does not have capacity to house the proposed new services. An options appraisal was completed for the provision of this accommodation with [REDACTED] being selected on the basis of value for money and availability of suitable space (with planning for clinical / medical space).

The acquisition of the leasehold interest in [REDACTED] will provide [REDACTED] at an annual rent of [REDACTED] (rental rate [REDACTED] per sq ft). The building is a newly constructed energy efficient, office/clinic accommodation over two floors with approx. 50 secure car parking spaces.

The lease of [REDACTED] allows the HSE to develop a fit-for-purpose community facility for the appropriate delivery of services for the newly established ICPOP Service and Older Persons. The landlord has agreed to provide a lift that will allow those attending for service delivery to access services from both floors. The HSE will occupy the entire building.

[REDACTED] will initially be used for the establishment of the ICPOP Team and the Memory Assessment Support Service that is under the Enhanced Community Care programme, as well as other Older Persons Services. Once the separately approved Enhanced Primary Care Hub at New Park, Kilkenny has been completed (approx. Q3 2027) the ICPOP Team will relocate to this property. [REDACTED] will then continue to be used for the development and provision of Older Persons Primary Care Services for approx. [REDACTED] as well as bookable rooms.

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 the property in shell and core state is [REDACTED]² with no service charge for a term of [REDACTED] years with the option to break the lease at year 10. The total cost of [REDACTED] over the [REDACTED] term is [REDACTED] (excl. VAT). The estimated capital cost for fit out and equipping the property is [REDACTED] based on the 2021 construction cost index, and allowances for inflation. Following discussions with the landlord, there is no "buy out" option available on this property
- **Resources**
The property will be staffed by a combination of existing HSE staff and from an extensive recruitment campaign to be undertaken to fill any remaining posts with opportunities for existing HSE staff to transfer to the facility when completed.
- **Impact to delivery of services**
It is a key enabler in facilitating enhanced community care accommodation. The overall environment will support the development of the new Services to ensure effective delivery for service users
- **Corporate Plan**
Aligned with HSE Corporate Plan & Service Plan.
- **Sláintecare**
The lease of [REDACTED] aligns positively with the aims of Sláintecare and particularly in connection with the ambition to re-design care and enhance the support and delivery of Community Care Services to the South East.
- **Social factors** (e.g., impact on specific area such as the elderly, disabilities)

The facility will provide a modern, energy efficient and accessible environment for the staff and service users alike. It will support flexibility in service delivery, ease of access (secure adjacent car parking and platform lift), contribute to attainment and maintenance of best practice in all aspects of the services to be provided.

- **Technological factors**

Not applicable

- **Legal factors**

The HSE will enter into a Lease Agreement.

Sustainability

This property is newly constructed and completed in 2021. The property is currently shell and core and the landlord has confirmed that it has been designed and constructed to NZEB standards, [REDACTED] will be fitted-out in line with the latest standards of the Mechanical & Electrical Performance Specification document. This outlines that a “... *building 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 acquisition of the leasehold interest in [REDACTED] has been based on valuation advice procured by the HSE indicating that the rate of [REDACTED] is in line with market rates for shell and core accommodation of this size, location and quality in Kilkenny. Given the significant buoyancy in the market, market rental costs are expected to rise. Fit out costs will be subject to final sign off on the particular layout required by the services.

Conclusion

Not applicable

Recommendation

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