



## **Minutes of Special HSE Board Meeting**

Friday 2 September 2022

A meeting of the Board of the Health Service Executive was held on Friday 2 September 2022 at 3:00pm by video conference.

**Present:** Mr Ciarán Devane (Chairperson), Prof Deirdre Madden, Mr Aogán Ó Fearghaíl, Mr Brendan Lenihan, Mr Fergus Finlay, Dr Yvonne Traynor, Dr Sarah McLoughlin, Mr Brendan Whelan, Prof Fergus O’Kelly, Ms Anne Carrigy.

**Apologies:** Mr. Tim Hynes

### **In Attendance for Board Meeting:**

Mr Paul Reid (CEO), Mr Stephen Mulvany (CFO), Mr Damien McCallion, (COO), Mr Dean Sullivan (CSO), Mr Fran Thompson (CIO), Ms Anne Marie Hoey (ND HR), Mr Mark Brennock, (ND Communications), Mr John Ward, (CTTO), Mr Dara Purcell (Corporate Secretary), Ms Niamh Drew, Ms June Robinson, Ms Patricia Perry (Office of the Board)

### **Joined the Meeting:**

Mr Paul de Freine (ND Capital & Estates), Ms. Elaine Maye (Capital and Estates) Ms Miin Alikhan (AND Strategic Planning and Reporting).

Minutes reflect the order in which items were considered and are numbered in accordance with the original agenda.

## **1. Governance and Administration**

### **1.1 Declarations of Interest**

No conflicts of interest were declared.

## **2. National Service Plan & Estimates**

*The CEO and members of the EMT joined the meeting.*

The Chairman informed the Board that the preparation of the Estimates incorporates two elements: an estimate of funding requirements for an Existing Level of Service (ELS) for 2023 (led by National



Finance) and an estimate of requirements for key New Service Developments (NSDs) for 2023 (led by the CSO).

The Chairman invited the CEO and CFO to provide an overview of the paper setting out the estimated financial cost in 2023 for ELS which had been circulated to the Board prior to the meeting for review and consideration.

The CFO briefed the Board on the 2022 forecasted deficit and the 2023 financial estimates for ELS. He informed the Board that the planning and decision making for 2023 had considered results from a 'bottom up' approach to determining ELS needs, the prioritisation of NSDs that aimed to optimise and 'future-proof' front-line service delivery, and the evaluation of COVID-19 related service implications during a transition from pandemic to endemic state and commitments to ensure ongoing system resilience against cyber-attacks, building on lessons learned from the most recent cyber-attack.

The CFO outlined the 2023 total estimates figure required of €5,061 billion and brought the Board through the breakdown. ELS 2022 & 2023 figure of €3,491.8m (17.5% of 2022 budget), broken down into 2023 ELS Core of €2,499.3m + €992.5m 2022 gross deficit. There will be an expected requirement of up to €971m in 2023 in relation to COVID-19. NSDs figure of €509.7m which includes €294.90m (1,275 WTE) for operational requirements and, €138.84m (1,062 WTE) for key service delivery enablers. Cyber-security implications required is €88.5m (of which €19.2m is capital).

He informed the Board, the latest HR assessment of recruitment is projecting a minimum overhang of 4,494 WTEs into 2023 as the maximum recruitment possible in 2023 is 6,010 WTEs. This means that there is scope to seek funding for and recruit an additional 1,500 posts in 2023 while remaining within overall recruitment targets.

The Board were then presented with an overview of the Estimates for NSDs in 2023 by the CSO who presented the key messages from the briefing papers circulated prior to the meeting. He provided an estimate of requirements for key NSDs for 2023 under two broad categories that reflect requirements related to Operational Service Delivery and Strategic, Clinical and Corporate Enablers.

The CSO informed the Board that the focus is on full implementation of all strategic developments and service improvements funded in previous years, and to identify exceptional areas where



targeted investments are required in 2023, and where there is an assured supply of the requisite staff categories.

The CSO brought the Board through a summary NSD list, which was produced following several iterative reviews and prioritisation of individual NSD submissions across different organisational areas. He noted that the aim of the NSDs estimates is to ensure submissions would reflect both current realities and strategic alignment with a link to high value, high impact results.

The Chairman of the Performance and Delivery Committee reported that the Committee had reviewed these papers for ELS and NSD funding at its meeting on 30<sup>th</sup> August 2022 and had emphasized the need for clear communication and open engagement with the DoH and DPER to ensure the primary deficit driving factors for the 2022 Core Gross Deficits are understood as financial risks which had been highlighted in the HSE Service Plan this year.

The Board reviewed the factors driving the ELS 2022 core deficit of 17.5%. These include Financial Emergency Measures in the Public Interest (FEMPI); Winter Flu; loss of Acute Private Income; Acute Gross Costs; Public Community Nursing Home Costs; Ukrainian Response; Non-Pay Inflation; Haddington Road Agreement; Pensions, PCRS and other demand leads; Disability Operations; Clinical and Operation Services.

The Board noted discussion is ongoing with Government regarding a Supplementary Estimate to address aspects of the core deficit highlighted as financial risks in the HSE Service Plan which would have happened in previous years.

The Board noted the ELS estimate costs pose significant challenges in the face of current Exchequer financial and recruitment/retention realities and require further rationalisation in the coming days, cognisant of the forecast 2022 circa 4,500 WTE recruitment overhang.

The Board considered the challenges in preparation of the Estimates 2023 noting it is more complex than in previous years, given financial pressures on government, residual challenges around recruitment and retention and the broader ongoing impact of the pandemic. The Board also considered how expected inflationary pressures will materially impact the economy overall with direct effect on direct and indirect service provision next year.



Following the discussion, the Board noted the preliminary view of Estimates (ELS) 2023 and NSD has been shared with the DoH in order to allow a more informed process leading up to budget day 2022.

The CFO then provided an outline of the prioritisation exercise that will be undertaken over the coming days to present the DoH with options to narrow the gap and ensure fully informed, collaborative decision-making towards final commitments for 2023.

### **3. Investment Case for eHealth & Cyber Remediation**

The CIO and CTTO, presented the investment case for eHealth and Cyber Remediation which was circulated prior to the meeting.

The CTTO advised the Board that the investment case for eHealth, which has been submitted to the DoH, is based on international estimates relating to Electronic Health Record (EHR) deployments, while the investment case for ICT & Cyber covers 27 costed areas which came from the original 245 recommendations outlined Conti cyber-attack on the HSE Independent Post Incident Review (PIR) specifically focusing only on ICT & Cyber recommendation relating to the PIR.

The investment case estimates the cost of implementing eHealth, specifically the implementation of an EHR system at €1.4 billion with a core deployment phase of 7 to 10 years, and a total implementation timeframe of 20 years. Additionally, it has estimated that the ICT & Cyber programme requires an investment of €656 million over a period of 7 years, of which €260 million is for voluntary organisations. It is anticipated €88.5m of this investment is required to mobilise the ICT & Cyber programme for FY23 with further validation, planning and scoping activities required for FY24 and beyond.

In summary, the estimated funding allocation required by the HSE could be up to €2.1 billion to achieve a successful and secure eHealth transformation.

The CTTO advised the Board that scoping for the first 12 months is in progress and a funding request of €88.5m has been made during the service planning process to cover ICT & Cyber Remediation (which includes provision to fund the refresh of the HSE's ICT strategy).



Noting that the year 1 costs of €88.5m are apportioned as follows €38.2m revenue, €19.2m capital HSE, €31m for Voluntary Hospitals, a discussion took place in relation to various parts of the investment case including the EHR, with the Board recommending that the case for investing in EHR could be stronger. The CEO advised that the Board's comments would be reflected in an updated version of the investment case.

The Board focussed on the timeframe of 20 years, and the CIO advised the Board that this was the total implementation timeframe and was in line with DPER recommendations.

The Chair thanked the CIO and CTTO for their briefing to the Board

*Fergus Finlay left the meeting at 4pm.*

#### **4. Reserved Functions of the Board**

##### **4.1 Property Transactions - Public Private Partnership (PPP) for the delivery of 7 Community Nursing Units.**

*The ND Capital & Estates joined the meeting.*

The CSO presented to the Board a paper seeking final approval for the transaction that will allow the HSE enter into a Public Private Partnership (PPP) with EquiSisk for the delivery of 7 Community Nursing Units. He explained to the Board that this item was planned for consideration at the July 2022 Board meeting but was deferred in the context of a potential legal challenge. He informed the Board that the threat of legal action has now been withdrawn and the paper is therefore presented for Board approval.

The Board considered the paper presented and gave its final approval in relation to:

1. The progression of the transaction that will allow the HSE enter into a Public Private Partnership (PPP) with EquiSisk for the delivery of 7 Community Nursing Units.
2. The agreement for the HSE to open 2 joint bank accounts with EquiSisk.
3. The transaction in accordance with the arrangements the Board approved in the paper submitted 29 June 2022.



## 5. AOB

### **Reconfiguration of Services at Our Lady's Hospital Navan (OLHN)**

The COO provided an update to the Board in relation to the work of the OLHN Reconfiguration National Working Group. He informed the Board that members of the National Working Group made visits to the hospitals involved in the reconfiguration, namely Our Lady of Lourdes, Drogheda; Our Lady's Hospital, Navan and Connolly Hospital Blanchardstown. The ND Acutes is currently identifying key areas for Our Lady's Hospital Navan to develop as a potential level 2 hospital going forward, which is separate to the review work.

The COO informed the Board that a draft report has been prepared by the Working Group and members of the Working Group have provided initial feedback to be incorporated into the report. A meeting of the group is being arranged to finalise the report and this is expected to be done in the first week of September, 2022.

The CEO confirmed the plan when finalised will involve detailed pathways and processes to enable appropriate implementation of the reconfiguration. He noted the timeline to complete the review remains short and challenging to meet.

The Board welcomed the update and noted that both the Board Chairman and Chairman of the Safety and Quality Committee will continue to receive regular briefings from the COO and CCO on the progress of the National Working Group.

The CEO then informed the Chair and Board of a media matter relating to Cervical Check, which was discussed and noted.

The Chair thanked Board Members and Management Team members for their time.

The meeting concluded at 5:00pm.

  
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**Signed:**      **Ciarán Devane**  
                    **Chairperson**

**Date:**      **30<sup>th</sup> September 2022**