



HSE Board Briefing Template

Subject: Proposed Lease of Primary Care Centre [REDACTED]
Cork.

PRG ref: **S/L/1222/2770**

Submitted for meeting on: 19 September (EMT), 15 September (ARC), 29 September (Board) 2023

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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 €10m

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 a Primary Care Centre at [REDACTED]

The total cost of the lease is [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] period is [REDACTED] Approval of HSE Board members is required as the property transaction is valued above €10m.

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

Currently Primary Care and Mental Health services for the area with a population of approximately 33,200 people are provided at a number of locations around Cork City by both HSE staff and General Practitioners. There are specific challenges relating to where these services are provided which have been ongoing for a number of years; the current accommodation is dispersed and, in many cases for staff, falls short of current legislation and standards in respect of Access, Health & Safety Standards and Environmental & Occupational Health Standards.

Integrated Health Care and multi-disciplinary working is inhibited by the multiple locations from which Primary Care and Mental Health Services are provided. These issues have reached a critical point and are being addressed as evidenced by the Boards programme of Primary Care investment to date. [REDACTED]

[REDACTED] is part of the 292, previously approved, cohort of primary care centres which was brought to the Board in 2012. No prior Board approval is in place for size or rate for the facility in [REDACTED]. The location has become a priority in recent times and so the process for progressing a centre in [REDACTED] has been advanced to the point where Board approval is now required.

In keeping with the programme for the delivery of Primary Care Centres, 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, three valid priced offer submissions were 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. The outcome of the process is set out in the table below.

Name of Firm	Ranking
[REDACTED]	1
[REDACTED]	2
[REDACTED]	3

The top ranked proposal was submitted by [REDACTED]. Their rental rate (excluding VAT) is [REDACTED] and the service charge cost is [REDACTED].

This new primary care centre will be a three-storey building which will have the ability to facilitate 110 WTEs that will deliver the following primary care services:

- I. Community Nursing & Home Support
- II. Dental Services
- III. Occupational Therapy (including Paediatric)
- IV. Physiotherapy (including Paediatric)
- V. Bookable consulting rooms
- VI. Speech and Language Therapy
- VII. Dietetics
- VIII. Community Mental Health Team
- IX. Child & Adolescent Mental Health Services
- X. Network Disability Team

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 on this paper

▪ **Budget**

The proposed area for this Primary Care Centre is 44,541ft². As approval is required prior to the Primary Care Centre achieving planning (in order to enter into an agreement to lease with the developer) approval is sought for a design development allowance of 10% over the proposed area of the Primary Care Centre i.e. 48,997ft² to mitigate against planning risks and detail design requirements. The rent for this primary care centre is [REDACTED] with the service charge at [REDACTED] for a term of [REDACTED]. The total cost of rent for full term (incl. 10% design development allowance) is [REDACTED]. Included in the Stage 3 letter to the qualifying bidders was an optional request to provide a buy-out option. [REDACTED]

[REDACTED] The estimated future cost of equipping the primary care centre is [REDACTED]

▪ **Programme**

Subject to HSE board approval and receipt of planning permission the developer expects to be in a position to commence construction in 2025 with the building completed in 2027.

▪ **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. The location is at a prime transport node and is very accessible. It will re direct 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 surrounding areas.

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

The facility will provide a warm, welcoming and community 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 in [REDACTED] will be delivered in line with the latest HSE Primary Care Centre 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 procurement of the proposed [REDACTED] has been competitively sourced and, based on the lease terms agreed, provides the HSE value for money.

Conclusion

Not applicable

Recommendation

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