



An Bille Sláinte (Leasú), 2025
Health (Amendment) Bill 2025

Meabhrán Mínitheach
Explanatory Memorandum



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HEALTH (AMENDMENT) BILL 2025**

EXPLANATORY MEMORANDUM

Purpose of the Bill

The purpose of the Bill is to amend the Health Act 2004 to provide for changes to corporate and service planning processes, and to include new requirements on the HSE Board and CEO in regard to appropriate systems, procedures and practices to exercise the highest standards of prudent and effective financial and budgetary management. It also requires that proposals for corrective action are put in place where expenditure levels have, or are expected to be, exceeded.

The Amendments introduced in the Bill provide that:

- The annual Service Plan is to be replaced with an annual Performance Delivery Plan
- The Minister for Health is to prepare a Strategic Direction Statement in respect of Health Services Priorities to guide the HSE in the preparation of its Corporate Plan. The Minister for Children, Disability, and Equality is to prepare a similar Strategic Direction Statement in respect of Specialist Community-Based Disability Services Priorities.
 - Either Minister may issue guidelines in relation to the achievement of said priorities to the HSE
- The Minister for Health shall prepare an annual Statement of Health Services Priorities to guide the Executive in preparing its Performance Delivery Plan. The Minister for Children, Disability, and Equality shall similarly prepare an annual Statement of Specialist Community-Based Disability Services Priorities.
 - These Statements may specify performance targets to the HSE
- The Performance Delivery Plan will be due within 28 days of receipt of the determination of the maximum amount of net non-capital expenditure that can be incurred issued under Section 30A(1) or 30B(1) of the Health Act. This is an increase from the current 21-day deadline for the submission of the Service Plan.
- The Annual Capital Plan will be due within 28 days of receipt of the notification of the maximum capital expenditure available to the HSE in each year. This is an increase from the current 21-day deadline.
- The CEO must inform the Board, the Minister for Health, and the Minister for Disability, Children, and Equality if the HSE is likely to

exceed its capital/non-capital expenditure allocation for the year, and submit the reasons for this, as well as corrective action proposals on actions that should be taken to avoid this outcome.

- Corrective Action Proposals must be approved by the Board.
- Ministers may direct the HSE to amend Corrective Action Proposals.

The Bill also sets out amendments to the National Cancer Registry Board (Establishment) Order 1991, to provide that:

- The Board shall now consist of 10 members.
- The quorum shall now consist of at least half of the members who are, for the time being, members of the Board.

Main Provisions of the Bill

PART 1

PRELIMINARY AND GENERAL

Section 1 – Short Title and Commencement

Section 1 is a standard provision giving the title of the Bill and when it will come into effect.

Section 2 – Definition

Section 2 defines ‘Principal Act’ as referring to the *Health Act 2004*.

Section 3 – Repeals

Section 3 repeals *Section 10A* and *Section 10D* of the Principal Act, which relate to the setting of priorities for the HSE by the Minister for Health and by the Minister for Children, Disability, and Equality. This will instead be addressed via the annual Statements of Priorities.

PART 2

AMENDMENT OF PRINCIPAL ACT

Section 4 – Amendment of section 2(1) of Principal Act

Section 4 amends the Principal Act by insertion of a definition for an ‘approved performance delivery plan’.

Section 5 – Amendment of section 7(5) of Principal Act

Section 5 amends the Principal Act by insertion of an explicit and specific requirement for the HSE to have regard to Government circulars related to expenditure, as well as other documents, in the performing of its functions.

Section 6 – Amendment of section 10(2) of Principal Act

Section 6 amends the Principal Act by substitution of ‘performance delivery plan’ for ‘service plan’. This is an incidental amendment arising from the transition to the Performance Delivery Plan in place of the Service Plan.

Section 7 – Amendment of section 10B of Principal Act

Section 7 amends the Principal Act to account for the repeal of section 10A. Specification of priorities and performance targets to the HSE by the Minister for Health, which are currently facilitated under Section 10A of the Principal Act, are provided for in Section 17 of this Bill.

Section 8 – Amendment of section 10C(2) of Principal Act

Section 8 amends the Principal Act by substitution of ‘performance delivery plan’ for ‘service plan’. This is an incidental amendment arising from the transition to the Performance Delivery Plan in place of the Service Plan.

Section 9 – Amendment of section 10E of Principal Act

Section 9 amends the Principal Act to account for the repeal of section 10D. Specification of priorities and performance targets to the HSE by the Minister for Children, Disability, and Equality, which are currently facilitated under Section 10D of the Principal Act, will instead be provided for in Section 18 of this Bill.

Section 10 – Amendment of section 16P(2) of Principal Act

Section 10 amends the Principal Act by insertion of a specific and explicit requirement for the HSE Board to satisfy itself that appropriate systems, procedures, and practices are in place to provide assurance that the HSE is achieving the highest standards of budgetary management and value for money, and is operating within authorised financial and employee resources.

Section 10 also requires the HSE Board to satisfy itself that appropriate systems, procedures, and practices are in place to enable compliance with policies as set out in Government circulars relating to expenditure, alongside the existing requirement for compliance with Government policies, codes, guidelines, and other documents.

Section 11 – Amendment of section 21C(1) of Principal Act

Section 11 amends the Principal Act by insertion of a specific and explicit requirement for the Chief Executive Officer of the HSE to satisfy him/herself that appropriate systems, procedures, and practices are in place to provide assurance that the HSE is achieving the highest standards of budgetary management and value for money, and is operating within authorised financial and employee resources.

Section 11 also requires the Chief Executive Officer of the HSE to satisfy him/herself that appropriate systems, procedures, and practices are in place to enable compliance with policies as set out in circulars relating to expenditure, alongside the existing requirement for compliance with Government policies, codes, guidelines, and other documents.

Section 12 – Amendment of section 28(1) of Principal Act

Section 12 amends the Principal Act by insertion of definitions for a ‘strategic direction statement in respect of health services priorities’ and a ‘strategic direction statement in respect of specialist community-based disability services’. It also deletes the definition of ‘approved service plan’.

Section 13 – Strategic direction statement in respect of health services priorities

Section 13 amends the Principal Act by insertion of section 28A, a new section which requires the Minister for Health, after consultation with the Minister for Children, Disability, and Equality, to prepare a strategic direction statement in respect of health services priorities, which is intended to guide the HSE in the preparation of its Corporate Plan. This strategic direction statement should specify the priorities of the Minister in relation to health matters, and may also include specific goals and outcomes for the relevant period of the Corporate Plan. The Minister may provide this strategic direction statement at any time (following consultation with the Minister for Children, Disability, and Equality), but

in any case, it must not be submitted later than 3 months before the end of the period to which the current Corporate Plan relates.

The Minister, following consultation with the Minister for Children, Disability, and Equality, may amend this statement at any time. The Minister, following consultation with the Minister for Children, Disability, and Equality, may also issue guidelines in relation to the health services priorities outlined for inclusion in the Corporate Plan, and the HSE must comply with these guidelines.

Section 14 – Strategic direction statement in respect of specialist community-based disability services priorities

Section 14 amends the Principal Act by insertion of *section 28B*, a new section which requires the Minister for Children, Disability, and Equality, after consultation with the Minister for Health, to prepare a strategic direction statement in respect of specialist community-based disability services priorities, which is intended to guide the HSE in the preparation of its Corporate Plan. This strategic direction statement should specify the priorities of the Minister in relation to specialist community-based disability service matters, and may also include specific goals and outcomes for the relevant period of the Corporate Plan. The Minister for Children, Disability, and Equality may provide this strategic direction statement at any time (following consultation with the Minister for Health), but in any case, it must not be submitted later than 3 months before the end of the period to which the current Corporate Plan relates.

The Minister for Children, Disability, and Equality, following consultation with the Minister for Health, may amend this statement at any time. The Minister for Children, Disability, and Equality, following consultation with the Minister for Health, may also issue guidelines in relation to the specialist community-based disability services priorities outlined for inclusion in the Corporate Plan, and the HSE must comply with these guidelines.

Section 15 – Executive to prepare and submit corporate plan for Minister's approval

Section 15 amends the Principal Act by the substitution of a new section for *section 29*, which outlines the HSE's obligations in relation to the preparation and submission of a Corporate Plan for the approval of the Minister for Health and the Minister for Children, Disability, and Equality. This must be done with 3 months of receipt of the strategic direction statements. The Corporate Plan should be consistent with the strategic direction statements, as well as any guidelines issued by either Minister in relation to priorities outlined in them. It must also specify any goals or key objectives for the period concerned, and specify the manner in which these are to be achieved, as well as the manner in which these will be assessed.

Within 3 months of receipt of the plan, the Minister for Health and the Minister for Children, Disability, and Equality, following consultation with each other, must either approve the plan, or refuse to approve the plan and issue directions in relation to how it should be amended. An approved plan may be amended by either Minister following consultation with the other. The HSE may amend an approved plan if the proposed amendment is submitted to the Minister for Health and the Minister for Children, Disability, and Equality, and approved by both, in consultation with the other.

Section 16 – Amendment of section 30(1) of Principal Act

Section 16 amends the Principal Act by updating a reference to an earlier section. This is an incidental amendment required by the change in structure of section 29 resulting from the substitution outlined in section 15 of the Bill.

Section 17 – Statement of health services priorities

Section 17 amends the Principal Act by insertion of section 30C, a new section which outlines the obligations of the Minister for Health and the HSE in relation to the Statement of Health Services Priorities. Following consultation with the Minister for Children, Disability, and Equality, this statement should be provided to the HSE, which should have regard to the contents of the statement in the preparation of its annual Performance Delivery Plan, and any subsequent amendments to same. This statement should be submitted to the HSE no later than the date of submission of the determination of the maximum net non-capital expenditure that may be incurred by the HSE in the same year.

In drafting the statement and specifying the priorities therein, the Minister for Health shall have regard to best practice requirements of the relevant health or personal social service, outcomes for the recipients of services or those likely to be affected by the priority, and the potential effect of a priority on other services provided by or on behalf of the HSE. The statement may specify performance targets in relation to outlined priorities. The Chair of the HSE Board must inform the Minister for Health of measures being taken to achieve the outlined priorities, and provide information related to same at any intervals that may be specified by the Minister. The Minister may amend the Statement following consultation with the Minister for Children, Disability, and Equality.

Section 18 – Statement of priorities for specialist community-based disability services

Section 18 amends the Principal Act by insertion of section 30D, a new section which outlines the obligations of the Minister for Children, Disability, and Equality and the HSE in relation to the Statement of Priorities for Specialist Community-Based Disability Services. Following consultation with the Minister for Health, this statement should be provided to the HSE, which should have regard to its contents in the preparation of its annual Performance Delivery Plan, and any subsequent amendments to same. This statement should be submitted to the HSE no later than the date of submission of the determination of the maximum net non-capital expenditure that may be incurred by the HSE in the same year.

In drafting the statement and specifying the priorities therein, the Minister for Children, Disability, and Equality shall have regard to best practice requirements of the relevant specialist community-based disability service, outcomes for the recipients of services or those likely to be affected by the priority, and the potential effect of a priority on other services provided by or on behalf of the HSE. The statement may specify performance targets in relation to outlined priorities. The Chair of the HSE Board must inform the Minister for Children, Disability, and Equality of measures being taken to achieve the outlined priorities, and provide information related to same at any intervals that may be specified by the Minister for the Children, Disability and Equality. The Minister for Children, Disability, and Equality may amend the Statement following consultation with the Minister for Health.

Section 19 – Performance delivery plan

Section 19 amends the Principal Act by the substitution of a new section for *section 31*, which outlines the obligations of the HSE, the Minister for Health, and the Minister for Children, Disability, and Equality in relation to the Performance Delivery Plan, which replaces the Service Plan. The Performance Delivery Plan must be submitted to both Ministers within 28 days (increased from the 21-day deadline of the Service Plan) of receipt of the determination of the maximum net non-capital expenditure that can be incurred by the HSE for the same year.

This section also details the content of the Performance Delivery Plan, which must be prepared in accordance with any directions issued by the Minister for Health, after consultation with the Minister for Children, Disability, and Equality, and must include information on the type and volume of services to be provided by the executive for the relevant period, estimates of income and expenditure, estimates of the number of employees of Section 38 service providers, key performance indicators, performance targets and outcome data, and must be in accordance with any directions issued by the Minister for Health and the Minister for Children, Disability, and Equality.

The Board of the HSE is responsible for adoption of the Performance Delivery Plan, and must only do so if it is assured that the plan is consistent with the Statement of Priorities from each Minister. The plan is then submitted to the Minister for Health and Minister for Children, Disability, and Equality for approval. The Ministers then have 21 days to approve the plan or request that it be amended, in which case the HSE must do so within a period of time specified by the Ministers in consultation with each other. The Minister for Health must ensure that a copy of the plan is laid before the Houses of the Oireachtas within 21 days of the plan being approved.

Section 20 – Amendment of approved performance delivery plan

Section 20 amends the Principal Act by the substitution of a new section for *section 32*, which outlines the obligations of the HSE, the Minister for Health, and the Minister for Children, Disability, and Equality in relation to the amendment of an approved performance delivery plan. Either Minister, following consultation with the other, may direct the HSE to amend an approved performance delivery plan and specify the manner in which it is to be amended. Either Minister may also direct the HSE to amend the plan following the amendment of a determination of the maximum net non-capital expenditure than can be incurred by the HSE for the same year, or to account for the addition of approved corrective action proposals (as discussed in the new *section 34A*).

The amended performance delivery plan must be compliant with the same conditions as the initial plan (must include information on the type and volume of services to be provided by the executive for the relevant period, estimates of income and expenditure, estimates of the number of employees of Section 38 service providers, key performance indicators, performance targets and outcome data and must be in accordance with any directions issued by either Minister). Upon submission of the amended performance delivery plan, the Minister, in consultation with the Minister for Children, Disability, and Equality, has 21 days to direct the HSE to amend the plan further, or to notify the HSE that the amendment is approved. Otherwise, the amended plan is to be taken as approved.

Section 21 – Implementation of approved performance delivery plan

Section 21 amends the Principal Act by the substitution of a new section for *section 33*, which previously discussed the implementation of an approved service plan. This new section now discusses the implementation of an approved performance delivery plan. This section requires that the HSE deliver services in line with the approved plan, and ensure that the net non-capital expenditure for the period related to the plan does not exceed the amount stated in the determination of same issued by the Minister for Health and the Minister for Children, Disability, and Equality.

It also states that if the net non-capital expenditure exceeds the amount stated in the determination, the excess should be charged to its income and expenditure account for the following financial year. If the net non-capital expenditure is less than the amount stated in the determination, the HSE may, subject to the approval of the Minister for Health and the Minister for Children, Disability, and Equality, and with the consent of the Minister for Public Expenditure, Infrastructure, Public Services, Reform and Digitalisation, credit the surplus to its income and expenditure account for the following financial year.

Section 22 – Amendment of section 33B(3) of Principal Act

Section 22 amends the Principal Act by the substitution of ‘28 days’ for ‘21 days’ for the deadline for submission of the HSE Capital Plan to the Minister for Health and the Minister for Children, Disability, and Equality, increasing this timeframe by 7 days.

Section 23 – Functions of chief executive officer and Board

Section 23 amends the Principal Act by the substitution of a new section for *section 34A*, which details the functions of the HSE Board and Chief Executive Officer, particularly in relation to newly introduced corrective action proposals. This section puts a specific obligation on the CEO to take all reasonable actions to ensure that the HSE’s net capital and non-capital expenditure does not exceed the amount in the determinations issued by the Minister for Health and the Minister for Children, Disability, and Equality. This section also places an obligation on the CEO to inform the Board, the Minister for Health, and the Minister for Children, Disability, and Equality, in writing, if he or she forms the opinion that the HSE’s capital/non-capital expenditure for a financial year is likely to exceed its allocation from either Department. The CEO must also, as soon as possible, submit proposals intended to avoid this overspend (Corrective Action Proposals) to the Board and the Ministers. The Board must approve the proposals, or direct the CEO to amend them, within 10 days of receipt.

Section 24 – Amendment of corrective action proposals

Section 24 amends the Principal Act by insertion of *section 34AA*, a new section which outlines the obligations of the Minister for Health, the Minister for Children, Disability, and Equality, and the HSE in regards to the amendment of corrective action proposals. Either Minister, after consultation with the other, may direct the HSE to amend corrective action proposals if they are of the opinion that the proposals are not consistent with the statement of priorities of either Minister, or if they do not sufficiently align with the corporate plan of the HSE or the policies and objectives of the Government. When issuing such a direction the Minister shall determine the timeline for the submission of amended corrective action proposals. Amended proposals must be compliant with the requirements set out in *section 23*.

Section 25 – Amendment of section 37(2) of Principal Act

Section 25 amends the Principal Act by substitution of ‘performance delivery plan’ for ‘service plan’. This is an incidental amendment arising from the transition to the Performance Delivery Plan in place of the Service Plan.

Section 26 – Amendment of section 43(5) of Principal Act

Section 26 amends the Principal Act by substitution of ‘performance delivery plan’ for ‘service plan’. This is an incidental amendment arising from the transition to the Performance Delivery Plan in place of the Service Plan.

Section 27 – Amendment of section 51 of Principal Act

Section 27 amends the Principal Act by substitution of ‘performance delivery plan’ for ‘service plan’. This is an incidental amendment arising from the transition to the Performance Delivery Plan in place of the Service Plan.

PART 3

**AMENDMENT OF NATIONAL CANCER REGISTRY BOARD
(ESTABLISHMENT) ORDER 1991**

Section 28 – Amendment of National Cancer Registry Board (Establishment)
Order 1991

Section 28 amends the National Cancer Registry Board (Establishment) Order 1991 by increasing the membership of the Board to 10 members, and adjusting the quorum to account for same.

An Roinn Sláinte,

Iúil, 2025.