



Feidhmeannacht na Seirbhíse Sláinte  
Health Service Executive

Feidhmeannacht na Seirbhíse Sláinte  
Rannán Gnóthaí Parlaiminte  
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PAC-R-1554 Correspondence 3A.2 Meeting 139 23/10/14

**15<sup>th</sup> October 2014**

Mr. Ted McEnery,  
Committee Clerk,  
Committee of Public Accounts,  
Leinster House,  
Dublin 2.

Dear Ted,

I refer to our attendance at the PAC meeting in June 2014 where the committee raised issues around the procurement of an interim management resource and procurement of management facilities by the University of Limerick Hospital Group.

Following the meeting of the PAC the Director General requested the HSE's Internal Audit division to undertake a review of the issues raised by the committee.

The audit which has been completed looked at two particular aspects, namely: (1) the procurement of the interim management resource and (2) the involvement of this individual in the procurement process of a facilities management supplier which resulted in the award being made to a company of which the person was a former executive and shareholder.

The audit conclusion in respect of the two matters was as follows:


- The three quotes obtained under the original procurement process for the interim management resource was in line with HSE policy, but the extension of the contract by management resulted in non-compliance with policy thresholds for formal tendering and EU tendering.
- There was no evidence of a conflict of interest in the awarding of a contract to Noonan Services Group Limited, and the individual who was a former executive and shareholder confirmed that there was no conflict of interest in respect of himself or his family in the tender process.

The audit made a number of recommendations and the implementation of these has commenced.

Separately, the recruitment process to appoint a Chief Operating Officer (COO) for UL Hospitals has commenced, the position was advertised nationally through the Public Appointments Service and it is anticipated that the interviews will be held in the next couple of weeks.

I trust this clarifies the matters raised.

Yours sincerely,



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**Ray Mitchell**  
**Leas Stiúrthóir Náisiúnta**  
**FSS**