An Roinn Sláinte Department of Health Secretary General



Mr. Martin Hughes Clerk to Committee of Public Accounts Houses of the Oireachtas

By email: PAC@oireachtas.ie

2nd June 2021

Ref: Ref: S0373 PAC33

Dear Mr Hughes

I refer to your letter of 18th May highlighting the Committee's request for a copy of the report on the progress review of the National Paediatric Hospital to be made available to the Committee in advance of the meeting that was scheduled for 20 May.

The Department acknowledges the responsibilities and duties of this Committee and the interest of members in such matters and acknowledges that in February a commitment was given to the Committee to return in March to discuss the outputs of the review exercise.

However, at that point it was genuinely anticipated that the Department and the Development Board's analysis would have concluded, and we would be in a position to discuss outcomes of that review process.

As the Committee is aware, the Minister for Health sought an analysis of the project taking account of all known issues in order to consider the optimal way forward for the completion of the project. As such, it is not a retrospective review, but rather a forecast of the optimal way forward for completion of the project.

A draft report from the NPHDB was received by the Department on 28th January 2021 and, following a robust independent analysis and scrutiny, further input was requested from the Development Board.

I must advise that the analysis remains ongoing by Department officials, in cooperation with the Development Board and other stakeholders. It has also become clear that elements of this exercise continue to be confidential and will remain commercially sensitive for an extended period, given that there is a live contract in place with the primary contractor which the Development Board is statutorily responsible for.

There is an extremely high likelihood that any discussion on costs or dates, however hypothetical, even from the draft stages of the process, would prejudice enforcement of the existing contract and very likely undermine the role of the Development Board in its ongoing engagement with the main contractor.

The Department and the Development Board have a responsibility to ensure the successful completion of this project. Any discussion of the details arising out of this process, at this

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time, would undermine and jeopardise that, and negatively impact any further options available to ensuring the delivery of what will be a world class healthcare facility for generations to come and the best value for public expenditure.

The NPHDB and the Department's work is still ongoing, but following its completion, an update on the position will be provided to the relevant stakeholders.

The Department and the Development Board would then be pleased to return to appear before this Committee ahead of the summer recess to address areas of interest to it, where such matters are not commercially sensitive, at that stage.

Yours sincerely,

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Robert Watt Secretary General