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**24/11/2022**

Sam Keenan  
Committee Secretariat,  
Public Accounts Committee,  
Leinster House,  
Dublin 2.

**Re: Ref: S01075 PAC33**

Dear Sam

I refer to your correspondence of the 10<sup>th</sup> November re follow up matters arising from the meeting of the Public Accounts Committee held on 6<sup>th</sup> October 2022.

Please find below for the attention of the Public Accounts Committee members a briefing note on a number of the follow up queries as requested.

If any further information is required, please do not hesitate to contact me.

Yours sincerely,

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**Ray Mitchell**  
**Assistant National Director**  
**Parliamentary Affairs Division**

## Briefing Note for the Public Accounts Committee

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### **1. An update as to when the HSE will engage with individuals whose data may have been exposed during the cyberattack in 2021.**

#### **Response:**

Following extensive work in developing a secure system to enable notifications to the notifiable data subjects following the cyber- attack in May, 2021, the HSE will shortly be commencing engagement with the notifiable subjects. It is anticipated that it will be a 16 week process as there are approximately 113,000 subjects to be notified. Over the 16 week period, notifiable subjects will receive a letter from the HSE advising them that their data was part of the data breach. They are invited to register through an online portal to speak to an agent or to log a request to view the relevant data. A call centre has been put in place to support individuals through this process.

### **2. A note on the future plans for the National Ambulance Service (NAS) in the Dublin region, specifically the south-east area.**

#### **Response:**

In relation to ambulance provision in South County Dublin and the Loughlinstown base in particular, the NAS are aware of the future need for expanded capacity within the area but insignificant site capacity at our current Loughlinstown base means that any further development or expansion to the base cannot take place. In the future, the NAS will have to explore moving to a new site but there are no current plans for this at present.

### **3. A note detailing the rationale for the lease agreement for a primary care centre referred to on page 102 of the HSE Annual Report 2021.**

#### **Response:**

The delivery of primary care centres is dependent on a number of factors such as availability and suitability of site location, GP involvement, service agreement, value for money, and all necessary approval including that of the HSE Board.

A national prioritisation exercise to review primary care centre locations was undertaken in 2012 by the Primary Care Division of the HSE, in conjunction with Capital and Estates. Primary care centres were prioritised on the basis of: service need; availability of appropriate existing facilities; and the level of deprivation in each area.

Dun Laoghaire / Sallynoggin was identified as a priority location following this exercise. Under the Primary Care Infrastructure Programme, the HSE has availed of a range of methods for the delivery of primary care centres including an Operational Lease Mechanism, Public Private Partnership (PPP) and HSE direct build.

An appraisal of the options to develop a primary care centre in Dun Laoghaire was undertaken that included an assessment of suitable HSE owned land in the immediate area, potential for securing funding through the HSE's annual capital allocation and private market interest for such a development in Dun Laoghaire. Following this appraisal, it was decided the best delivery mechanism for Dun Laoghaire would be via Operational Lease.

This location was advertised in Q2 2019 seeking expressions of interest for potential developers of a primary care centre via an operational lease mechanism and, following a selection process, a successful candidate was selected to develop the primary care centre. An Agreement for Lease between HSE & developer was executed in Q1 2022 and the construction works are progressing on site with an estimated completion date of Q1 2023, with the Primary Care Centre operational Q2 2023.

#### **4. A note providing information on the proposed 35-bed unit with possible use by acute services in the National Rehabilitation Hospital.**

##### **Response:**

The site for a proposed 35-bed step down unit was originally identified as the "Cedar Building" - a vacant building, on the NRH campus. The intention was to refurbish this facility as a step-down unit and operate it under the governance of SVUH.

The facility required significant refurbishment works including electrical, medical gasses and ventilation upgrades as well as additional accommodation and support facilities. Capital funding was made available to carry out initial feasibility and design studies.

During this time however the opportunity arose to utilise the "Caritas Centre" located close to SVUH campus. Currently, there is an arrangement by SV Healthcare Group for the use this building and SVUH has access to up to 32 step down beds within the unit.

The proposed refurbishment project of the 35-beds unit in Cedar Building proposed on grounds of the National Rehabilitation Hospital is deferred into phase 2 development. The project was approved during covid times (Capital letter is attached below) and due to the extent of works and time required for same, project did not pass the design stage. The requirement for beds at that time was urgent and the vacant Caritas Convalescent Centre at Merrion Rd located close to SVUH was used for that purpose.

#### **5. A note on the attendance of members at HSE committees - including but not limited to the audit committee and the performance and delivery committee - and whether it is satisfactory.**

##### **Response:**

Attendance at HSE Board/Committee meetings is reported in the HSE Annual Report. The report for 2021 shows there was very high attendance by individual members at Board and Committee meetings.

The relevant sections of the HSE Annual Report and Financial Statements 2021 have been included for ease of reference.

### **Audit and Risk Committee (ARC)**

There were 17 meetings of the ARC in 2021. There were 7 members of the Committee.

- 4 members attended all 17 meetings
- 1 member attend 16/17 meetings
- 1 member attended 13/17.
- 1 member attended all 10 meetings up to when she resigned from the Committee and the Board on 4 August 2021.

### **Audit and Risk Committee**

Audit and Risk Committee Member	12/02/2021	12/03/2021	09/04/2021	22/04/2021	10/05/2021	21/05/2021	11/06/2021	21/06/2021	09/07/2021	19/07/2021	10/09/2021	22/09/2021	08/10/2021	27/10/2021	12/11/2021	17/11/2021	13/12/2021	No. of Meetings Attended	Remuneration €
Brendan Lenthain (Deputy Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	17	Board Member
Fiona Ross	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓								10	Board Member
Fergus Finlay	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	17	Board Member
Ann Markey	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓		✓		✓	13	1,710.00
Colm Campbell	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	17	1,710.00
Pat Kirwan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	17	N/A
Martin Pitt	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	16	1,710.00

**Notes:**

- Pat Kirwan does not receive a fee in respect of his membership of the Audit and Risk Committee under the one person one salary rule
- Fiona Ross resigned from Board 4 August 2021

### **People and Culture Committee**

There were 7 meetings of the People and Culture Committee in 2021. There were 6 Members of the Committee.

- 2 members attended all 7 meetings
- 2 members attended 6/7 meetings.
- 1 member attended 4/5 meetings since their appointment on 26 February 2021.
- 1 member attended 4/5 meetings since their appointment on 12 March 2021.

### **People and Culture Committee**

People and Culture Committee Member	20/01/2021	05/02/2021	09/04/2021	11/06/2021	03/09/2021	08/10/2021	03/12/2021	No. of Meetings Attended	Remuneration €
Yvonne Traynor (Chair)	✓	✓	✓	✓	✓	✓	✓	7	Board Member
Aogán Ó Fearghail		✓	✓	✓	✓	✓	✓	6	Board Member
Sarah McLoughlin	✓		✓	✓	✓	✓	✓	6	Board Member
Brendan Whelan				✓	✓	✓	✓	4	Board Member
Deirdre Cullivan			✓	✓	✓	✓		4	1,140.00
Bernie O'Reilly	✓	✓	✓	✓	✓	✓	✓	7	1,710.00

**Notes:**

- Brendan Whelan appointed Board member 12 March 2021
- Deirdre Cullivan appointed to Committee 26 February 2021

### **Performance and Delivery Committee**

There were 10 meetings of the Performance and Delivery Committee in 2021. There were 8 members of the Committee.

- 2 members attended all 10 meetings
- 1 member attended 9/10 meetings
- 2 members attended 8/10 meetings
- 1 members attended 7/10.
- 1 member attended 7/9 meetings since their appointment on 12 March 2021.
- 1 member attended 2/5 meetings up to when she resigned from the Committee on 3 September 2021.

### **Performance and Delivery Committee**

Performance and Delivery Committee Member	19/02/2021	19/03/2021	23/04/2021	18/06/2021	23/07/2021	17/09/2021	22/10/2021	09/11/2021	16/11/2021	10/12/2021	No. of Meetings Attended	Remuneration €
Tim Hynes (Chair)	✓	✓	✓	✓	✓			✓	✓	✓	8	Board Member
Brendan Lonihan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	Board Member
Fergus Finlay	✓	✓	✓	✓	✓	✓	✓	✓		✓	9	Board Member
Brendan Whelan				✓	✓	✓	✓	✓	✓	✓	7	Board Member
Sarah McLoughlin		✓	✓	✓	✓	✓	✓			✓	7	Board Member
Louis Flynn	✓	✓	✓	✓	✓	✓	✓			✓	8	N/A
Regina Moran			✓	✓							2	570.00
Sarah Barry	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	1,710.00

**Notes:**

- Louis Flynn does not receive a fee in respect of his membership of the Performance and Delivery Committee under the one person one salary rule
- Regina Moran resigned from Committee 3 September 2021
- Brendan Whelan appointed Board member 12 March 2021

### **Safety and Quality Committee**

There were 10 meetings of the Safety and Quality Committee in 2021. There were 8 members of the Committee.

- 3 members attended all 10 meetings
- 3 members attended 9/10 meetings
- 1 member attended 8/10 meetings
- 1 member attended 6/7 meetings since their appointment on 28 April 2021

### Safety and Quality Committee

Safety and Quality Committee Member	19/01/2021	16/03/2021	20/04/2021	13/05/2021	15/06/2021	13/07/2021	15/09/2021	20/10/2021	17/11/2021	14/12/2021	No. of Meetings Attended	Remuneration €
Daire Madden (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	Board Member
Fergus O'Kelly	✓	✓	✓	✓	✓	✓		✓		✓	8	Board Member
Yvonne Traynor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	Board Member
Anne Carrigy	✓	✓	✓	✓	✓	✓	✓	✓	✓		9	Board Member
Margaret Murphy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	1,710.00
Cathal O'Keefe	✓	✓	✓	✓	✓	✓	✓		✓	✓	9	N/A
Chris Luke	✓	✓	✓	✓	✓	✓	✓	✓		✓	9	1,710.00
Jacqui Brown				✓	✓	✓	✓	✓		✓	6	1,710.00

**Notes:**

- Cathal O'Keefe does not receive a fee in respect of his membership of the Safety and Quality Committee under the one person one salary rule
- Anne Carrigy appointed Board member 12 March 2021 (previously, external member of Committee)
- Jacqui Brown appointed to Committee 28 April 2021

## 6. The timeline for the construction of the proposed MRI scanner, and the proposed 96-bed unit, both in Wexford.

### Response:

The project to deliver a new MRI at Wexford General Hospital is currently in progress with the Design Team appointed in October' 22 and the preliminary design process is underway. Subject to capital funding availability, the aim is to commence construction during 2023.

The project to deliver a 96-bed ward block at Wexford General Hospital is currently in progress. A Design team was appointed in September 2022 and the preliminary design process is underway. The aim is complete and submit the Strategic Assessment Review for the proposed project, as required by the Public Spending Code, during 2023.

## 7. A note outlining how the HSE is responding to concerns raised in the C&AG's Report on the Accounts of the Public Services 2016 on the management and oversight of grants to section 38 and section 39 organisations.

### Response:

<b>C&amp;AG Annual Report 2016, Chapter 19, Management and Oversight of Grants to Health Agencies</b>
<b>Recommendation:</b> <b>19.1</b> The HSE should satisfy itself that the service providers in receipt of funding have appropriate governance structures and procedures in place. The HSE's monitoring procedures should include an assessment of the effectiveness of those structures and procedures.
<b>Actions taken to Implement Recommendation</b>

- In terms of this recommendation, it should be noted that in recent years the following initiatives have enabled the HSE, to a reasonable extent, to *“satisfy itself that the service providers in receipt of funding have appropriate governance structures and procedures in place”*:-
  - (i) Introduction of the Annual Compliance Statement (**ACS**)
  - (ii) Introduction of the Annual Financial Monitoring Return, and
  - (iii) The External Reviews of Governance (Section 38 Agencies)
- As a result of these three aforementioned initiatives, in terms of governance, Section 38 and Section 39 Agencies (**Agencies**) in many instances have undertaken, and continue to undertake, their own initiatives to enhance their governance at Board level.
- In this regard, the following are some examples of the initiatives undertaken by Agencies in recent years:
  - having their governance reviewed by an external body;
  - rotation of Board Directors, where necessary;
  - reduction in the number of Board Directors, where necessary;
  - developing the roles of Board sub-committees and updating the Terms of Reference thereof;
  - developing Codes of Conduct both for employees and Directors; and
  - developing Internal Audit functions.
- Additionally, in relation to procurement, HSE Procurement continues to work with, and provide ongoing support to Agencies regarding procurement matters, in particular, those matters associated with non-compliance concerning Public Procurement Guidelines. In this regard a substantial number of Agencies have been provided with online access to the HSE Procurement Assisted Sourcing System (HSE PASS). This facilitates access for these Agencies to the HSE Procurement/OGP contracts and Framework Agreements.
- It should be noted that these types of governance-enhancing initiatives in Agencies have coincided with the introduction of the ACS and External Reviews processes by the HSE. It should also be noted that Agencies encompassed by the ACS and External Review processes account for over 90% of the HSE funding released to Non-Statutory Agencies.

#### **C&AG Annual Report 2016, Chapter 19, Management and Oversight of Grants to Health Agencies**

##### **Recommendation:**

**19.2** The HSE should review the format of the annual service arrangement in order to highlight the key performance indicators, the related monitoring arrangements and clearly specify the agency's and the HSE's responsibilities in this regard.

##### **Actions taken to Implement Recommendation**

The review of the Service Arrangement Part 2 (Schedules) is completed on an annual basis to reflect the specification of services, standards and funding for the following year.

In this connection, the Schedules are reviewed each year so as to ensure that they reflect the most up-to-date policies and practices that are appropriate and relevant to have included in the Service Arrangements. Accordingly, shortly after the publication of this recommendation (19.2) the following text was inserted into the relevant section of the Schedules for all care-groups and this was introduced from 1 January 2018.

*The Provider shall provide the performance data in relation to the relevant Key Performance Indicators as set out in the template issued to the Provider by the HSE. The template will be based on those relevant Key Performance Indicators in Appendix 1, which sets down the Key Performance Indicators contained in the National Service Plan. The Provider shall return this template as required with the relevant performance data in respect of the services provided for the funding received from the HSE, to the appropriate HSE contact.*

Additionally, the Service Arrangement Part 1 is currently being reviewed and the review will involve examination of the clauses that relate to performance indicators and related matters.

It should also be noted that the HSE's document *Guidelines for Performance Monitoring* contains a section (1.4) that deals specifically with requirements for service managers in relation to the monitoring of information and reports from Agencies.

Furthermore, the establishment of the Contract Management Support Units (**CMSUs**) is dealt with below in relation to recommendation 19.3 and it should be noted therein that the CMSUs are assisting service managers in managing and documenting all aspects of the relationship with Agencies. One of the key responsibilities of the CMSUs is to ensure that there are appropriate systems in place that will ensure that information requirements, such as those relating to key performance indicators, are fulfilled by Agencies.

## **C&AG Annual Report 2016, Chapter 19, Management and Oversight of Grants to Health Agencies**

### **Recommendation:**

**19.3** The HSE should ensure that monitoring arrangements specified in the annual service arrangements are complied with. There is also a need for clarification of roles and responsibilities where an agency is receiving funding from more than one CHO.

### **Actions taken to Implement Recommendation**

- As of 2022 the HSE has fully established Contract Management Support Units (**CMSUs**) in each of the HSE's nine Community Healthcare Organisations (**CHOs**). The CMSUs are a key resource within CHOs in terms of enhancing the level of management and oversight in respect of Agencies funded by the respective CHOs. In particular, they assist service managers in the CHOs in terms of managing and documenting all aspects of the relationship with Agencies.



- In terms of ensuring that “monitoring arrangements specified in the annual service arrangements are complied with”, it should be noted the frequency at which performance review meetings are held with Agencies is dependent on the amount of funding released to the Agency for the year in question. These frequencies are set down in the HSE’s document *Guidelines for Performance Monitoring*.

In this regard each CMSU in each CHO has a system in place which tracks and records that these performance review meetings are taking place in accordance with these guidelines.

- In terms of ensuring that there is “clarification of roles and responsibilities where an agency is receiving funding from more than one CHO”, in general where an Agency is receiving funding from more than one CHO, the highest-funding CHO takes responsibility for key aspects of the Governance Framework as they apply to that Agency. For instance, it should be noted that there is at least one Financial Analyst in each CMSU who possesses a financial qualification and the primary role of the Financial Analyst is to review all of the annual Audited Financial Statements (AFS) which are submitted by relevant Agencies funded by that CHO. In those situations where the CHO is the highest funder of an Agency, the Financial Analyst in the relevant CMSU undertakes an in-depth review of the AFS in accordance with a set pro-forma. This in-depth review is thereafter recorded on the SPG system so that all other CMSU staffs are aware that the AFS have been received and reviewed.
- Therefore, in relation to the two aspects of this specific recommendation, namely, “*monitoring arrangements specified in the annual service arrangements*” and “*roles and responsibilities*” regarding multi-CHO funded Agencies, the establishment of the CMSUs are central and will be further developed in addressing these matters at operational level.

#### 8. A note on vacant HSE properties in counties Laois and Offaly, including properties the HSE has bought but that have not yet been put to use.

##### Response:

Table 1 below sets out the details of current Vacant Properties within the counties of Laois and Offaly. HSE Capital and Estates, in conjunction with service colleagues, continue to monitor any vacant property on an on-going basis.

No properties have been purchased by the HSE but not put in to use in Counties Laois and Offaly.

Site Code	Block Code	Address	Current Position (Nov 2022)	County
LS0038	1	Newtown Health Centre, Newtown, Co. Laois	Old health centre, not in use. Building not fit for delivery of contemporary healthcare services. Discussion ongoing with local authority in regards to title of site. Future use to be determined once outcome of discussions with local authority conclude	Laois

LS0039	1	Portarlinton Health Centre	Currently used for storage. Under active consideration for future healthcare use. Refurbishment works will be required prior to reoccupation of building	Laois
LS0025	2	Mountmellick Health Centre	Currently used for storage. Will be demolished in the future to allow for development of new Community Nursing Unit once construction of that project commences on site.	Laois
LS0022	6	Abbattoir St. Fintans	Currently used for storage. Building is part of an active healthcare campus and cannot be sold. Limited options for use due to condition of building	Laois
LS0022	22	Stables", St. Fintan's	Currently not possible to occupy. Building in poor condition with no heat or flooring. Building is part of an active healthcare campus and cannot be sold. Limited options for use due to condition of building	Laois
TBC	1	Banagher Health Centre	Currently vacant. Under active consideration for future healthcare use. Refurbishment works will be required prior to reoccupation of building.	Offaly
TBC	1	Erril Health Centre	Currently Vacant. Under active consideration for future healthcare use. Refurbishment works will be required prior to reoccupation of building	Laois

## 9. The HSE's target and/or plan for the next five years in relation to the provision of ICU beds.

### Response:

In December 2020, the Minister for Health announced a strategic multi-year plan to expand adult critical care capacity in Ireland. The plan was developed to ensure readiness of the health system for response to the ongoing COVID-19 pandemic and to support a long-term strategic goal of increasing overall critical care capacity fully addressing the critical care recommendations of the Health Service Capacity Review (2018).

The plan to increase adult critical care capacity is clinically led and supported through the Model of Care for Adult Critical Care. The model is a 'hub-and-spoke' delivery model, which sets out the pathway of care for critically ill adult patients within the Irish healthcare setting. It addresses the recommendations of the Health Service Capacity Review in respect of critical care, is in line with the vision set out in Sláintecare of "right care, right place, right time", and will also support strategic and service reform over time. Critical care is a key component in the implementation of key strategies including trauma, cancer, and maternity care, and in the provision of specialist care including organ transplant. The strategic development of critical care capacity aligns with the strategic direction envisaged in these strategies and with the delivery of highly complex specialist care.

The 'hub-and-spoke' model is also aligned with the hospital group structure and connectivity between hospitals is provided through agreed transport and retrieval services so that critically ill patients can access safe and effective treatment in a timely manner. The role of transport is vital in the model with the National Ambulance Service (NAS) operating Mobile Intensive Care Ambulance Service (MICAS) from a referring Hospital ICU to an accepting Clinical Specialty Hospital ICU for Specialty Care.

The multi-year plan was set out in two phases that will see the increase in capacity from 255 beds to 446 beds.

Significant progress has been made in the delivery of Phase 1 which has increased the number of funded critical care beds to 323 as of November 2022. It should be noted however, the number of beds open on a given day varies dependent on staffing and other operational issues.

Planning for the delivery of Phase 2 is well underway, with SAR and preliminary business cases in development for each of the five sites. Phase 2 has a current estimated completion date of 2025. On completion of Phase 2 the total number of funded ICU beds will have increased to 446.

#### **10. A note on how the HSE is catering for the increase in population in Wexford through the NAS.**

##### **Response:**

There has been a 26% increase in National Ambulance Service personnel in County Wexford since 2019. This is broken down by year and per station in the table below.

The 2022 figure is to October 2022.

<b>Year</b>	<b>Station</b>	<b>NAS Employees</b>
<b>2019</b>	Enniscorthy	8
	Gorey	10
	New Ross	9
	Wexford	19
		<b>46</b>
<b>2020</b>	Enniscorthy	8
	Gorey	10
	New Ross	10
	Wexford	25
		<b>53</b>
<b>2021</b>	Enniscorthy	9
	Gorey	13
	New Ross	11
	Wexford	25
		<b>58</b>

<b>2022</b>	Enniscorthy	10
	Gorey	14
	New Ross	9
	Wexford	25
		<b>58</b>

**11. In relation to approximately 160 people with special needs in Wexford awaiting dental treatment under anaesthesia, a note regarding the change from two weekly sessions to one session a week in Wexford General Hospital.**

**Response:**

CHO 5 has advised that the two weekly sessions per week have been restored in Wexford General Hospital.

**12. A note on the HSE's purchase of hand sanitiser, including the reasons why a quantity to the value of €35 million has gone out of date, and whether it can still be used.**

**Response:**

Similar to other countries, HSE continues to experience excess stock challenges and expiration / obsolescence risk across certain PPE categories and products where demand remains below previously anticipated levels.

For context, in the UK, the Department of Health & Social Care (DHSC) estimates that of the 37.9bn items of PPE purchased (value £13bn), it holds 3.9bn items that it does not need. It is exploring options for selling, donating and recycling this PPE but it accepts that some will end up being incinerated. DHSC remains in dispute with many suppliers over the quality of the PPE they provided, inclusive of 176 contracts with up to £2.7bn of taxpayers' money at risk.

**PPE Shelf- Life during COVID**

Due to major shortages of PPE at the start of the pandemic, many non PPE factories changed their product to start producing PPE. As these were new products being brought to the market, testing for shelf life was limited (accelerated aging testing would have been available but real time aging testing data would not have been available), resulting in some products being given shorter expiry dates than the norm. This has now resulted in acute challenges regarding the risk of expiration and obsolescence of PPE for large scale procurers of PPE such as the HSE and other health and governmental agencies internationally.

**Regulation of Hand Gels**

Alcohol hand gel is considered a biocide product and the Competent Regulatory Authority is the Department Agriculture, Food and the Marine (DAFM). Suppliers of alcohol hand gel are required to obtain a biocides licence from DAFM. There are two classes of licence which depend on the type of alcohol used in the manufacture of the product:

- Ethanol products (which are 'notified' products) and;
- Isopropanol products (which are 'authorised' products).

DAFM have advised that notified products have an expiry date on the label which has been determined by the manufacturer based on tests conducted by the manufacturer to determine the % ethanol and number of months for which the product remains stable and this determines the shelf life. The shelf life expiry is recorded on the label. The vast majority of the alcohol hand gel purchased by the HSE were ethanol 'notified' products.

Authorised products, on the other hand, must provide studies showing efficacy of the product at application stage and the expiry date on the bottle of authorised products is considered a regulatory date and cannot be extended.

In order to extend the shelf life of 'notified' products, testing would need to be done by either the manufacturer or the Competent Authority to ensure that the product still contains a minimum of 60% of Ethanol which is the minimum level required by WHO Guidelines to be an effective Hand Sanitiser.

Based on current stock levels and demand profiles any shelf life extensions would not be consumed within the extension period. HSE are currently using approximately €20k worth of hand gel per week.

As a biocide product, alcohol hand gel is considered hazardous waste and must be disposed of in accordance with relevant regulations for disposal of hazardous material. The HSE maintains a contract for disposal of hazardous waste with Stericycle.

**13. A detailed note on the estimated €657 million to be spent by the HSE on the implementation of PwC's recommendations arising from the 2021 cyberattack, including the envisaged timelines for the staging of same.**

#### **Response:**

The Investment Case for ICT & Cyber was created using the PwC Post Incident Review (PIR) as its basis. The PIR, which was made public in December 2021, outlined a total of 245 recommendations. These recommendations have been distilled into 27 costed initiatives which form the basis of the ICT & Cyber investment case and transformation programme which is currently underway.

The ICT & Cyber investment case outlined a **€656M** cost over a period of 7 years. As part of the service planning process a funding ask was made for year 1 of this transformation programme, and at the time of writing a funding allocation of **€40M** has been provided for 2023 to progress as a matter of urgency the remediation of Cyber risks to strengthen and secure our ICT & Digital infrastructure.

This funding will be used to drive the ICT & Cyber transformation programme, ensure that the HSE can meet its compliance reporting as an Operator of Essential Services (OES), ensure appropriate security operations are in place to monitor, detect and respond to incidents, and focus on proactive measures to ensure the ICT environment is consistently managed from a threat and vulnerability management perspective.

In addition to these Cyber initiatives, the funding will be used to modernise the technology estate upgrading and replacing critical end of life and end of vendor support technologies, which creates significant risk of failure and cyber-attack.

**14. A note on any work that has been undertaken, following the start of the COVID-19 pandemic, to ensure the State has PPE supplies should they be needed in the future, and any discussions that have been had with bodies such as Enterprise Ireland in that regard.**

**Response:**

The confirmation by the WHO of Covid19 as a global Pandemic on 11 March 2020 had an unprecedented impact on demand for, and supply of all PPE items in Ireland throughout 2020. The need for the PPE dominated the procurement activities of the HSE in 2020.

The HSE implemented the WHO recommendation for a centralized request management approach servicing all of the state's healthcare settings to ensure PPE continued to be available across all health service delivery streams. All Hospitals, Community Based Healthcare settings including public and private Nursing Homes, National Ambulance Service, General Practices and multiple other critical healthcare providers depend on the availability of PPE supplied from the centralised request management system each day.

To meet this demand, the HSE initially established several bilateral supply lines of key PPE categories, either directly or indirectly, with large Chinese manufacturers, and subsequently with a range of indigenous manufacturers. These supply lines relied on the emergency procurement mechanisms provided by the EU Commission derogation.

In September 2021, the Office of Government Procurement issued an updated Information Note on Covid 19 (Coronavirus) and Public Procurement. This update emphasised a return to the use of competitive procedures where extreme urgency is no longer a consideration, in particular the onset of the pandemic and the imposition of Government Restrictions.

The HSE investigated the establishment of a strategy for the future procurement of PPE that would protect the award of future contracts for indigenous manufacturers on a full or partial basis. Legal opinion was sought which concluded that it would not be safe to give a legal position stating that the strategy would survive legal scrutiny either by non EU manufacturers nor from EU manufacturers nor indeed from the EU Commission.

In September 2021, HSE engaged PCH International Ltd to undertake a study of key international pricing and trends to enable the HSE to understand the dynamics of the PPE market and how pricing would evolve over the next 12 months. This study assisted the HSE in identifying that a significant differential existed between international and indigenous pricing for PPE.

There was clear evidence that in order for the HSE to realise the best pricing available in the marketplace, competitive procurement processes should be conducted that are open to all suppliers / manufacturers of PPE whether indigenous or international.

The future procurement strategy for PPE involves competitive procurement processes that provides an equal opportunity to all suppliers / manufacturers of PPE. The successful suppliers / manufacturers will be required to demonstrate an ability to meet the required specification for the Irish Health Service and any additional service or storage requirements as specified by the HSE.

The strategy for procurement of PPE will incorporate how the HSE will secure PPE for;

- Regular Forecastable Demand (DPS Normal), and;
- Pandemic Surge Demand (DPS Pandemic).

HSE has established a Dynamic Purchasing System (DPS) for the supply of its regular forecastable demand for PPE (DPS Normal). Suppliers appointed to the DPS Normal will be invited to participate in an annual mini competition for the supply of products within a given PPE lot as prevailing contracts expire.

HSE intends to set up a DPS for the supply of PPE in the event of a future pandemic (DPS Pandemic). It is intended that mini competitions will be conducted under the DPS Pandemic for additional surge volumes of PPE caused by the declaration or pending declaration of a pandemic subject to the timeframe available and any potential derogations from the Public Procurement Regulations. Discussion are ongoing regarding detailed specification of requirements.

In the event that a derogation from the Public Procurement Regulations is available, the HSE would reserve the right to award contracts for additional volumes of PPE caused by the declaration or pending declaration of a pandemic by way of direct negotiation with those suppliers appointed to the DPS Pandemic.

**HSE**

**November 2022**