

# DÁIL ÉIREANN

---

## AN COMHCHOISTE UM SHLÁINTE

## JOINT COMMITTEE ON HEALTH

---

*Dé Céadaoin, 7 Iúil 2021*

*Wednesday, 7 July 2021*

---

Tháinig an Comhchoiste le chéile ag 9.30 a.m.

The Joint Committee met at 9.30 a.m.

---

Comhaltaí a bhí i láthair / Members present:

Teachtaí Dála / Deputies	Seanadóirí / Senators
Colm Burke,	Frances Black,
Cathal Crowe,	Martin Conway,
David Cullinane,	Annie Hoey,
Bernard J. Durkan,	Seán Kyne.
Neasa Hourigan,	
Gino Kenny,	
Róisín Shortall.	

Teachta / Deputy Seán Crowe sa Chathaoir / in the Chair.

## Business of Joint Committee

**Chairman:** The draft minutes of the meetings of Wednesday, 23 June, Wednesday, 30 June, and Friday, 2 July, have been circulated to members. Are the minutes agreed? Agreed.

### National Children's Hospital: Discussion

**Chairman:** I welcome our witnesses who will provide an update on the national children's hospital, NCH: Mr. David Gunning, chief officer, and Mr. Phelim Devine, project manager, National Paediatric Hospital Development Board, NPHDB; Ms Eilish Hardiman, chief executive officer, Children's Health Ireland, CHI; and Ms Fiona Prendergast, acting director of health infrastructure, and Mr. Eamonn Quinn, principal officer, major capital projects, Department of Health.

Before we hear their opening statements, I must point out to witnesses that there is uncertainty as to whether parliamentary privilege will apply to evidence that is given from a location outside the parliamentary precincts of Leinster House. Therefore, if they are directed by me to cease giving evidence on a particular matter, they must respect that direction.

I invite Ms Fiona Prendergast to make her opening statement. She has five minutes.

**Ms Fiona Prendergast:** I thank the committee for inviting officials from the Department of Health to join representatives of the NPHDB and CHI to provide the committee with an update on the progress of the new children's hospital project. I am acting director in the health infrastructure division of the Department of Health and I am joined by my colleague, Mr. Eamonn Quinn, principal officer for major capital projects.

The new children's hospital project is the most significant capital investment programme ever undertaken in Ireland's healthcare system. The development of the new children's hospital is a Government priority project and will bring together the services currently provided at three children's hospitals into a modern, custom designed, world-class, digital hospital to deliver the best care and treatments for Ireland's sickest children. The project comprises the new children's hospital at St. James's Hospital as well as outpatient and urgent care centres located at Connolly Hospital, Blanchardstown and Tallaght University Hospital. The construction project is only one part of three interrelated elements of the NCH programme for the delivery of a new paediatric model of care in Ireland, the others being the ICT infrastructure and the operational integration of the three existing children's hospitals.

Despite the obvious challenges the Covid-19 pandemic has imposed on us, significant progress has been made on the project. Mr. Gunning and his colleagues will speak to the specifics, but the distinctive shape of the building is becoming clear. The fit-out of certain internal areas has begun, with rooms and clinical areas now discernible. On a recent site visit, we got a real sense of how welcoming an environment it will be for children, their families and CHI's staff, with plenty of natural light and breakout spaces in addition to the world-class health facilities. It is clear that this is not just a hospital. It is effectively a new village to provide for Ireland's sickest children, their families and the healthcare professionals who will care for them. There will be gardens, recreational facilities, a school for the patients and a university campus for future health care professionals. One of most impressive aspects for the team was the seemingly endless corridor on the theatre level, which will be home to 22 world-class theatres and

the respective preparation and ante rooms. With the mock-ups of how the various rooms will be completed, there is a tangible sense of the positive clinical care experiences that patients and their families will have in the new hospital. We encourage members of the committee to accept the development board's invitation to visit the site and see the vision being realised.

The paediatric outpatient and urgent care centre at Connolly Hospital opened in July 2019. Ms Hardiman of CHI will speak further to the benefits that have been realised for paediatric care, but a 65% reduction in the waiting list for general paediatrics within a year of opening, despite the challenges of the pandemic, speaks volumes. The second satellite centre at Tallaght University Hospital will open before the end of this year. This opening of the second of the three new campuses will be another important milestone in the NCH programme and in the delivery of children's health services.

The Department acknowledges the responsibilities and duties of the committee and the interest of members in the timeline and projected costs for the completion of the project. However, there is a live contract in place and ongoing commercially sensitive engagements between the NPHDB and BAM. The development board representatives will speak to the programme supplied by BAM but, given the ongoing commercial engagements, a definitive update on costs cannot be provided as it would be inappropriate and very likely detrimental to the project to speculate on those. The NPHDB and BAM are currently working together to identify and work through possible obstacles to the timely completion of the project. This is very much welcomed by the Department.

While there is demonstrable progress, there are also challenges. However, many of these are not specific to this project. We are still in the midst of a global pandemic. While work on NCH sites continued through the lockdown earlier this year, NPHE is advising that we should expect a significant wave of Delta transmission and we must anticipate the many challenges this pandemic will continue to present. Indeed, the wider construction industry is challenged by supply chain issues and dramatic price increases. This was reflected in the recent national economic dialogue, where it was noted that the pandemic and Brexit are impacting the economy, productivity and creating bottlenecks in supply. These challenges face the NCH project as well and, notwithstanding the commercial sensitivities, make speculation and definitive forecasting of costs and timelines even more unwise. Nevertheless, reflecting the positives, we now have paediatric outpatient and urgent care being delivered at Connolly Hospital, a site at St. James's that is progressing well, with constructive engagement between the development board and the main contractor, and a new paediatric outpatient facility coming online later this year.

**Chairman:** Thank you. I invite Mr. Gunning to make his opening remarks. You have five minutes.

**Mr. David Gunning:** I thank the Deputies and Senators for inviting the NPHDB today, via video link, to provide an update on the construction progress on the new children's hospital. I am the chief officer and I am joined this morning by Mr. Phelim Devine, our project director, and Dr. Emma Curtis, the medical director.

The board was appointed in 2013 to design, build and equip the new children's hospital on the campus shared with St. James's Hospital in Dublin 8 and two paediatric outpatient and urgent care centres at Connolly Hospital, Blanchardstown, and Tallaght University Hospital. The NCH project, a Government priority, will have a significant impact on the healthcare outcomes of 25% of the population once completed and is the single most significant capital investment project in the healthcare system ever undertaken in Ireland.

The new paediatric outpatient and urgent care centre at Connolly Hospital is fully operational. It was opened in July 2019. In the packs supplied to members, we have provided a set of photographs which I urge them to examine. They show the significant progress that has taken place across the sites. It is a priority for the NPHDB and all stakeholders to open the paediatric outpatient and urgent care centre at Tallaght in 2021 and we are pleased to report that we are on target to do that. Members will see from the images distributed as part of the briefing pack that construction work on the 4,600 sq m centre is nearing an end, with a substantial completion date scheduled for September 2021. The centre will then be handed over to CHI to open for services after an approximately eight-week period of operational commissioning and equipping. The works at Tallaght are progressing at pace. Final internal works comprise placing the ceiling panels, completing the painting, commissioning and testing of the mechanical and electrical services, cleaning and snagging. External works comprise finalisation of pavements around the centre and landscaping. The work on the centre at Tallaght included a significant investment in the adult hospital, which involved the delivery of a new changing and administration block, a new crèche and the upgrade of roads and pavements, car park, and electrical infrastructure.

Progress on the main new children's hospital is also continuing. The primary concrete frame was completed in March 2021. The infill concrete slabs over the steelwork frame closing in the concourse will be completed by August 2021, as will the unitised glazing to the ward block at levels 4 to 6, which is the doughnut shape on the top of the building. It comprises the colours of the rainbow that the committee members will be familiar with from the design drawings they have seen. The facade to the building will be practically complete by the end of 2021, with the glazed biome that links the building to complete in the first quarter of 2022.

The fit-out of the south finger rooms comprising outpatients, cardiology wards and therapies, and the hot block rooms comprising emergency department, imaging, critical care and theatres are progressing well. The remainder of the fit-out of the north finger rooms, comprising outpatients, the hospital school, the third-level education centre, the parental overnight accommodation and pharmacy and the ward block, will commence in the next month.

The primary mechanical and electrical plant comprising boilers, combined heat and power, generators, transformers, main distribution boards and medical gases are well progressed with the focus now on primary and secondary distribution of those services around the building. Some of the group 1 medical equipment, such as the pendants in the operating theatres and critical care rooms, are being installed. The group 2 equipment comprising automated guided vehicles and clinical decontamination unit equipment is currently in procurement. The balance of the group 2 equipment, such as MRIs, CT scanners and all the other advanced imaging equipment, will commence procurement in the next quarter.

Sustainability is embedded in the design of the children's hospital. The hospital recently received an excellent rating in design under the building research establishment environmental assessment, BREEAM, method and is one of only a small number of hospitals in the world to have achieved such a rating. BREEAM is the world's leading sustainability assessment method for

master planning

projects,

infrastructure

and

buildings

The global pandemic has disrupted the construction sector and all its supply chains both nationally and internationally. Unfortunately, the NCH project has not been immune to this. In 2020, both the construction site of the new children's hospital and the new centre at Tal-laght were closed for a period, following the arrival of Covid-19 in Ireland. In 2021, the sites remained open as essential sites during the level 5 lockdown. The contractor introduced extensive health and safety measures, which included weekly screening and PCR testing for all workers. More than 5,000 tests have been conducted and I am delighted that no positive cases were detected on site up to the end of June. This level of focus has enabled the national children's hospital site to remain open and is a testament to the contractor's diligent staff and the health and safety measures put in place. The challenges presented by Covid-19 remain immense and will be with us for the foreseeable future.

It is acknowledged by all stakeholders that Covid and Brexit will likely place pressure on the availability of essential supplies in the global market. The construction sector is facing challenges related to the supply of market essentials as a result of increased global demand and shortages driven by Covid-related factory shutdowns, production disruption and inventory depletion. In addition, it is reported that there is a shortage of shipping containers and Brexit-related import delays and constraints. This is a global challenge and one that is not unique to the construction sector but it will have potential impacts on the project with cost and lead time uncertainty. The contractor continues to work through these challenges and will manage the risk as much as possible.

As previously outlined to this committee in November 2020, there are delays to the programme of works in part due to the wider construction sector challenges I have mentioned. We have previously reported to the committee that we did not have a compliant works programme from the contractor. I am delighted to be able to report to the committee that a compliant programme was submitted by the contractor in March 2021 and has been determined by the employer's representative as being compliant. That is a major milestone for the project. With over 40,000 separate activities to be completed over the course of the build, the programme details each and every one, ensuring that it is in the right sequence and at the right phase of the build. By determining the programme as compliant, the employer's representative has essentially confirmed that it is feasible to complete the construction phase within the timeframe set out. This is only feasible if the project is executed and resourced efficiently by the contractor and its subcontractors and if all other external factors, including Brexit and Covid, do not impact on supply issues and goods and services. The compliant programme takes account of the known delay, and all stakeholders are fully aligned around the goal of opening the hospital in 2024. The NPHDB and the main contractor are engaged in a series of workshops to map out the detail within the programme to take account of the risks that remain and to make every effort to ensure the target date can be achieved.

As a part of the combined effort to achieve delivery of the programme within the shortest timeframe, all dispute mechanisms have been paused. This moratorium has been agreed between both parties, which enables the parties to solely focus all their efforts on ensuring that the new target completion date can be realised. This does not remove the risk of claims, nor does it mean that we will not continue to receive claims. It does, however, temporarily take

away the time and cost burden of defending those claims robustly.

In December 2018, the Government approved an investment decision of €1.433 billion for the project. As communicated to and by Government at the time, this decision excludes items for which there was no price certainly and nor can there be for the duration of the project. These excluded items are construction inflation, statutory changes, any change in scope resulting from healthcare policy changes and the sectoral employment order, SEO. While we now have a compliant programme, the target completion date for the programme is 14 months later than the timeframe upon which the contract was determined. Any elongation of the programme equates to additional cost. There are potential cost implications arising from Covid-related delays, additional health and safety measures, as well as ongoing claims issues that have the potential to contribute to the overall costs. These matters, as well as those associated with the change to the programme duration, are currently subject to commercial mechanisms and are part of the live contract that exists between the NPHDB and BAM, the main contractor. I am, therefore, not in a position to elaborate further at this time as it could compromise our ability to negotiate on behalf of the State at a later date. There is an extremely high likelihood that any discussion on costs, however hypothetical, would prejudice enforcement of the existing contract and very likely negatively impact or jeopardise our current engagements with the contractor.

The hospital and the centre at Tallaght are taking shape. Significant progress has been made as is evident from the photographs and video that we have shared. The project continues to have challenges but we are moving forward with a spirit of co-operation with the main contractor and with all of our stakeholders to ensure that this badly needed hospital is delivered as soon as possible. I look forward to answering any questions about the project the Chairman and members might have.

**Ms Eilish Hardiman:** I thank the committee for inviting Children's Health Ireland to attend this meeting. As client to the NPHDB for the new children's hospital project, I welcome the opportunity to provide the committee with an update from CHI's perspective.

CHI was established as a statutory entity in January 2019 to govern and manage acute secondary paediatric services for the greater Dublin area as well as national tertiary and quaternary paediatric services, some of which are on an all-island basis. This saw the children's hospitals at Temple Street, Tallaght and Crumlin merge to form CHI in preparation for the move into the new children's hospital. In July 2019, we also opened the first of our two paediatric outpatient and urgent care centres at Connolly Hospital, Blanchardstown.

The NPHDB has advised that the second paediatric outpatient and emergency care centre building based at Tallaght University Hospital will be completed and handed over to CHI in September 2021. CHI is planning an eight-week operational commissioning period before opening services in this new building in November 2021. I will turn to our service. In 2020, a total of 260,000 children and adolescents were treated in our services at Crumlin, Temple Street, Tallaght and Connolly hospitals. This was a reduction of just over 20% compared to the 2019 activity as a result of Covid-related service reductions. Timely and greater access to our services remains our single greatest operational challenge as a healthcare provider. CHI has several infrastructure and workforce constraints contributing to lengthy waiting lists and access challenges. These constraints are primarily in the theatres, radiology, critical care, laboratory and outpatient departments, and these have been exacerbated by the Covid-19 outbreak with the recent cyberattack adding further to this challenge. Opening of the new children's hospital and the new facility at Tallaght will in time address these access challenges.

In March of this year, CHI was operating at 86% of its March 2019 activity. That was a

significant improvement from March 2020 when services were severely restricted at the beginning of the pandemic. Since then we have innovated with virtual clinics. We had a significant reduction in emergency department attendances throughout 2020, which has since reversed in 2021. This has not resulted in an increase in emergency admissions, with patients being treated and discharged home from our emergency departments and urgent care centre. We have seen a significant increase in children and adolescents with mental health presentations coming to our hospitals, which we attribute to the pandemic. This has put pressures on our resources.

To meet infection prevention and control guidance of 2 m distancing between beds, CHI has had to repurpose spaces such as play rooms, family lounges and other communal spaces in our children's hospitals into clinical spaces to accommodate beds displaced from our multiple occupancy wards, which are rooms with two to six beds in a room. The new children's hospital with its single occupancy rooms, designed with infection prevention and control in mind, will significantly improve how we can treat and care for children even in a pandemic.

The criminal cyberattack on the healthcare system has had a material impact on our IT systems in CHI and our ability to deliver services to our patients and families. While most of our IT systems are back up they continue to be slow and not all are connected or linked to each other. Patient information from manual records over the past seven weeks are being uploaded into our IT systems and it will take weeks to get back to our starting point in May. Despite this, several initiatives are being progressed to improve access to care. As part of the first phase of access to care funding, CHI secured confirmation in late June of additional once-off funding of €1.9 million in 2021 to support specific initiatives to address long waiting times across 15 specialties. Discussions are also at an advanced stage with the HSE on expanding MRI capacity in Crumlin and Temple Street hospitals to address waiting times for this specialist imaging. These are welcome and required investments in acute paediatric care. CHI has consistently apologised to our patients and their families who are experiencing long waiting times. We acknowledge this can be a source of anxiety for parents, children and indeed for our staff and it is our primary operational priority to have this addressed.

CHI is entering the final stages of the electronic healthcare record procurement process using a competitive dialogue methodology. It is anticipated to have a preferred vendor selected by the fourth quarter of 2021 and approval secured to sign contract in the first quarter of 2022. It is planned to open the new children's hospital as a full digital hospital and alignment with the capital build programme is key to achieving this objective.

Expansion of services in CHI at Tallaght will enhance the delivery of secondary paediatric services in south county Dublin, Dublin south west, Dublin south city and the surrounding areas of Kildare and Wicklow by delivering the right care, as close to the child's home as possible. These expanded services are in addition to inpatient and outpatient services currently at CHI Tallaght, which will remain there until the new children's hospital opens. This new facility is purpose built for children and families and will deliver emergency care, outpatient services, radiology, medical forensic examination and child sexual assault counselling and therapy services. We will have more capacity to deliver short-stay care in emergency care so that children can have a consultant-led assessment and treatment and be discharged home without needing inpatient admission.

When fully operational this new facility in CHI Tallaght will provide 17,000 additional outpatient appointments predominantly in general paediatrics, specialist and orthopaedic clinics, and up to 25,000 emergency care attendances annually. We have seen a 65% reduction in the waiting list for general paediatrics since the opening of CHI Connolly and we expect to see this

waiting list reduce further by the end of 2022 with these expanded services in CHI Tallaght. A public awareness campaign is planned for families, GPs and healthcare professionals in Dublin south, Dublin west, Kildare and Wicklow informing them on the expanded services in CHI Tallaght.

To conclude, the additional challenges in healthcare caused by a global pandemic and a cyberattack has only magnified the need for our new children's hospital. Our staff experience difficulties daily in delivering acute paediatric care services to Ireland's sickest children and adolescents in outdated facilities in our existing hospitals that have poor digital infrastructure and old equipment. I re-emphasise the criticality of the new hospital and the new Tallaght facility. Their space, digital infrastructure, modern equipment and enhanced workforce are at the core of our plans to enhance clinical outcomes and develop services provided to children, adolescents and their families. I wish to express my deep appreciation to the staff in CHI for their continued dedication, professionalism and innovation throughout the past challenging 17 months. We look forward to walking through the doors of our new children's hospital and delivering care and treatment there. In the meantime, we remain committed to reforming our services and prioritising investment and innovation to support improvement in paediatric services and child healthcare. I am happy to take any questions the committee has.

**Chairman:** I thank Ms Hardiman. I now open the floor to members, the first being Deputy Durkan.

**Deputy Bernard J. Durkan:** I thank our guests. I congratulate the representatives on their input during the past 17 difficult months in their efforts to continue with their programme and sticking to their objective, and not being pushed off their objective. I congratulate the workers also on the work that has progressed during this difficult time.

I turn to the quality of services expected and proposed and I will raise some questions on psychiatric requirements and health. All of us have come across difficult cases recently, whereby children and adolescents who require psychiatric care and attention are having difficulty in accessing programmes, residential places, care and attention. I am concerned that an increased number of people feel they are excluded from the system, nobody cares for them, there is little provision of medical psychiatric attention for them, and they are abandoned. Some of these have been the subject of court cases and some of them involve the Departments of Education and Health. This situation has now come to a serious stage where it is imperative that some action be taken, of an emergency nature, to deal with these issues. I open this to any of the witnesses who wish to respond.

**Chairman:** Before we continue, I take it that the Deputy is in the convention centre and not in a church and that the bells are ringing for the resumption of the Dáil.

**Deputy Bernard J. Durkan:** I apologise for the bell in the background.

**Chairman:** It is outside of the Deputy's control.

**Ms Eilish Hardiman:** I can take the Deputy's query as it is a service matter. In my opening statement I raised the issue of the significant increase in mental health issues. This is not just in Ireland. From talking to staff in children's hospitals internationally, we know this is a global matter. We have seen a 58% increase in attendances in our hospitals in the second half of 2020 compared with the same period in 2019. We have also seen a significant 66% increase in children presenting with eating disorders. The HSE is investing a significant investment in

the community for eating disorders, which is quite welcome. That is part of the 2021 investment. CHI have been meeting with its child and adolescent mental health services, CAMHS, colleagues in the greater Dublin area and in the regions to implement this so that we catch these children earlier and treat them in the community before they have to attend acute hospital services. The new children's hospital has 20 beds assigned for mental health as part of the plan for inpatient mental health facilities. These are quite specialist beds. Twelve of them are for general mental health conditions, particularly children who are very young and may need intervention from medical colleagues as well as those in mental health. There are eight eating disorder beds. CHI is working with CAMHS colleagues to ensure that we are designing those beds so that they will be operational when the hospital opens.

This is a challenging area. From a child and adolescent perspective, it is the post-Covid element of care on which we need further engagement regarding the models of care we need to implement and much more collaboration internationally. We must look at working with schools, local sports clubs and families so that we support our young people to be resilient and to deal with the challenges of growing up in modern society.

**Deputy Bernard J. Durkan:** There is a need for emergency measures to deal with these issues right now. We cannot wait for another six months. I recognise and accept the points made by Ms Hardiman but the situation is now so bad for those suffering from psychiatric conditions and their parents, particularly those with eating disorders, and it is almost impossible to find a place for young adults. If they have an addiction, it is impossible. It is necessary to put in place a structure that will deal with those issues as a matter of urgency. Can that be done?

**Ms Eilish Hardiman:** The enhanced community care investment in the HSE has identified this as a requirement. Investment is planned this year. CHI can commit to working with our colleagues to try to put in those early interventions, because it should be based in the community. We will continue to commit and work to see if anything else can be developed with that investment to address that pressure in health service.

**Deputy Bernard J. Durkan:** Even where there is early intervention, as the situation progresses there is a need to place the child or young adult in a particular location suitable to meeting their requirements as a matter of urgency. How can CHI address that in the shortest possible time, by which I mean in the next two or three months?

**Ms Eilish Hardiman:** We have to do this in collaboration with CAMHS because that is where the children are predominantly cared for and treated. Where CHI can help is where these children tend to end up in our emergency departments and need to be admitted. Every Monday, we have a team meeting with CAMHS. We engage on each of the patients and where the suitable placements are. We acknowledge there are challenges. There are challenges in staffing, which we have and CAMHS has. There are plans to develop more beds, as outlined, but they take time to implement. CAMHS plan to enhance community services earlier. Internationally, it has been demonstrated that if these children are caught, they do not get to the point where they need acute intervention. We are happy to and will continue to engage with CAMHS. We have acknowledged that as our biggest challenge from the pandemic. There are resources through the enhanced community care initiative through the HSE that we should use as soon as possible to try and address.

**Deputy Bernard J. Durkan:** I acknowledge what Ms Hardiman said and I acknowledge there are plans afoot. However, my point is that these are emergencies now. In the past few weeks, we have dealt in our offices with people who are in prison now because there is no other

place to put them. They have psychiatric difficulties and are under psychiatric care. It is not sufficient to meet their requirements. That is the problem. There are no residential places to send them and no other avenue other than through the courts. Committal is a difficult and serious situation.

There are children who have no place to go. In once case it was determined as a result of a court case that there was no place for a child who has severe, serious and acute difficulties. There is no place for that child to go in terms of education or care other than in the home, where it a significant 24-7 job for the parents. Is there a possibility that something might be done to address the urgency of this issue in the short term?

**Ms Eilish Hardiman:** I concur. CHI has formally recognised this through its advocacy remit as a board. We have communicated with the HSE and we are engaging with CAMHS to address it. I can commit to raising it again and continuing to see if there is anything else in this enhanced community care investment. I commit to do that and to report back.

**Chairman:** I agree with Deputy Durkan. CHO 7 area, which the Deputy mentioned, has some of the longest waiting lists in the State. It has the longest speech and language therapy lists with children waiting for years. People are also waiting for years for access to a psychiatrist. These are some of the issues that the Deputy alluded to.

**Deputy David Cullinane:** I welcome the witnesses. I will start with Mr. Gunning. He was last before the committee in November. He will recall that hearing.

**Chairman:** He does, yes. He is on mute, he nodded.

**Deputy David Cullinane:** He will recall there was a lot of frustration on the part of members at the lack of detail and clarity on timeframes for delivery and costs. We had indicated then that we would seek to have him back some time early this year. We left it until July and here we are now. We are hoping that we would have some clarity on costs and timeframes. However, it is disappointing that, according to the opening statements from the Department and from Mr. Gunning, we will not be in a position to get answers to those questions. Nonetheless, I will attempt to get as much information as I can.

On timeframes for delivery, we know from the last time Mr. Gunning was here and from previous hearings that the contracted completion date was August 2022. Is that correct?

**Mr. David Gunning:** That is correct; the original contract was August 2022.

**Deputy David Cullinane:** Mr. Gunning's opening statement says the target completion date for the programme is 14 months later. I take it that means the new target completion date is October 2023. Is that correct?

**Mr. David Gunning:** If I could offer some clarification, because of the Covid shutdown the contracted date of August 2022 moves out by the duration of the closed period. The new contract completion date is October 2022. The 14 months is measured from October 2022 and, therefore, arrives at December 2023.

**Deputy David Cullinane:** December 2023 is the estimated completion target date. Mr. Gunning says the goal of opening is in 2024. Which quarter of 2024?

**Mr. David Gunning:** As I said in the opening statement, the goal of all the stakeholders is aligned around that. Without getting into definitive statements, it is more than likely the second

half of 2024, but that is conditioned by the risks that are currently in the construction sector in general in terms of resource availability and supply of necessary materials. I have set that out, but the goal-----

**Deputy David Cullinane:** I understand that Mr. Gunning is giving us estimated figures. Just to be clear, the estimated, hoped-for or planned time for completion is December 2023 and the anticipated or hoped-for opening of the hospital will be in the second half of 2024, all going well.

**Mr. David Gunning:** The contractor's timeline and the approved project timeline, approved by the employer's representative, indicates a completion in December 2023. Then there is the commissioning period that follows but, as I will continue to say, there is risk in that and there is no point in saying anything other than that.

**Deputy David Cullinane:** I will get to the risk later. I am just seeking to establish what the estimated timeframes are. On the previous occasion Mr. Gunning appeared before the committee, I was one of the members who asked questions about the timeframe for delivery. He said at the time that he was not in a position to give the date at that point, but that he would be able to give me an answer to that question in the early part of 2021. This is July 2021 and we are looking for some type of precise opening date. What we have are estimates, but Mr. Gunning is saying that there is still no guarantee that any of the dates can or will be met.

**Mr. David Gunning:** We all recognise that in the middle of the global pandemic and the challenges that it provides, as well as other aspects that impact on the construction project, we are not in a position to provide any definitive dates.

**Deputy David Cullinane:** Okay. I will come to the costs. The cost that was approved by the Cabinet was €1.433 billion. Is that correct?

**Mr. David Gunning:** Correct.

**Deputy David Cullinane:** When Mr. Gunning last appeared before the committee, he said approximately 600 claims were outstanding. He said in his statement that the dispute mechanisms have been paused to allow the focus to be on delivering the project. There is sense in that. Given that it is eight months since Mr. Gunning was last before the committee, how many of the 600 claims have been settled?

**Mr. David Gunning:** I will talk about the process here of claims-----

**Deputy David Cullinane:** I am just looking for the number of how many have been settled.

**Mr. David Gunning:** There is a process within the contract relating to claims. Claims arrive and are dealt with by the employer's representative. The employer's representative makes the determination on claims. She has determined 600 or so claims. However, if either party is not satisfied with a claim, it goes to what is called the project board. If there is no conclusion at the project board, either party can then refer the claim to conciliation.

**Deputy David Cullinane:** I am aware of all that.

**Mr. David Gunning:** If conciliation is unsuccessful-----

**Deputy David Cullinane:** I have to interrupt Mr. Gunning because, with respect, I am aware of all that. We have been through this time and again. We know what the process is. He

told us earlier that the process or the dispute mechanisms for adjudicating on these claims have been paused, and that is fair enough. The previous time he was before the committee, he said there were an estimated 600 claims. Using the process he has outlined and which we are aware of, all I am asking is how many of those 600 have been settled, if any.

**Mr. David Gunning:** A very small number. Most remain live in some place along the process I identified.

**Deputy David Cullinane:** There is no commercial confidentiality or sensitivity here. If they are settled, they are settled.

**Mr. David Gunning:** No. There is a small-----

**Deputy David Cullinane:** When Mr. Gunning says “small”, how many?

**Mr. David Gunning:** A handful have been settled. I will not get into the number. It is a small number. The majority remain active at various points along the disputes process.

**Deputy David Cullinane:** I find it unacceptable that Mr. Gunning cannot even give us a number and that he will not get into it. If they are settled, they are settled. There is a vacuum of accountability and transparency around this project. I want to get to the costs as well. When costs were put to Mr. Gunning on the previous occasion he was before the committee, he said:

We are reporting and monitoring progress relative to the €1.433 billion budget. We anticipate that as we arrive at that schedule we will have an updated project budget...”.

He went on to say that he expected to be in a position to give that in the first quarter of 2021. It is well past the first quarter of 2021. I am asking for a definitive figure relating to claims which are settled. If I am correct, he said that the estimated cost of those 600 claims would be €200 million. It is reasonable for me to ask at this point, given that he is not going to give us any more information on what is not outstanding, for information on what is settled. How many claims have been settled and what was the cost of those claims?

**Mr. David Gunning:** As I said, in terms of settled, it is a very small number of the hundreds of claims. I just do not have that information for the Deputy. I am happy to provide it, but I do not have it to hand. The majority of claims remain active at various points along the disputes mechanism.

**Deputy David Cullinane:** Mr. Gunning is appearing before the committee to deal with all these issues.

I will now address you, Chairman, because I am not at all happy with the letter we received from the Department either. If I am correct, we set out to both the board and the Department that we wanted this meeting to focus on two key issues - costs and timeframes. We received a letter back from the Department. which said it would not be in a position to answer any of those questions. We were sent very nice pictures of how the hospital might look, which is great. We received an opening statement that set out many of the services that will be provided, which we all want to see and welcome. That is fantastic. However, the issues we wanted to discuss were flagged in advance. Two days before the hearing we received a letter from the Department saying that it will not be able to deal with these questions, which I believe is unacceptable. It was right up to the clock in respect of when this meeting was to take place.

Mr. Gunning said he does not have to hand the information relating to claims that have been

settled. He is here to answer these specific questions. These were questions that were put to him last November. We are back here in July and I am not talking about anything that I would consider to be commercially sensitive. I am talking about claims that have been settled. If he does not have the number of the claims or what the cost of those claims was, that is not preparing himself for a meeting with the committee when the committee specifically said the members wanted to ask questions on these issues.

When Mr. Gunning says it is a small number of claims, is it less than five?

**Mr. David Gunning:** I will revert to the Deputy and confirm that separately.

**Deputy David Cullinane:** Is it that Mr. Gunning does not know? Surely, as chair of the board, he knows how many claims have been settled.

**Mr. David Gunning:** There is an ongoing process of engagement with the contractor. This is a live contract. I will come back and answer that question.

**Deputy David Cullinane:** I know it is a live contract and I am not trying to be unfair to Mr. Gunning or anybody else. If he knows the information and is not prepared to give it to us, that is unacceptable. I am not asking for anything other than the number of claims that have been settled and the additional cost of those claims. Can he say why it is not possible for him to give me that information today?

**Mr. David Gunning:** I do not have the information in front me at the moment. I will provide that information to the Deputy and the committee. I have no difficulty in agreeing to do that.

**Chairman:** Will we move on?

**Deputy David Cullinane:** We will move on, but it is deeply unsatisfactory. We schedule our meetings to get the best return we can for the people who listen to the proceedings of the committee. The purpose of having committee meetings is that people can be held to account and to ensure there is accountability and transparency on projects. We were fair in giving as much time as possible for members of the board to come back before the committee. It is eight months since they were last before the committee and the update we have received is far from satisfactory. It just shows that the saga of building this hospital goes from one mess to the next, as far as I am concerned. I will leave it at that.

**Senator Martin Conway:** On a point of order, I wish to point out that the answers to the questions put by Deputy Cullinane have been nothing short of disgraceful.

**Chairman:** Okay. You will have your opportunity later in the meeting, Senator.

**Senator Martin Conway:** It is pointless to come in. There are no answers to questions at all this morning. It is just disgraceful.

**Chairman:** Again, we will let the meeting continue and see what answers we can get on this. Deputy Cullinane expressed a concern and a frustration that is experienced not only by this committee but also by the Committee of Public Accounts. Let us see how the meeting goes. The questions the Deputy asked were not unreasonable and it is disappointing that our guests are unwilling or unable to answer the questions.

**Deputy Róisín Shortall:** I thank our guests for their presentations. I am disappointed that

having waited eight months for replies to two questions, we have been unable to get them.

I want to go through some of the aspects of the information we have been given today. Is the intention that the entire hospital will open at the same time? Is that the basis on which the development board is operating at the moment?

**Mr. David Gunning:** I thank the Deputy. That is the intention.

**Deputy Róisín Shortall:** In his opening statement, Mr. Gunning talked about different elements of the hospital being fitted out at the moment. Is fit-out taking place at present?

**Mr. David Gunning:** It is.

**Deputy Róisín Shortall:** That is an unusual way to complete a building. The shell of the building is usually completed and then the entirety is fitted out. This fit-out is being done in phases. Is that correct?

**Mr. David Gunning:** The shell of the building was completed at the end of March. As it is a seven-storey building, there are places in the building where the fit-out took place several months ago. If we were to do a tour of the building, the heat, air-handling and gas-distribution units are in the basement. As one goes up through the building, fit-out is flowing through in a sequence, following the closures. The shell is built, the partitions go in and the services come down through the partitions. A clear sequence of work is being followed. It is not unusual at all.

**Deputy Róisín Shortall:** I will turn to the commissioning of the building. I gather from what Mr. Gunning said that the commissioning will take in approximately six months. Is that correct?

**Mr. David Gunning:** The commissioning of the building is a joint activity between CHI, and the development board. The typical period for commission of the building is six to nine months. We are currently working to try to optimise that with a view to getting the hospital open as soon as possible.

**Deputy Róisín Shortall:** I will move on to the question of cost. It is disappointing that Mr. Gunning has been unable to update us on the estimated cost. We are still working off a completely unrealistic figure of €1.433 billion. When he said that all dispute mechanisms has been paused, what exactly does that mean for the 600 claims in existence?

**Mr. David Gunning:** The dispute mechanisms in the contract start with the project board. That has been suspended. All conciliations and adjudications have been suspended. The High Court cases that were active have been paused. All of those particular activities have been paused or suspended as we engage with the contractor. That is to allow our respective teams to focus on the number one issue, which is to get this hospital open as soon as possible.

**Deputy Róisín Shortall:** What is happening with those 600 claims?

**Mr. David Gunning:** The claims continue and are being brought to a particular point in the process. They are parked there for the moment.

**Deputy Róisín Shortall:** All dispute mechanisms have been paused.

**Mr. David Gunning:** That is correct.

**Deputy Róisín Shortall:** All the claims are being parked. Has agreement been reached to park the claims?

**Mr. David Gunning:** New claims are still being received as the building continues, as one would expect. That is required under the contract.

**Deputy Róisín Shortall:** Have the 600 extant claims now been parked?

**Mr. David Gunning:** I want to be sure I use the right words. A number of claims continue to be received. The moratorium applies to all the dispute processes that follow the receipt of claims. We still have claims. We now have more than 900 claims in total. That number has increased since we were last before the committee. We continue to receive claims. There are processes in place between ourselves and the contractor to deal with those claims. During the current moratorium, those claims are not going any further than being advised upon and submitted. They will be revised later on.

**Deputy Róisín Shortall:** Mr. Gunning needs to explain a bit more about that. He seems to be implying that what is now 900 claims are being parked and concentration is on completing the building.

**Mr. David Gunning:** That is correct.

**Deputy Róisín Shortall:** What does it mean that these claims are being parked? Will we face a major bill at the end of this process or is there a mechanism being put in place to address those 900 claims as the building is completed?

**Mr. David Gunning:** We deal with the claims in accordance with the contract. A particular timeline is set out to deal with the claims.

**Deputy Róisín Shortall:** What is that timeline?

**Mr. David Gunning:** There is a timeline within which the contractor must submit a claim if it identifies a problem, which it does. There is a particular timeline within which that problem must be reviewed by the employer's representative and move forward.

**Deputy Róisín Shortall:** On the one hand, Mr. Gunning is saying that all dispute mechanisms have been paused and, on the other, he is going through the dispute mechanisms and explaining the different stages. What is happening to those 900 claims? When are they likely to be addressed?

**Mr. David Gunning:** They will be addressed. Many of them have been addressed. More than 600 have been through the employer's representative determination process. Many of those have moved into conciliation and other processes. Those processes are paused. However, we are constantly receiving new claims from the contractor which are, under the current arrangement because of the moratorium, accepted and acknowledged. Justification for, and particular details of, those claims are provided and they are then being parked on a temporary basis for the duration of the moratorium. At some stage, we will have to go through those claims. That will happen when our teams are liberated from their current activities.

**Deputy Róisín Shortall:** There is different terminology being used there that is not clear. Will Mr. Gunning explain what the moratorium is and how long it will last?

**Mr. David Gunning:** The moratorium has been agreed between the contractor and the

development board. It applies to the dispute processes and has been in place for almost two months to allow our teams to focus on the schedule issues.

**Deputy Róisín Shortall:** What has happened to claims over the past two months?

**Mr. David Gunning:** New claims have continued to come in over the past two months. They have been treated in the normal fashion. They get to a particular point in the process and are parked. Some 600 claims have gone through the process.

**Deputy Róisín Shortall:** Are they resolved or parked?

**Mr. David Gunning:** Under the moratorium, they are now disputes. They are currently parked or paused, whichever phrase you want to use.

**Deputy Róisín Shortall:** There are currently 900 claims.

**Mr. David Gunning:** That is the approximate number.

**Deputy Róisín Shortall:** Mr. Gunning said earlier that only a handful of those have been resolved.

**Mr. David Gunning:** The employer's representative has determined 600 of those. That is the first step in the process. The determinations on those 600 claims by the employer's representative are of an order of less than 1% of the contract value. As I said in reply to Deputy Cullinane, that is not the end of the process because if the contractor wishes, it can refer those to conciliation.

**Deputy Róisín Shortall:** I get the impression a lot of trouble and cost are being stored up for the future. Issues are not being dealt with now.

**Mr. David Gunning:** I will push back on that because we have a robust claims defence process.

**Deputy Róisín Shortall:** Okay.

**Mr. David Gunning:** We are defending against every claim. I have gone through this previously. We are intent on defending against the contractor claims. We cannot stop claims coming in because the contractor is entitled to submit claims. However, we can and are defending against them.

**Deputy Róisín Shortall:** There is a likelihood that this project will continue to be a runaway train and nothing I have heard today gives me assurance that will not be the case. Cost has not been brought under control and there is nothing to suggest it will be controlled before the end of the project. I want to know, from the taxpayers' point of view, what is the oversight of this. I am directing this question to Ms Prendergast from the point of view of the Departments of Health and Public Expenditure and Reform. What is the oversight to ensure that this project is kept under some kind of control from the point of view of cost?

**Chairman:** The Deputy will have to finish there.

**Ms Fiona Prendergast:** I thank the Deputy. There is a strong governance structure in place. There is a steering group and a project board. A detailed report was done by PricewaterhouseCoopers, which is in the public domain and is on *merrionstreet.ie*. It made a number of recommendations on strengthening the governance process around the overall project. Those

recommendations have all been implemented by the NPHDB, CHI and our general oversight. The Department of Public Expenditure and Reform is kept fully informed-----

**Deputy Róisín Shortall:** My final question is-----

**Chairman:** You are out of time. Allow Ms Prendergast to finish.

**Deputy Róisín Shortall:** Does the Department of Health have a working estimate of the total cost of this project? I am not asking Ms Prendergast to disclose it.

**Ms Fiona Prendergast:** Not at this time, given the uncertainty regarding Covid, Brexit and the fact that we still have two years to run on the project. We are still working to the €1.433 billion figure. We are aware that because the project is going to take longer, it is going to cost more. That is the nature of the beast.

**Deputy Róisín Shortall:** Essentially, Ms Prendergast is saying-----

**Chairman:** I will have to put an end to this. Deputy Shortall is way over time. I have been quite lenient. I have to move on to the next speaker. I apologise to the Deputy.

**Deputy Neasa Hourigan:** I thank the Chair. I want to begin with Mr. Gunning's opening statement in which he mentioned BREEAM certification. As has been pointed out, we are two years from completion. Is that a projected certification of excellence? We are quite far away from steps such as commissioning and handover.

**Mr. David Gunning:** I will ask Mr. Devine, who is the project director and has dealt directly with BRE on this particular matter, to answer that question.

**Mr. Phelim Devine:** It is an interim certificate that we received. It will have to be finally validated post construction.

**Deputy Neasa Hourigan:** Post occupancy. I only have six minutes. I wanted to confirm that. On the dispute mechanism, we received correspondence from the Department during the past few months in which it was outlined that the moratorium was in place until May. Can I get confirmation on whether there is a month in mind for when the moratorium will end?

**Mr. David Gunning:** It was extended from May to June and has since been extended further to the end of July.

**Deputy Neasa Hourigan:** To the end of July.

**Mr. David Gunning:** That is the current position. It may be extended further, depending on discussions. We are in a very intensive engagement with the contractor.

**Deputy Neasa Hourigan:** I understand. Is the board still withholding 15% contracted monthly payments?

**Mr. David Gunning:** No. Since the employer's representative determined that the programme submitted by the contractor was a compliant programme, as I mentioned, that money has been released to the contractor as required by the contract.

**Deputy Neasa Hourigan:** Is the board fully in line with the fee schedule?

**Mr. David Gunning:** Can the Deputy explain what she means by fee schedule? We are paid

up to date with the contract, based on progress. Our payments on a monthly basis are certified by our quantity surveyors, approved by the employers' representative and subject to a great deal of scrutiny. We are fully up to date in payments to the contractor?

**Deputy Neasa Hourigan:** I thank Mr. Gunning. I would like to move on to Ms Hardiman's opening statement in which she discussed the electronic health record. Can she elaborate on that? I want to understand what the electronic record procurement process entails. Is it something that follows the patient from healthcare facility to healthcare facility or is it specific to the children's hospital? In other hospital projects around the world on entry to a building a full IT propriety system follows a patient. Could she elaborate on exactly what that means?

She referred to the hospital in a number of places in her statement as a digital hospital. I am trying to understand what that means and where we are in the process of commissioning those kind of proprietary systems.

**Ms Eilish Hardiman:** A digital hospital means that the hospital has all of its medical and clinical notes digitally stored. The procurement process at the moment is for CHI to have electronic healthcare records in the hospital and the two paediatric outpatient and urgent care centres. It is acknowledged that it will need to interface with other systems across the healthcare system. The original intention was to have a national system, but it would not have been progressed in time for the children's hospital. Therefore, a decision was made in 2019 to proceed with the CHI electronic healthcare record. That includes all of a patient's clinical details from when he or she comes in, including e-referrals right the way through.

**Deputy Neasa Hourigan:** That lives across the three healthcare facilities.

**Ms Eilish Hardiman:** Correct. There is one implementation.

**Deputy Neasa Hourigan:** Has that system been commissioned?

**Ms Eilish Hardiman:** No. We are engaged in procurement at the moment. We are in the final stages of that through a competitive dialogue process.

**Deputy Neasa Hourigan:** Can Ms Hardiman give me a timeline of what the final stages mean? Obviously, with Connolly Hospital an eight-week commissioning is a tight commissioning period.

**Ms Eilish Hardiman:** We will not have it. When it is introduced in the children's hospital, it will also be introduced in the two outpatient and urgent care centres as one single implementation. We are not moving-----

**Deputy Neasa Hourigan:** We are looking at 2024 for the commissioning of that. How will Connolly Hospital and the other facility operate prior to that?

**Ms Eilish Hardiman:** We are operating in Connolly. Some of it is electronic and some of it is still paper. Documentation is dealt with electronically via a document management system as an interim arrangement so that we are not incurring more and more paper before we move to a single electronic healthcare record. It would not be feasible to have that procured and open in the two satellite centres before it is used in the hospital. The hospital is the major part of the implementation, with the two satellite centres added to it.

We intend to have the electronic healthcare record vendor selected in quarter 4 of this year. We will then go through an approvals process that goes all the way back to the HSE, the Depart-

ments of Health and Public Expenditure and Reform and the Government in quarter 1 of 2022. It will then take two years to design and implement, which is in line with the capital project.

**Deputy Neasa Hourigan:** That is a tight timeframe for implementation.

**Ms Eilish Hardiman:** We are very clear, as I outlined in my opening statement, that alignment between the programme and the electronic health record is important.

**Deputy Neasa Hourigan:** Do I have time for one more question?

**Chairman:** Yes.

**Deputy Neasa Hourigan:** My question is for all of the witnesses. Could somebody outline the interaction mentioned in some of the opening statements regarding the challenge of building a hospital as healthcare changes and best practice and evidence-based design moves quickly? By the time a hospital has been designed and finished, it often looks much different. What is the interaction of clinicians with final commissioning of the hospital? I do not refer to department managers. CHI will have an informed client set-up. Theatres and specific needs were mentioned. Could somebody outline what the interaction will be in getting evidence-based best practice design at the final point of commissioning?

**Dr. Emma Curtis:** Clinicians have been involved at all stages of the design. There has been an active equipment process. The most recent work has involved getting equipment for theatres and outpatients and specialised equipment. Then-----

**Chairman:** There is a drop in the feed.

**Ms Eilish Hardiman:** If the question could be given to me in a note that would be fine, considering the technical difficulties.

**Dr. Emma Curtis:** I would be happy to send in our engagement on the operational commissioning.

**Deputy Gino Kenny:** I thank the Cathaoirleach and all our guests.

We all agree that this is an amazing much-needed project for the children of Ireland but it has been dogged from the beginning by astronomical costs, which seem to go up by the month. I have a couple of questions for Mr. Gunning. In February of this year, a representative from the NPHDB stated at the Committee of Public Accounts that the main contractor, BAM, was underperforming. Does Mr. Gunning still believe that BAM is underperforming in respect of the national children's hospital?

**Mr. David Gunning:** I thank the Deputy. We have an interesting relationship with the contractor. Having set off on this contract a number of years ago on this project, the intention was to be very collaborative and co-operative and work through the project in that fashion. In the middle of all the claims and the commercial disputes, that did not work out as planned. I am now in a position to report that we are trying to recover that and are working in a very co-operative and collaborative fashion with the contractor as we seek to secure the December 2023 delivery date.

The areas of non-performance in the past were resourcing, primarily in getting resources on the site. I am happy to report that we would have had a big change in the resource profile from March until now when the concrete frame people departed the site and other specialisations to

do with the fit-out and mechanical and electrical work came on board. I am glad to report that the numbers on site continue to grow. We are encouraged by what we are seeing on the site currently but there is still a long way to go. We are within a whisker of 40% completion on the site. That is where we are.

I want to be optimistic and look forward in terms of the opportunities here. We have big companies involved here in BAM. We have large Irish mechanical and electrical subcontractors. These are well established and capable companies. We want to give them every support that we can to continue to get this project completed. That is our priority.

**Deputy Gino Kenny:** Does the board still have confidence in the main contractor?

**Mr. David Gunning:** We are in a contract with BAM. They were successful. Our level of confidence is growing on the basis of the current engagement. We are not there yet. We are working through BAM's programme in a detailed fashion. The programme indicates substantial completion in December 2023. We are working through all the details of that, in terms of, as I mentioned, resourcing, resource profiles, sequencing and all other aspects. Our confidence is growing on a daily basis but we are not there yet. We will get there.

**Deputy Gino Kenny:** On the claims, somebody from the board stated at that committee meeting I referred to that they ran to nearly €300 million. Mr. Gunning has said that a handful have been resolved, but has that accumulated in time since the board appeared before the committee I referred to in February?

**Mr. David Gunning:** The number of claims continues to grow from 600 in the past. Can I pause there for a second on the Deputy's question because I have the information here in front of me to respond to the questions from Deputies Cullinane and Shortall earlier and I would like to put that on record? I would also like to apologise for not having that information to hand when it was requested but I can give it to the Deputy now.

Fifteen of the hundreds of claims have come through conciliation. Of those, nine have been agreed. The amount involved is approximately €2.5 million. We have issued a notice of dissatisfaction on the remaining six claims and they will go on to the next forum, which is the High Court. Therefore, to respond to the earlier questions, nine have been agreed. Apologies for not having that information. I thank my commercial team for providing that up-to-date information in real time.

**Deputy Gino Kenny:** There could be hundreds of claims still left unresolved.

**Mr. David Gunning:** Claims are a fact of life on a large project. What I take confidence from is that we have a process for dealing with claims. We are doing well in defending those claims. They are, as I say, a fact of life. We are doing everything we can to defend those claims and mitigate any cost increase.

The biggest source of cost growth on this project, however, is delay. The primary focus, as I said, for all of us is in getting the hospital done as soon as possible. Trying to secure the December 2023 delivery is our highest priority right now.

**Deputy Gino Kenny:** How much time are these claims taking up? The financial impact and time involved is taking away from the project. If the board is going to the High Court, it will cost a substantial amount. All of this rings alarm bells. The costs are spiralling and the people who have to pay it are the taxpayers of this country.

Given Mr. Gunning's experience on the board, the final cost could reach the €2 billion mark at this stage. I would be surprised if it does not. Considering the claims and the timeframe on this, what is his estimate of the final cost of the national children's hospital?

**Mr. David Gunning:** As we said earlier, we are not providing any definitive update on costs in this meeting. However, I assure the committee that all the costs that are being incurred are subject to a continuous review by the development board. The development board and our board exercise a great deal of scrutiny on that. We have shared various cost updates and information with the Department of Health. The Department has used the National Treasury Management Agency to advise it on the reviews of what we have done. We also provide this information to the HSE, that has recently taken on KPMG in a project assurance role to advise it. I assure the Deputy all the costs that we incur are subject to a great deal of scrutiny and we will not in any sense allow the costs to get out of control. It is important to mitigate. The biggest mitigation we can do currently is to get the project completed as soon as possible and that is our primary objective.

**Deputy Gino Kenny:** I am not sure if Mr. Gunning will be able to answer this final question. Who bears responsibility for the spiralling costs? A project that started off at €600 million has gone to nearly €2 billion. Most people listening to this will be sick to their stomach that the costs of a necessary project have spiralled out of control. The people who make these decisions are meant to be professionals at the peak of their profession. That is what most people listening to this committee will ask. How did the people who are at the top of their game in the profession get it so wrong?

**Mr. David Gunning:** I am neither providing any definitive guidance on costs at this meeting nor agreeing with the Deputy's €2 billion. I want to be definitive about that.

The Deputy will be aware that when the sum of €1.433 billion was approved, there were also a number of items that were excluded from that such as inflation, which we have talked about at these meetings in the past.

There are a number of cost areas that arise. Delay is very expensive. With 14 months of delay, there are the NPHDB's direct costs, the costs of our advisers and the development board. We look at the cost of claims defence. We have a large number of claims and we have put a robust system in place to defend those claims. There is a cost to that. We see, as time has gone on, some changes and increases in the provisional sums that were considered under the scope of the contract, primarily down to the fact that as there are delays some of these items, whether they are equipment or whatever, tend to increase in price. We have construction and risk contingency in here, given the number of claims and inflation. A view can be taken on inflation and currently it is trending below the 4%, which is the magic number for us. If it is below 4%, it is the contractor's problem. If it is above 4%, the State has a responsibility. In the current environment, where we have a lot of instability and volatility in the construction market with the supply of materials, the forecast for the next 12 months is rather unclear on inflation. It is difficult to provide price certainty and to be definitive with the committee. I would like the committee to understand the challenges in getting to that definitive number.

**Deputy Gino Kenny:** As long as the project goes on, there will be costs.

**Mr. David Gunning:** Precisely. Delay is the biggest cost that we will incur.

**Deputy Colm Burke:** I thank the guests for the information they have given to us. The

committee should get a full and detailed breakdown of the number of additional claims pending and the cost of those claims. There are a lot of fuzzy areas at the moment around what is pending and what is not. It would be helpful to know the full extent of the total value and number of those claims and their status. Could that information be sent to the committee in writing? I am aware that the witnesses cannot give the figures to us this morning, but perhaps they will agree to forwarding the information.

We have not had any discussion on the cost of those projects the two other projects at Tallaght and Connolly hospitals. What were the estimated cost and the agreed cost, and what is the final cost going to be? Perhaps one of the representatives could outline for the committee an update on that.

**Mr. David Gunning:** I will pass this question over to Mr. Devine who has been dealing closely with those projects. We will approach final account on both satellite centres in the coming months. He will provide a commentary update to the committee.

**Mr. Phelim Devine:** The two outpatient and care centres are part of the one procurement contract with BAM. The budget for the Connolly centre was €29.4 million and it is trending to €29.6 million. As Mr. Gunning said, the final account must be resolved on that. The budget for the Tallaght centre was €31.2 million and is trending at €1 million over budget. This is a result of additional investment in infrastructure on the Tallaght adult campus that had to be put in place to support the project.

**Deputy Colm Burke:** Are there additional claims relating to those two projects that must still be resolved?

**Mr. Phelim Devine:** No. There are no claims left with regard to Connolly but there is the final account to close. There are ongoing claims on the Tallaght centre following the standard government contract.

**Deputy Colm Burke:** What is the value of those?

**Mr. Phelim Devine:** I do not have the exact value at this moment.

**Deputy Colm Burke:** Perhaps the committee may have details in writing on those two projects. It would be helpful for the committee if we had written details on those two projects, including the costs, the overrun and the additional work that had to be done that was not included in the plan. Can we also get that information?

**Mr. Phelim Devine:** Okay.

**Deputy Colm Burke:** I will move on to the implementation of the electronic records. I understand that electronic records have been introduced for maternity care. If electronic records are to be introduced for paediatric care we need to be careful to ensure that we do not end up with a system where one is not able to connect with the other. Is there co-ordination on that issue?

With regard to the other paediatric facilities in the State, such as in Cork, Limerick and Galway, what is the plan for electronic records in those units? Let us consider a person being treated in Cork for a period and then being transferred urgently to Dublin. What is the process there if there are no electronic records in those regions?

**Ms Eilish Hardiman:** The Deputy is right that the maternity hospitals are rolling out a sys-

tem currently and I believe that four of those 19 hospitals have electronic records in place. As with any electronic healthcare record implementation and management, it is important that the systems are able to interface with each other. In this procurement, one of the requirements we have for the vendor, when selected, is that it will have to demonstrate it can take information from other sources. No matter which system is put in there will always be some information that will have to be transferred between systems. As part of the current scope, and of the design and implementation when we get to that, we will actually work through that with whatever systems that need to feed into the electronic healthcare records. This will be taken on board as part of the design and implementation.

**Deputy Colm Burke:** What will be the case if a child is receiving care in Cork, for example, and who then must suddenly be transferred to more specialised care in Dublin?

**Ms Eilish Hardiman:** That is all part of the design. For example, Cork has electronic healthcare records in its maternity units. It will be required that this information can be transferred electronically to CHI if the child has been transferred.

**Deputy Colm Burke:** Is this the case if they are in the paediatric system in Cork? What is the set-up for three-year-old being admitted to that system?

**Ms Eilish Hardiman:** The plan for the paediatric services outside CHI is part of the national electronic healthcare record. Currently they are on paper and the existing systems need to continue until all services have a national electronic healthcare record. In those circumstances, again, electronic healthcare records systems are set up to have paper data scanned to them and imported into the system.

**Deputy Colm Burke:** We are talking about Dublin, and it is very much focused on Dublin, but can Galway, Limerick and Cork be included the same process?

**Ms Eilish Hardiman:** We did look at that and it is highly complicated because those children's units in the regional hospitals - not just Cork, Limerick and Galway, there are 19 hospitals - are very embedded in their existing hospitals. It is hard to implement a full electronic healthcare record in just a ward in a whole hospital. That would be extremely challenging to implement. We had hoped to be part of one system but that was going to take too long to deliver to meet our deadline. We anticipate that the best way of addressing this is to be able to interface with other electronic healthcare systems and to incorporate a paper-based system that can transfer data, and we always need to do this anyway. If one looks at the big electronic healthcare-----

**Deputy Colm Burke:** Is Ms Hardiman saying that there is no plan long term for converting the current systems in all the other units outside Dublin into electronic records?

**Ms Eilish Hardiman:** There is a plan for-----

**Deputy Colm Burke:** We need to do a long-term plan for the whole area.

**Ms Eilish Hardiman:** Correct. Progress was being made on a national electronic healthcare records plan. One of the issues that needs to be worked through, and which we will seek when the vendor is selected within CHI, is for the system to interface with any other systems that are going to be put in place. To be clear, and we must be clear with our vendors, we are not going to procure a system that can be extended out. We are procuring a system that is clearly to meet the services that CHI is accountable for. We expect that this system would need to be able to interface with other systems and to import information from paper-based and from

electronic formats so we get that national, integrated way of working for the children that are being transferred.

**Deputy Colm Burke:** Why not do it on the basis of it being extended out? Why not plan for a target of extending it out?

**Ms Eilish Hardiman:** It would be extremely difficult to implement.

**Deputy Colm Burke:** We have been able to do it with the maternity services.

**Ms Eilish Hardiman:** The maternity services are a bit different because they are units. Paediatrics, however, is sometimes a very small ward around other adult wards.

**Deputy Colm Burke:** Cork, Limerick and Galway paediatric care would not be in small wards.

**Ms Eilish Hardiman:** No, those are the regional units but there are many other units across the health system.

**Deputy Colm Burke:** Could CHI not target a number of units that have in excess of a certain number of patients per annum? I am concerned that more than €2 billion is being spent on a paediatric hospital and €800 million on a maternity unit in Dublin. We are saying to the rest of the country that they can sit and wait until we get around them in 20 or 30 years. That is not the correct approach.

**Ms Eilish Hardiman:** The HSE had a plan for a national electronic healthcare record. This was discussed, reviewed and brought to the HSE and Department of Health. They reviewed it and stated that in light of the fact that the building will be with us in a few years, CHI needed to proceed with an electronic healthcare record system. Some of what we will be able to do will provide a greater opportunity because it is a new building rather than a group of existing buildings. We had to take that into account in proceeding with a CHI electronic healthcare record. In my previous presentations on this, I stated that of the children admitted to CHI, 2.8% are from Cork. The vast majority of children using these services are those in the greater Dublin area, which includes counties Wicklow, Kildare and parts of County Meath. Approximately 28% of what we do is outside of those areas.

The sickest children sometimes come from maternity hospitals. We believe will be able to interface that critical element of care between maternity hospitals that have electronic health records. Internationally, we know there are different electronic health record systems and they are able to demonstrate that they can transfer key and important information between hospitals.

**Chairman:** I have to cut off Deputy Burke. He is way over time.

**Deputy Colm Burke:** I thank the Chairman.

**Senator Annie Hoey:** I would like to circle back to eating disorders and the role the hospital will play. There has been a major discussion on whether there should be specialised beds, a hospital or beds in locations across the country. Do the witnesses have a particular thought on that? What role can the children's hospital play? We have spoken to the parents and families of those affected and there is a deep frustration that no specialised beds are ring-fenced for this difficult disorder. There is back and forth about whether there should be specialised beds regionally or a single location. I would like to hear the thoughts of the witnesses on that.

A 66% increase between 2019 and 2020 was mentioned, which is an astonishing and terrifying figure. It is frightening. The wider public does not have a realisation of how significant it is. I hope this will be resolved when the children's hospital opens, but the current lack of resources for children who have eating disorders, along with additional needs, is having an impact. How that will be dealt with down the line in the national children's hospital?

**Ms Eilish Hardiman:** I thank the Senator. I would like to clarify and acknowledge that our colleagues in the HSE and CHOs are driving the model of care for eating disorders. They have a proposal and plan for this. Through enhanced community care, they have secured significant investment in every one of the nine CHOs to implement eating disorder teams. They are specialist teams comprising nurses, psychologists and CAMHS. They are being rolled out this year. I can ask my HSE colleagues to give the Senator an update on those plans.

The intention of the model of care is early intervention. We know there is still a requirement for highly specialised beds. There are specialised beds in LauraLynn, which provides child and adolescent services, and we work very closely with the hospice. In our planning for the new children's hospital, of the 20 beds in the building managed by CAMHS, eight have been identified for eating disorders. We anticipate they will be for very sick children who need medical as well as mental health intervention. They are the projected estimates.

The increase is acknowledged. It is a key issue that has been prioritised for roll out under enhancing community care. We will continue to work with our colleagues and treat patients. At the moment patients who need highly specialised treatment are in CHI. We sometimes work with our colleagues in the UK if highly specialised care is needed. We acknowledge that this has been the biggest impact of the pandemic on children and adolescents. We are working on plans to enhance community care and mental health and, where required, to work with our colleagues to best address cases where patients need to be admitted.

**Senator Annie Hoey:** I acknowledge it is a national children's hospital, but I would like clarity on beds. Beds in St. Vincent's are only available to those in the area. Will all beds be available to people from across the country? That is a silly question, but I want feedback on that.

**Ms Eilish Hardiman:** There is a meeting every Monday where CHI look at all of its beds across the system. We engage with that and work to try to put the right child, who needs particular care, into the right bed.

**Senator Annie Hoey:** Given the plans for beds in children's hospitals, along with the nine CHO areas, does Ms Hardiman envisage that we will not have to rely on the UK and send children for treatment? The parents we have spoken to have to go abroad for private treatment. Will there be an adequate number of beds? Is she confident that children will not have to be sent abroad for treatment?

**Ms Eilish Hardiman:** Internationally, early intervention and community-based services to stop and catch this illness early is the best approach. That is what it is intended to roll out. They are the current number of beds envisaged. We envisage that we would not have to use external services. We should be self-sufficient in treating the children and adolescents of Ireland who need mental health services.

**Senator Annie Hoey:** I thank Ms Hardiman.

**Deputy Cathal Crowe:** I confirm I am in Leinster House. I wish Senator Hoey the best. I

read in a newspaper last week that she is due to be married next week. We do not always meet face to face and have been meeting virtually for months. I wish her the very best from all of us.

I have a number of questions. I am glad Mr. Gunning has come back with some live data on claims. In these meetings we ask for such information, as the witnesses know from the previous meeting. This is not personal. Taxpayers' money is involved and we as politicians are trying to hold projects to public account. That is information we need to have on an ongoing basis ready to hand so that there are no barriers to information being disseminated at these meetings.

There are two timeframes in the witness statements. One is a 14-month target. Do I understand that to be the build target? Is 2024 the target for the hospital to be fully operational?

**Mr. David Gunning:** The operational target for opening is 2024. The 14-month period is the current delay from the contractual period to the proposed substantial completion date. That is where the 14 months comes in.

**Deputy Cathal Crowe:** My next issue is construction inflation. This was built in at the outset of the contract. It worries me because construction inflation is significant for everything, from someone trying to build an extension to a home right up to master projects such as the national children's hospital. I am concerned that the next phase of the development could be the most costly when internal construction starts and everything from wiring to insulation begins. A lot of raw materials are in short supply at the moment. I know anecdotally of a person in Clare who is trying to complete a home and who had to go up to Newry to get insulation boards. Are the developers confident that there is a sufficient volume of raw materials to see the building out?

**Mr. David Gunning:** There are two issues there, that is, inflation and supply of materials, which are undoubtedly related. We are certainly seeing increased global demand across a range of commodities with large price increases in these globally traded commodities. That has given rise to the ongoing volatility. There has undoubtedly been disruption to the supply of raw materials. Covid-19 and Brexit have given rise to reduced production capacity, factory shutdowns and disruption and delays in production. There has also been a depletion in inventories in those supply chains.

**Deputy Cathal Crowe:** We know that. Are there sufficient supplies to take this project through the summer and into the winter period? Have the developers flagged problems in that regard? It concerns me that a typical house build is held up by three or four months at the moment, even taking Covid out of the equation. That delay is due to the lack of supplies. We know how critical things are nationally and internationally. Has that been factored into further delays? Is there an adequate stream of the supply of raw materials, including insulation, wiring, ducting, etc.?

**Mr. David Gunning:** How those matters will impact the project is very much the subject of our discussions with the contractor. We are in a reasonably good position in that we are working with a tier 1 international contractor with extensive capability in global procurement. That is a strong position to be in. That is not to say there will not be issues but we are in a good position. The concrete frame is practically completed. Most of the steel is on-site but some issues around partitioning and fit-out could arise. Those challenges are for the contractor to manage. That is what the contractor does and that is its responsibility. We want to minimise any impact those supply issues may have on the date by which the hospital will be substantially complete. It is certainly a hot topic.

**Deputy Cathal Crowe:** I appreciate that. I ask Mr. Gunning to forgive me for jumping in but time is against us. It concerns me that some of the most expensive stages of the project may be yet to come in terms of the procurement of cladding, insulation and all of that. There are still unknowns in that regard.

**Mr. David Gunning:** I can give the Deputy some assurance in that regard. I will ask Mr. Devine to give the Deputy a quick response on those particular issues.

**Mr. Phelim Devine:** All the cladding is available and on the site. It has all been manufactured and it is being finalised into the building. There is no risk in terms of the facade or envelope of the building. The biggest risk, as Mr. Gunning has set out, relates to some of the fit-out in terms of partitioning and plasterboard, which is in short supply globally. The contractor is mitigating that on a just-in-time basis but there are ongoing challenges and risks that must be worked through.

**Deputy Cathal Crowe:** I will move on to ask questions of Ms Hardiman. I will follow on from what some other committee members have asked. Our guests can tell by the questions they have asked that those committee members are not based in Dublin. Taxpayers around the country will read about this meeting in the newspapers tomorrow or hear about it on the radio. There are mixed feelings about the project. It is seen as essential but the cost involved has been extortionate. When this hospital has been delivered and built, taxpayers will want to know that it is a national hospital and not a Dublin hospital because that is what the taxpayers are funding. I will bundle together a few questions relating to that issue which Ms Hardiman might be able to answer. Has the surge in terms of delivering this project had any knock-backs for the likes of the Children's Ark ward at University Hospital Limerick, or similar children's wards elsewhere? Is funding being taken from those wards and channelled towards the NCH project? Will the national children's hospital be completed at the expense of wards in Crumlin, the Ark ward, etc.?

Will there be an enhanced ambulance service to give connectivity to the new hospital? There is, of course, a public National Ambulance Service but it seems to me that many of the transfers of children to the current children's hospital in Crumlin from other parts of the country occur through voluntary service, such as BUMBLEance. Please God children from the west and south of Ireland will not need to go the new NCH but, if they do, taxpayers want to know that the hospital is for them, the children concerned will be able to get there easily, there will be a bed for them and they will be well looked after. Perhaps Ms Hardiman could offer some clarity in that regard.

**Ms Eilish Hardiman:** I thank the Deputy for his questions. I concur that we fully support the development of capital paediatric services with our colleagues in regional areas. Ms Colette Cowan, my colleague in Limerick, has plans for the development of the Ark ward. My understanding is that those plans have progressed. I have no indication that paediatric services in-----

**Deputy Cathal Crowe:** Has there been an aspect of robbing Peter to pay Paul in recent months so that the national children's hospital project could plough on?

**Ms Eilish Hardiman:** I have certainly not been informed of any issues in that regard but I would have to check with my colleagues. I am prepared to do that and come back to the Deputy.

**Deputy Cathal Crowe:** I would like Ms Hardiman to do that.

**Ms Eilish Hardiman:** To be clear, we are talking about our sickest children. The sickest

children in Ireland have access to our current hospitals and will have access to the new hospital. The service there will be even better. That was the point of the consolidation of services. It is also important that children can and should get their care as locally as possible. We support that as our model of care.

The Deputy is right that BUMBLEance is a partner of ours. It tends to transport the children who are sick with the rarest conditions because it has a dedicated ambulance to do that. It does that in a meaningful, child-centred and family-focused way. We work in partnership with BUMBLEance. Neonatal services have extended to 24-hour cover. Newborns who are born anywhere in the country can be brought immediately to Dublin, either to the maternity hospitals, the existing children's hospitals or the new children's hospital. We also have a plan to extend the paediatric emergency ambulance service. That service is working predominantly in daytime hours at the moment. Plans are being developed and funded to make that a 24-hour service. Our intention is that if a child needs our services because it will make a difference to his or her clinical outcome, a paediatric ambulance service will be available by the time the new hospital is built. There is already a successful neonatal ambulance service.

**Deputy Cathal Crowe:** Will there be primary and secondary schools under the roof of this hospital when it opens?

**Ms Eilish Hardiman:** Yes, both primary and secondary education will be provided.

**Deputy Cathal Crowe:** To what capacity?

**Ms Eilish Hardiman:** I can give the Deputy the details. It is an impressive facility. The schools, teachers and principals involved have engaged with us through the Department of Education to meet their requirements. I assure the Deputy there will be plenty of capacity. I will send him on the details.

**Deputy Cathal Crowe:** I appreciate that.

**Senator Martin Conway:** I acknowledge Mr. Gunning for providing the information to Deputy Cullinane's earlier question during the meeting. It was a failure of his senior management team in not providing him with that information before he came in front of the committee on this issue. I acknowledge the fact that the information was provided.

I will ask Mr. Gunning about his senior management team. Does he have a risk management team as a part of his senior management team?

**Mr. David Gunning:** I thank the Senator for his question. Risk management is a process that is shared across all of the management team. It is not something that is owned by one individual. It is a process across all work streams and aspects of the construction. That is the modern approach to risk.

**Senator Martin Conway:** There would usually be an individual who co-ordinates in that regard.

**Mr. David Gunning:** That is correct and there is such an individual. However, that individual is not the owner of the risks. The risks are owned by people in the other organisations involved.

**Senator Martin Conway:** That is fine. There is a risk management programme within the senior management team and the various components of this project.

**Mr. David Gunning:** That is correct. It is reviewed monthly by the executive. It is reviewed and reported to the board at the monthly board meetings. It is flagged up, as part of the governance that Ms Prendergast talked about, on a monthly basis to the children's hospital project and programme steering group and upwards to the CHP&P board. There is a comprehensive risk policy and risk process across the entire project.

**Senator Martin Conway:** Part of the assessment and analysis of the risk involved would have been to park dealing with claims until such time as the hospital is built. Did that recommendation come from those in the risk management section? Were they happy with it or did they have an issue with it? What was their approach?

**Mr. David Gunning:** Risk management is owned by the individual members of the executive, not a separate individual. The other individual is a facilitator of the process. I was central to-----

**Senator Martin Conway:** Did anyone within the risk management process raise a flag that postponing the final determination and outcome of the 900 claims could be a risky strategy?

**Mr. David Gunning:** I will explain that. At the start, the moratorium was for a month. It has since been extended for a month and then another month. There is no intention, at least not right now, that it would be there forever and that everything is kicked to touch or into the long grass to the end. I reassure the Senator about that. It is an issue to allow our teams to focus on the delivery of the project within a particular time. I expect that once we get past this phase, we will go back to dealing with the claims on the normal basis. That is my expectation of how this will work. We will not store up a big problem for the future.

**Senator Martin Conway:** When is this phase expected to finish such that the board could start dealing with claims on a real-time basis?

**Mr. David Gunning:** This phase has been extended three times. It may extend again. The longer it goes on the better, in many ways, but there is a trade-off between not dealing with these claims and allowing our teams to focus. If the moratorium continues in place, it means we are making good progress on getting the delivery date for the hospital secured. I welcome that. I have to make that decision.

**Senator Martin Conway:** I accept the motivation behind that and it is admirable. We all want to see the hospital completed. Have the components of the risk management team conducted an analysis to show what the exposure to the taxpayer would be should the board not succeed in defending all 900 claims or most of them?

**Mr. David Gunning:** We have a range of mitigations in place with regard to the risk around claims.

**Senator Martin Conway:** What I am looking for is the worst-case scenario.

**Mr. David Gunning:** This is a commercial issue in terms of how the claims will be settled, as the Senator well knows. I do not intend it would be part of an outcome or projected outcome, but we cannot give a definitive update on that at the moment. That is not possible.

**Senator Martin Conway:** Does the board have a definitive update on that?

**Mr. David Gunning:** We are constantly in receipt of new claims, of which we do an analysis on an ongoing basis. That analysis is updated monthly. In terms of where we are currently,

last month's analysis was only recently finalised. We are content in terms of the way in which we are defending the claims. We think we have put a robust system in place to defend those claims. Some of these claims - I must say this - are claims for additional money for the contractor, some of which the contractor is entitled to.

**Senator Martin Conway:** I do not dispute that.

**Mr. David Gunning:** If the contractor is entitled to it, we must, and will, pay. I want to put that on the record. There are some claims that we believe are somewhat over and above what the contractor is entitled to.

**Senator Martin Conway:** Does Mr. Gunning accept that the perception among the public is that there is an open chequebook for the children's hospital? When it was first presented to the public two or three years ago, the cost was €600 million to €700 million. In the space of three to four years, the cost has risen to €1.433 billion. We are in the position now where claims have been suspended. The negotiation and the determination of claims goes on all of the time, which I accept. Earlier, the proposition was put forward that the final cost could end up being €2 billion. On the basis of the history thus far, the cost has risen from €600 million to €1.4 billion. It is not unreasonable for people to make an assumption that we are looking at another €600 million to €700 million. Does Mr. Gunning accept that is a reasonable proposition?

**Mr. David Gunning:** I must push back on the Senator's point that we said earlier that the final cost could be €2 billion. I very specifically did not associate the hospital board with that-----

**Senator Martin Conway:** I never stated Mr. Gunning said that. I said that Deputy Gino Kenny had presented the proposition to him.

**Mr. David Gunning:** We are working through the range of issues. I have identified the various cost issues and challenges and I have provided some narrative on that. We are working through the issues. I assure the committee and members of the public who are expressing concern that we are doing everything we can to minimise the cost of this project and to deliver this hospital to a very high standard. Our goal is to deliver a world-class children's hospital and that is what we are going to deliver. We will do it for the price that we can achieve, as cheaply and cost-effectively as possible.

**Senator Martin Conway:** Mr. Gunning will accept that we all share a common goal in that regard. It is reasonable at this stage to assume that the cost will go beyond €1.433 billion.

**Mr. David Gunning:** Delay costs money. We are 14 months in delay. How much we delay the project will have an impact. There is no doubt about that. I would have spoken about this at previous committee meetings, including the Committee of Public Accounts. Delay is the most expensive-----

**Senator Martin Conway:** Can we all agree that the cost will be in excess of €1.433 billion?

**Mr. David Gunning:** It is a racing certainty it will be more.

**Senator Martin Conway:** The final cost will be significantly higher than that figure.

**Mr. David Gunning:** Again, I will not get into any definitive updates or comments.

**Senator Martin Conway:** I am not looking for a definitive figure. I am just looking for an acknowledgement that it will be significantly higher.

7 JULY 2021

**Mr. David Gunning:** I will not comment or give any update in that regard.

**Senator Martin Conway:** That is fine.

**Chairman:** I thank all of the witnesses for their presentations and the time they have given us this morning. They will have heard some frustration expressed by members. We all want to see the hospital built. It is badly needed. As stated by Ms Hardiman, it is for the sickest children in Ireland.

We heard this morning that there will be further delays and costs. On the previous occasion the witnesses appeared before the committee, we heard there were 600 live claims. We learned today that there are now 900 claims, which is concerning. We also heard that there is a 14-month delay and that external difficulties such as Covid-19, Brexit and a reduction in production, supply issues, goods, services and so on may impact the December 2023 target date. The questions raised by members were reasonable. It is reasonable for us as a committee to try to find out the overall cost of the project, the completion date and opening date. This project has been described by one member as money well spent. People will make their own decision on that. At a previous committee meeting it was described by a senior official as the best value for public expenditure. Again, we do not know that.

The contributions this morning have been helpful. There are outstanding questions, which the witnesses will, I am sure, acknowledge. I appreciate their time.

The joint committee adjourned at 11.28 a.m. until 9.30 a.m. on Wednesday, 14 July 2021.