

Appendix 3

NHS Grampian Asset Management Summary

2019 to 2029



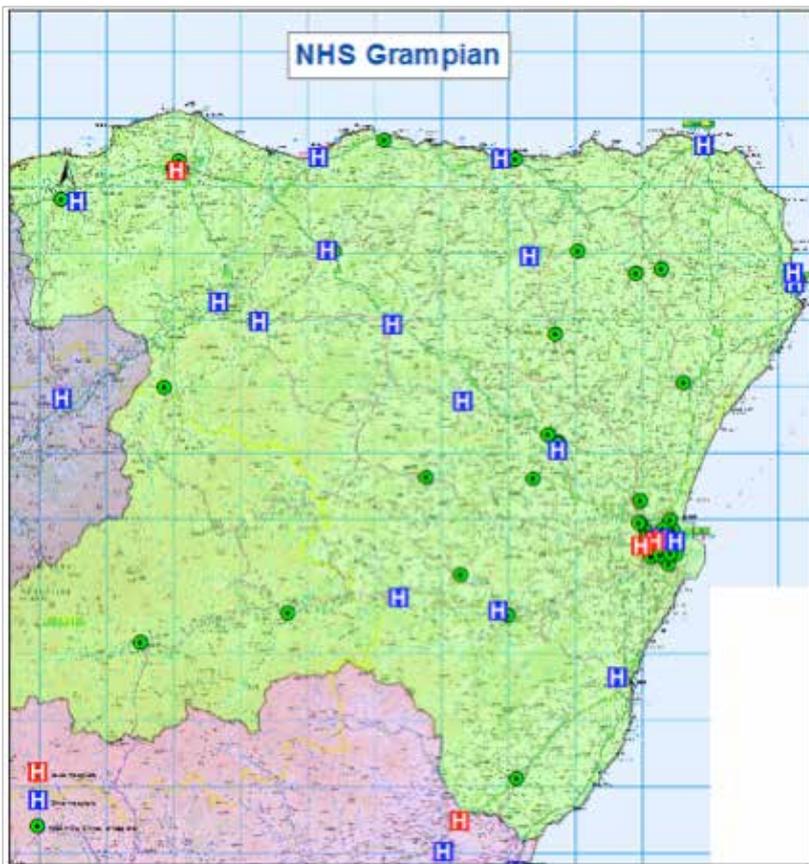
Planning Regionally, Delivering Locally



1. Introduction

NHS Grampian is a vibrant, forward thinking organisation that places its core values of “Caring, Listening and Improving” at the very heart of all that we do. Changes are taking place both within Grampian and across the country to make sure that NHSScotland is in the best possible shape to meet future health needs and improve people’s well-being. There are a number of national and local policies and initiatives aimed at making NHSScotland more effective and efficient such as the NHSScotland National Clinical Strategy; Better Health, Better Care: Action Plan; the NHSS Quality Strategy; the Efficiency and Productivity Framework and “Achieving Sustainable Quality in Scotland’s Healthcare – A ‘20:20’ Vision”.

These strategic documents all have a major influence on our healthcare infrastructure, from the number and location of properties, the IT infrastructure required to provide clinical information to our staff, the transport links to make our services accessible and to the equipment required to diagnose and treat the population of NHS Grampian.



2. Strategic Plan

In terms of strategic planning, it is important that NHS Grampians infrastructure is able to support the ambitions set out within the Clinical Strategy and the NHS Scotland National Delivery Plan. The Asset Management Group continuously reviews the status of the Board's infrastructure plans with the following being key elements of the review process:

- **Major site development plans** - establishment of development plans for each of our main sites. We have a well-established development framework for the Foresterhill Campus and currently undertaking site appraisals at Dr Gray's Hospital, Woodend Hospital and Cornhill Hospital. These are in addition to ongoing assessments undertaken of our community hospital infrastructure to determine future service and investment requirements.
- **Primary Care Premises Strategy** – the Board has a long established primary care premises strategy which is kept under review with the latest strategy being considered by the three IJBs and the Board's Asset Management Group. This manages the identification of the priorities for future investment in new primary care infrastructure and informs Board decisions regarding the development of future initial agreements to support the case for investment in new premises.
- **Digital Strategy** – the importance of the Board's digital infrastructure is acknowledged and work is progressing to assess the priorities for investment over the next five years. The Digital Strategy will be presented to the Asset Management Group this year before being considered for Board approval.
- **Strategic Risk Assessments** – the Asset Management Group has undertaken a comprehensive risk assessment of the Board's infrastructure in relation to backlog maintenance and essential equipment replacement. These risk assessments are used to target investment in a prioritised and risk assessed basis.
- **Office accommodation** – following the Board approval in December 2018 we have established a project board to oversee the implementation of agile working across Board and to develop a business case for co-location of our corporate and administrative functions with Aberdeenshire Council at Woodhill House.

3. Current Performance

NHS Grampian consists of acute services, three Integration Joint Boards and corporate services. It works closely with the University of Aberdeen and the Robert Gordon University, especially in the fields of research, workforce planning and training. NHS Grampian covers a geographic area of over 8,700 sq.km., and provides services to a population of over 584,000 from an ownership of 26 hospitals, 27 health centres 22 clinics and 5 separate dental units along with 4 hub procured health centres and the health Village with a net book value of £444m. There are over 20,000 items of medical equipment, ICT, vehicles and other equipment with a net book value of over £50m.

3.1 Overview of NHS Grampian Asset Responsibilities

Owned and Leased Property Sites		
	No.	Area sq. m.
Hospitals	29	305,659.53
Primary Care Facilities	57	49,853.17
Offices	1	20,769.95
Other	7	32,202.82
Hubco/PFI Property Assets		
Hospitals	0	-
Primary Care Facilities	5	

Medical Equipment Replacement Cost (£m)	
Radiotherapy Equipment	7.70
Imaging Equipment	27.70
Renal Dialysis Equipment	1.39
Cardiac Defibrillators	1.61
Flexible Endoscopes	2.61
Infusion Devices	3.45
Other high value items	55.56
Total	100.02

Independent Property Assets	
	No.
General Practice Facilities	72
Pharmacies	121
Dental Facilities	68
Optometrists	52

Vehicles	
Owned	24
Leased	363
Staff Car Scheme	275
Long term hire	6
Total	668

Current Book Value (£m)	
Property	477
Equipment	45
IM&T	8.3
Vehicles	1

Table 1 NHSG Overview

3.2 Current Statistics

NHS Board	Functional Ranking - % in each category				Quality Ranking - % in each category				Space Ranking - % in each category			
	A	B	C	D	A	B	C	D	Empty	Under-used	Fully used	Over crowded
NHS Grampian	11%	63%	17%	9%	12%	66%	15%	7%	5%	2%	91%	2%
North Region	8%	64%	23%	6%	9%	69%	19%	4%	3%	18%	77%	2%

Table 2 NHSG Functional suitability, Quality and Space utilisation performance

NHS Board	Age Profile (%)			
	Over 50 years old	30 - 50 years old	10 -29 years old	Up to 10 years old
NHS Grampian	39%	18%	29%	14%
North Region	36%	24%	29%	11%

Table 3 NHSG Age Profile

NHS Board	With 2019 (3.71%) Inflationary Increase														
	Backlog Cost (£m) - Clinical Areas					Backlog Cost (£m) - Non-Clinical Areas					Backlog Cost (£m) - All Areas				
	Low Risk Items	Moderate Risk Items	Significant Risk Items	High Risk Items	Clinical Backlog	Low Risk Items	Moderate Risk Items	Significant Risk Items	High Risk Items	Non-Clinical Backlog	Low Risk Items	Moderate Risk Items	Significant Risk Items	High Risk Items	Total Backlog
NHS Grampian	57	35	25	5	122	25	5	2	0	31	82	40	27	5	154
North Region	82	79	63	54	277	28	23	15	1	67	110	101	78	55	344

Table 4 NHSG Backlog Maintenance Profile

In 2012 NHS Grampian backlog stood at £193.4m, the table above shows the current backlog of £154m indicates a reduction of £41m despite the inflationary increases of over £12m since 2012. Importantly the backlog maintenance on the Aberdeen Royal Infirmary still remains amongst the highest in Scotland, given its size and the age of the buildings (60% of NHSG premises are over 30 years old). The Board approved the Acute Reconfiguration Project (ARP) in 2012 to reduce high and significant backlog maintenance in inpatient areas, this included building, engineering and compliance with statutory standards. The ARP which has now completed has significantly contributed to the overall backlog reduction. In particular the significant and high backlog risks have reduced from £76.5m at 1st April 2012 to £32m at 1st March 2019. This has been achieved partly through targeted backlog investment and in the disposal of surplus assets.

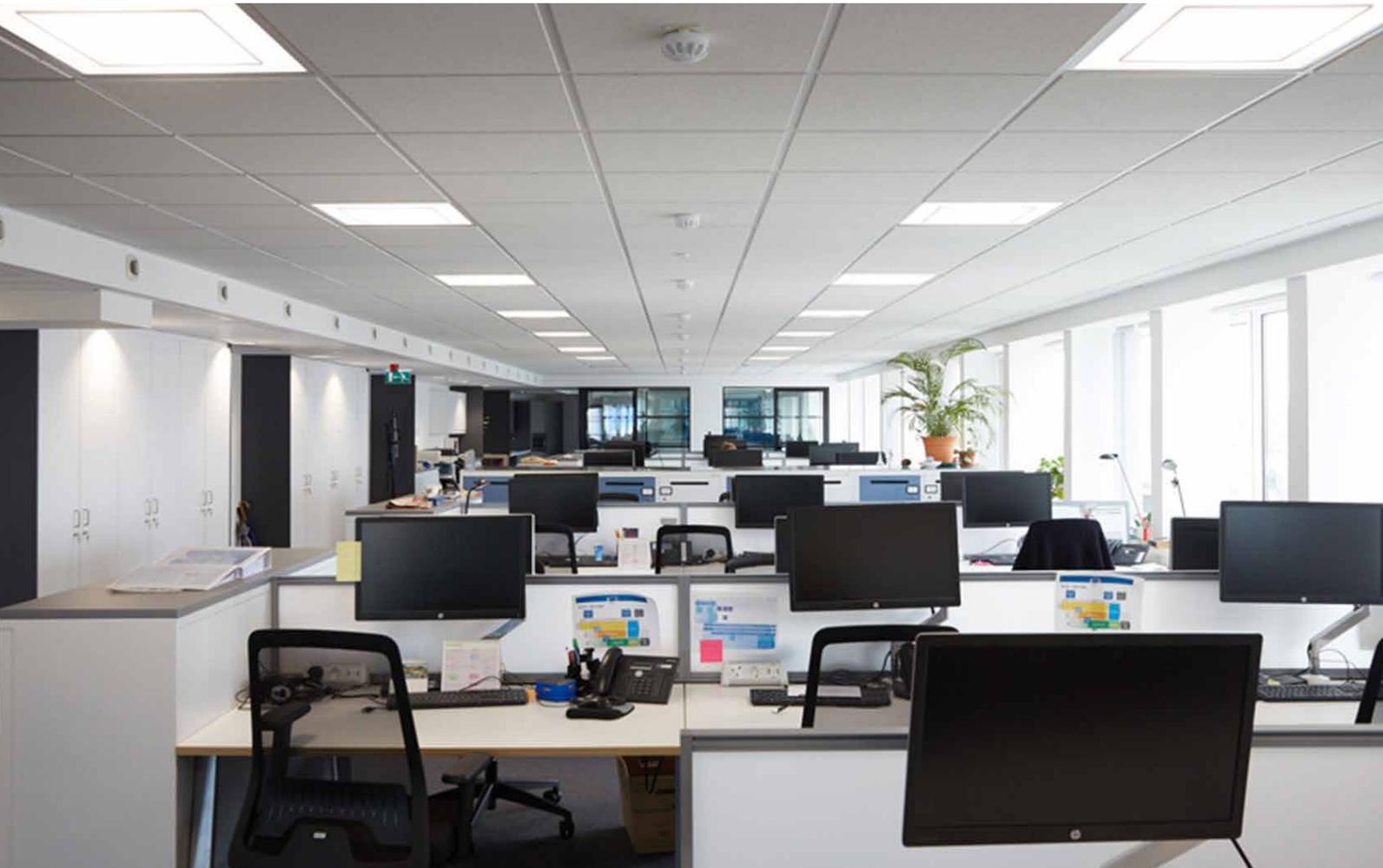
3.3 Smarter Offices

NHS Grampian plans to improve the utilisation of its office accommodation across the office portfolio by identifying opportunities for consolidation and rationalisation, increase agile working and shared use of space with other public sector partners.

NHS Board	Space Standard (sq.m NIA)		Desk to WTE/FTE %	Accommodation Budget Costs inc VAT: 2017/18						
	WTE/FTE	Desks		Ownership or lease £ per m2 NIA £	Rates £ per m2 NIA £	Service Charge £ per m2 NIA £	Hard FM £ per m2 NIA £	Soft FM £ per m2 NIA £	Energy £ per m2 NIA £	Total-Costs £ per m2 NIA £
NHS Grampian	12.5	12.4	101%	49	55	0	24	19	26	173.4
NoS Region TOTAL/AVERAGE	10.3	10.0	102%	83.3	54.0	1.9	9.3	31.1	21.4	201.0
NHS Board TOTAL/AVERAGE	12.7	13.0	98%	46	28	3	15	17	22	131

Table 5 NHSG Smarter Offices Profile

We are currently embarking on a business case to consolidate all of our support and management functions, rationalising the estate, reducing backlog and collocating with one of our Community Planning Partners at Woodhill house, Aberdeen.





4 Future Investment

4.1 Strategic Investment Priorities for Hospital Services;

Foresterhill Campus

The health campus is still in need of much development to fulfil the Foresterhill Development Framework (approved in 2008 and updated 2014). The Framework provides strategic design guidance for redevelopment and modernisation of the Foresterhill site, resulting in an agreed plan with the University of Aberdeen (joint owner) and Aberdeen City Council Planning Authority creating certainty for significant high priority projects.

The development of new elective care facilities, the Baird Family Hospital and ANCHOR Centre will extend planned care capacity and provide an opportunity to transform NHSG's approach to acute care.

In the longer term solutions are required for the re-provision of the remaining in-patient accommodation and theatre services currently located in east end 2 and phase 2 (100 years old and 50 years old respectively), a longer term solution is also required for the provision of ambulatory care, mortuary services, laboratory medicine services, medical physics and the relocation of the central decontamination unit, laundry services and facilities services.

Dr Gray's

Managed by the Moray H&SCP it provides a range of acute hospital services, the site is also occupied by Mental Health Services, where the clinical environment requires significant work to meet safety concerns. The Acute Care of the Elderly and General Medical Ward also requires significant refurbishment if it is to provide a modern day clinical service for patients. Investment is required to enhance the Diagnostic and Outpatient facilities in the Hospital to support the Elective Care Strategy. This will be targeted to improve the quality and effectiveness of services such as day surgery procedures as well as supporting the avoidance of unnecessary admissions to hospital. The development of the Moray Clinical Alliance under the direction of the Moray Integrated Joint Board will progress the work that will inform this ambition and our asset strategy therein.

Woodend Hospital

The Aberdeen H&SCP are developing proposals that will provide a community base for Care of the Elderly Services in Aberdeen. If an appropriate solution is found then this will enable NHS Grampian to vacate the South Block at Woodend Hospital.

Due to unsuitable accommodation and facilities, the nurses home has been vacated and alternative accommodation has been provided for staff accommodation, staff dining and the learning development department have moved to an alternative location.

Royal Cornhill Hospital

There is a 3 year programme of works on the Cornhill site to reduce the risk to patients in the 6 Acute Admission wards, this involves extensive ligature reduction and fire safety works that will fundamentally improve the safety of all patients admitted for treatment on the site.

The Learning disability service requires to move into existing vacant ward accommodation within Royal Cornhill Hospital. This would improve safety for staff by reducing isolation, provide a much quicker response to emergency calls and improve access for on-call staff during anti-social hours. Patient safety would also be improved by better quicker responses as a consequence of clinical and nursing emergencies.

4.2 Strategic Investment Priorities for Primary Care Services;

The NHS Grampian Primary Care Premises Plan sets out the key overall priorities as assessed by the NHSG Primary Care Premises Group. The plan is reviewed and updated annually prior to submission to the NHS Grampian Asset Management Group.

Small improvement grants can offset the need for major redevelopments, but there comes a point when the condition of buildings and the volume of activity they can sustain require a new build to be planned. The 9 agreed top priorities are highlighted below following 3 rigorous risk scoring exercises.

The 9 priorities listed are highlighted and prioritised within the overall Asset Management Plan.

- Bucksburn/Dyce Medical Practices (Aberdeen) (part of £19m bundle)
- Denburn/Northfield/Mastrick Medical Practice (Aberdeen) (OBC stage)
- Banchory Medical Practice (Aberdeenshire) (emerging Bundle)
- Ellon Medical Practice (Aberdeenshire) (emerging Bundle)
- Keith Medical Practice (Moray) (Initial Agreement stage)
- Danestone Medical Practice (Aberdeen) (emerging Bundle)
- Kincorth Medical Practice (Aberdeen)
- Torry Medical Practice (Aberdeen)
- Fochabers Medical Practice (Moray)



4.3 Strategic Investment Priorities for ICT;

As described in NHS Grampian's Clinical Strategy, the strategy highlights four overarching themes reflecting the areas of focus over the coming years. Electronic ways of working can make a significant impact by improving care for patients. The H&SCP's integration strategies all share a common aim – to ensure that there is a high level of integration regarding information systems to support information sharing to ultimately improve patient care.

The Electronic Patient Record System (EPR) will make a significant contribution to a comprehensive clinical and social care information system for the population of the North of Scotland by removing paper records and allowing all clinicians for the first time, to see real time data on a patient without the need for awaiting the patient file. Implementation requires a cultural change to working practices of all clinical staff to ensure maximum benefit can be achieved. This includes systems in health records and health IT, and redesigning the use of support staff, as the use of paper based records reduces, and electronic information becomes the sole source of patient information for all clinicians. The priority areas for development in the EPR programme are summarised below:

- Acute Services - move towards the elimination of paper based records by increasing the level of digitally generated information at source and supporting changing practice to make electronic record usage routine.
- Mental Health Services - significant workflow redesign is required to improve management of waiting lists, complete the rollout of scanning into the CCube document management system, link CCube to Trakcare so that information can be viewed within Trakcare (as per SCI Store).
- Maternity Services - extend Badgernet to Community Midwifery and provide interface to GP records, work to provide a paper free maternity record which conforms to the National Scottish Women's Hand Held Maternity Record (SWHMR).
- General Practice - exploit the potential to use Vision 360 to support mobile working within GP practices and the reconfiguration of services within HSCPs.
- Community Nursing - develop and configure the Community Vision system to support the work of community nurses, health visitors and school nurses etc.
- Allied Health Professionals - extend use of PMS Trakcare to those AHPs not covered by the AHP Advanced Practice Musculoskeletal (MSK) project.

4.4 Strategic Investment Priorities for Medical Equipment;

This will be developed through a detailed equipment replacement strategy, informed through clinical consultation and a comprehensive assessment of risk. The annual capital allocation for medical equipment has been prioritised against all other competing investment requirements, but in recent years the level of investment has fallen well short of that required to meet replacement needs resulting in the Board carrying higher risks here than we would like. It is estimated that we only replace 60% of equipment within its recommended technical life. The current NHS Grampian formula allocation of funding continues to increase this pressure.

The Cyclotron at ARI has reached the end of its useful life and is required to be replaced. The cyclotron is a particle accelerator used to produce radioactive isotopes for medical imaging purposes. The PET scanning service serves: NHS Grampian, NHS Highland, NHS Orkney and NHS Shetland and a sustainable local source of supply of isotopes is therefore critical in order to maintain this service.

4.5 Strategic Investment Priorities for Vehicles;

There are a number of vehicles (30) that do the majority of commercial work moving products and collecting waste from across the Grampian area. Many of these vehicles are in a poor state of repair with high mileage and old technologies and need immediate replacement.

Looking ahead need to produce a strategy for alternative fuels, fleets need to be cleaner and greener in the future. At present significant work has been done around electric and hydrogen small vans and cars. Hydrogen has also moved onto larger vehicles such as coaches and large box vans but the infrastructure is not yet in place to support the use of these vehicles for regular reliable service deliveries. NHSG will continue to install charging points across our sites to encourage the use of electric vehicles but there will need to be a mind-set change for this to be fully utilised.

4.6 Planned 5 Year Investment

The summary five year plan sets out the key areas where investment will be targeted over the next five years. The following balanced approach will ensure that we are able to obtain maximum benefit from the available funding to:

- Responding to new and improved ways of delivering services,
- Improve estate and asset performance on all key indicators, including a targeted reduction in significant and high risk backlog maintenance and a continued programme of essential equipment replacement.
- Disinvest from buildings with high operating costs, backlog maintenance requirements, or short remaining life where these do not meet future service requirements; and
- Invest and develop in new technology that achieves simplification of the existing information technology infrastructure, whilst simultaneously allowing additional investment and improved resilience.

The Baird Family Hospital and ANCHOR centre is the largest single project that we have undertaken as a Board and will result in a significant redesign of the services we provide to the population of Grampian. The Final Business Case is due to be considered by the Board later in the year once additional funding has been identified with the enabling works having already been completed.

The Elective Care Centre will be one of six to be established in Scotland to support the National Waiting Times Improvement Programme. This represents a major investment in facilities which will improve the Board's capacity to meet current and future demand for elective care.

The replacement of the Denburn Health Centre with new facilities in Northfield/Mastrick and new facilities for the population of North Aberdeen and the surrounding Aberdeenshire hinterland will be the two key projects which we will deliver in the next five years. As previously agreed with the Board we are also developing initial agreements to make a case for further investment in service redesigns at Banchory, Ellon, Danestone and Keith. These have been confirmed within the primary care premises strategy as the areas of highest priority for investment.

The Board has also approved a £16m plan to improve the mental health facilities at Royal Cornhill Hospital to meet legislative requirements.

Board	New Investment Projects:	Total Capital Value	2019/20	2020/21	2021/22	2022/23	2023/24
NHSG	Baird & Anchor	151.9	16.4	74.8	50.4	10.3	
NHSG	Elective Care	50.6	2.2	18.2	26.2	4.0	
NHSG	Denburn and Northfield Replacement	8	3.0	5.0			
NHSG	Other Primary Care - TBC	2.3			2.3		
NHSG	North Corridor Health Centres	19.19		19.19			

Table 6 Investment in new projects

Board	Investment in Existing Estate:	Total Capital Value	2019/20	2020/21	2021/22	2022/23	2023/24
NHSG	Backlog Maintenance	15.2	2.5	1.0	1.5	4.1	6.1
NHSG	Primary Care Premises	1	0.2	0.2	0.2	0.2	0.2

Table 7 Investment in existing buildings

Board	Investment in Other Assets:	Total Capital Value	2019/20	2020/21	2021/22	2022/23	2023/24
NHSG	Medical Equipment	3.149	1.5	1.649			
NHSG	IT Equipment	0					
NHSG	Estates Equipment	0					
NHSG	Other Equipment	0					
NHSG	Equipment TBC	40.569	5.232	6.372	16.653	12.312	

Table 8 Investment in other Assets

4.7 Planned 5 Year Disinvestment

Board	Properties:	Total Value	2019/20	2020/21	2021/22	2022/23	2023/24
NHSG	Denburn Health Centre	3.925		3.925			
NHSG	Inverurie Health Centre	0.5	0.5				
NHSG	Inverurie Road Clinic	0.4		0.4			
NHSG	RCH Land (May Baird)	0.9	0.9				

Table 9 Disinvestment plan



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