

**APPROVED Minute**  
**NHS Grampian**  
**Performance Assurance, Finance & Infrastructure Committee**  
**25<sup>th</sup> September 2024, 1400 to 1600**  
**(Microsoft Teams Meeting)**  
**Chair – Mr Sandy Riddell**

Board Meeting  
Open Session  
12.12.24  
Item 16.2

**Present**

|                       |  |
|-----------------------|--|
| Sandy Riddell (Chair) | Non-Executive Board Member, NHS Grampian |
| Colette Blackwell     | Non-Executive Board Member, NHS Grampian |
| Joyce Duncan          | Non-Executive Board Member, NHS Grampian |
| Ritchie Johnston      | Non-Executive Board Member, NHS Grampian |
| Derick Murray         | Non-Executive Board Member, NHS Grampian |

**In Attendance**

|                  |  |
|------------------|--|
| Adam Coldwells   | Chief Executive                                    |
| Preston Gan      | Head of Performance                                |
| Dennis Robertson | Non-Executive Board Member, NHS Grampian           |
| Alex Stephen     | Director of Finance/Executive Lead for Performance |
| Alan Wilson      | Director of Infrastructure & Sustainability        |

**Guests**

|                   |   |
|-------------------|---|
| Geraldine Fraser  | Interim Portfolio Executive Lead (PEL), Medicine and Unscheduled Care (MUSC) & PEL, Integrated Family Portfolio (IFP) <b>Item 3.2</b> |
| Carmen Gillies    | Programme Lead Value & Sustainability <b>Item 5.2</b>   |
| Sarah Irvine      | Senior Finance Manager <b>Item 5.1</b>  |
| Garry Kidd        | Assistant Director of Infrastructure & Sustainability <b>Items 4.1 &amp; Item 4.2</b>   |
| Jennifer Matthews | Corporate Risk Advisor <b>Items 3.4 &amp; 5.3</b>   |
| Chris Middleton   | Operations & Performance Lead, MUSC <b>Item 3.2</b>   |
| Lorraine Scott    | Director for Planning, Innovation & Programmes <b>Item 3.4</b>  |
| Alan Sharp        | Deputy Director of Finance <b>Item 5</b>  |
| Matthew Toms      | Head of Performance Governance <b>Item 3.3</b>  |

**Apologies**

|               |   |
|---------------|---|
| June Brown    | Deputy Chief Executive/Executive Nurse Director |
| Tracy Colyer  | Non-Executive Board Member, NHS Grampian        |
| Alison Evison | Board Chair                                     |
| Nick Fluck    | Medical Director                                |

**Minute taker**

|                 |                         |
|-----------------|-------------------------|
| David Creighton | Senior Administrator/PA |
|-----------------|-------------------------|

| No. | Item   | Discussion   | Action |
|-----|--|--|--------|
| 1.  | 1) Welcome and Apologies<br><br>2) Declarations of Interest<br><br>3) Minutes of previous meeting (28 <sup>th</sup> August 2024)<br><br>4) Matters Arising | <p>The Chair welcomed everyone to the meeting. Collette Blackwell, one of the new Non-Executive Board Members joined PAFIC for her first meeting. Apologies noted as above.</p> <p>The Chair declared for transparency he is the Chair of Mental Welfare commission. No other declarations of interest noted.</p> <p>Change of Present to In Attendance for Dennis Robertson. Correction of item numbers from the Finance section onwards.</p> <p>Item 6 – Labs escalation route query from the Asset Management Group (AMG). The Director of Infrastructure &amp; Sustainability confirmed this would be service managed with a paper from Labs being put forward to CET and only coming to PAFIC if necessary.</p> <p>No Matters Arising noted</p>   |        |
| 2.  | <b>Committee Matters</b><br><br>1) Terms of Reference  | <p>1) The Chair advised an updated Terms of Reference (ToR) was required for review by the committee. Incorporating changes to job titles, the focus for the committee and key principles of assurance given recent developments of PAFIC. The Chair stressed his keenness in ensuring PAFIC has a coherent approach to governance owing to key strengths of committee members with roles in governance structures of the organisation and felt this was well reflected in the ToR</p> <p>The Head of Performance advised the revised ToR robustly sets out performance assurance and management actions with key changes in improvements and quality assurance for PAFIC since the last iteration.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>• Frequency of Infrastructure reports such as backlog maintenance. The Director of Finance confirmed that these would be timetables on the forward planner. The Director of Infrastructure and Sustainability advised that items felt needed to be escalated could be taken as required.</li> <li>• Closed minutes restricted to PAFIC? Should this be also be available to the Board? The Director of Finance confirmed that closed minutes can be shared with the Board.</li> <li>• Operational Performance assurance from the three main Portfolios: Integrated Family Portfolio (IFP), Integrated Specialist Care Portfolio (ISCP) and Medicine and Unscheduled Care Portfolio (MUSC). Are any Portfolios</li> </ul> |        |

|    |  |   |                                     |
|----|--|---|-------------------------------------|
|    | 2) Forward Planner   | <p>missing? The Chief Executive advised that while Public Health goes through its own committee this can also be looked at for reporting to PAFIC.</p> <ul style="list-style-type: none"> <li>Escalation process, does this need to be defined in the ToR? The Director of Finance advised the escalation process should be part of the organisations overarching governance documents.</li> <li>Clearly highlight changes in ToR for final approval.</li> </ul> <p>2) The Director of Finance advised with one meeting of PAFIC left for 2024 the Forward Planner will be reconfigured and populated for 2025. The Chair advised that if committee members feel any items are due for assurance to advise the Chair for discussion at agenda setting meetings.</p>   | <p>AS</p> <p>PG/DC</p> <p>PAFIC</p> |
| 3. | <p><b>Performance – Exec Lead Alex Stephen</b></p> <p>Topics and paper author:</p> <p>1) Performance Assurance Framework Review Update</p> | <p>1) The Head of Performance advised the Integrated Performance Assurance Framework Review (IPARF) was first approved by PAFIC and the Board in 2023. In March 2024 an internal audit via PricewaterhouseCoopers (PwC) looked at key aspects of performance assurance, governance and management of key performance indicators, in line with the Plan for the Future and Annual Delivery Plan (ADP). While it was noted that the risk profile for demonstrating performance management was low some key recommendations were highlighted. The paper was taken to PAFIC for assurance on management of the framework.</p> <p>The Chair advised that NHS Grampian (NHSG) has been steadily establishing a robust and collaborative approach towards performance management, which PAFIC plays a critical role in.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>Importance of realistic reflection on target setting with challenges in capacity and resources. The Head of Performance confirmed that close working with the Planning Innovation Programmes (PIP) Team, who are the custodians of the Plan for the Future and ADP, scheduling is already in place to plan for development and measurement of KPI's for the next ADP. Scheduling is also in place for reporting to CET, PAFIC and the Board.</li> <li>Assurance arrangements for PAFIC and other Board Committees under development. The Head of Performance confirmed taking the right steps to plan tactical and operational levels over time is part of the next phase of work.</li> <li>Reporting to the Scottish Government (SG) is appropriately scheduled on the forward planner. It was noted that balancing NHSG measures and what SG require to be measured is key while managing</li> </ul> | <p>PG</p> <p>PG</p>                 |

|  |   |   |  |
|--|---|---|--|
|  |   | <p>performance with limited resources. Suggested wider scale performance information to help inform Board members on particular areas to help support decision making.</p> <p><b>PAFIC agreed the recommendations:</b></p> <ul style="list-style-type: none"> <li>• Assess whether the actions are sufficient in response to the PwC audit recommendations.</li> <li>• Assess whether sufficient review of the IPARF v1.6 has been carried out for updates since approval.</li> <li>• Acknowledge that the improvements in performance reporting reflect the continuous improvements ethos embedded in the IPARF.</li> <li>• Decide whether the recommendations demonstrate effective ongoing management and oversight of the IPARF.</li> </ul> <p>2) The Interim PEL, MUSC advised with recent reporting on the emergency pathway in Unscheduled Care the report was balanced to include services which sit outwith the emergency pathway. There is a tangible relationship with these to emergency pathways, linked to the Bed Base review with a shortage of beds across medical specialities with occupancy impacting performance measures, and in some instances, quality of care. Positive feedback has also been included as this is important to acknowledge. The Operations &amp; Performance Lead, MUSC advised the report while showing a tension between quality and operational delivery shows efforts in both areas is sustained.</p> <p>The Chair advised that risks identified and actions taken are clear with the narrative going beyond delayed discharge and delayed transfer of care for a balanced view across the Portfolio.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>• Actions being taken by the Unscheduled Care Programme Board. The Interim PEL, MUSC advised an improvement plan has been submitted with dialogue with SG on the contents based on drivers to improve performance on access and ambulance turnaround times. An external report from the Centre for Sustainable Delivery (CfSD) confirmed NHSG have an efficient model, as such any improvement work will give limited further efficiency. Improvements on time to first assessment have improved in the Emergency Department (ED) in both daytime and overnight presentations, with length of stay reducing, which helps efficient use of beds.</li> <li>• A test of change is being implemented with the Scottish Ambulance Service (SAS) ambulance drop offs and</li> </ul> |  |
|  | 2) Portfolio Deep Dive – Medicine & Unscheduled Care (MUSC) |   |  |

|  |   |    |
|--|---|----|
|  | <p>Acute Medical Initial Assessment (AMIA). It was noted that the risk of harm to patients the longer they are waiting when at maximum capacity. Further improvement would be linked to any additional funding.</p> <ul style="list-style-type: none"> <li>• Communication is key to patients through their presentations to minimise complaints. The Interim PEL, MUSC advised an area being looked at is real time feedback to address any issues while patients are still in the Hospital to help reduce complaints.</li> <li>• Noted risks to patients with the low bed base for the region, this could help inform conversations with SG. The Operations &amp; Performance lead, MUSC advised there is a strong relationship between length of stay and readmission on severity and acuity of illness in line with trends.</li> </ul> <p><b>PAFIC agreed the recommendation:</b></p> <ul style="list-style-type: none"> <li>• The Committee is recommended to consider and discuss the content of this report in so far as it provides assurance for the performance of service delivery and priorities for the Portfolio.</li> </ul> <p>3) Long Waits Update</p> <p>3) The Head of Performance Governance advised on long waits of 104 weeks, 78 weeks and 52 weeks, which is broadly a worsening position. The 3 main specialities driving this are Urology, Dermatology and ENT. Urology in particular has significant pressure from urgent cancer workload directed towards the front end and providing mutual aid. There is some redesign work which is technology enabled but noted there were some technology capacity issues. Net outpatient activity is the highest it has been using the capacity available which shows an efficient model, however the total demand is challenging. Noted financial and infrastructure challenges in achieving the position of improvement at this time.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>• Suggested a narrative to explain any graphs.</li> <li>• Legally committed spend impacts. The Chief Executive advised a discussion with SG will be taking place on whether the priority is finance or activity</li> </ul> <p><b>PAFIC agreed to note:</b><br/>Long waiting trajectories are at risk. The key components of this are:</p> <ul style="list-style-type: none"> <li>• Total activity is being maintained or improved, but this is not keeping pace with demand.</li> <li>• Prioritisation is rightly directing the available resources towards the priority patients but in some specialities, this is leaving very little capacity to address the longest waiting patients.</li> </ul> | MT |
|--|---|----|

|    |   |  |  |
|----|---|--|--|
|    |   | <ul style="list-style-type: none"> <li>Financial savings may be applied which may impact on either bespoke projects which were included in the commitments or adversely impact on core capacity that was assumed to be constant. This was a known risk and the scale and impact of this remains uncertain at this stage through appears highly likely to occur at some level.</li> <li>Infrastructure risks are occurring with a greater frequency due to the age and state of the estates and therefore leading to greater periods of downtime.</li> <li>Known capacity challenges around Digital Infrastructure resources in a wide sense to support the implementation of new ways of working being promoted via the CfSD and others which may delay the introduction of more efficient way of working.</li> </ul>  |  |
|    | 4) Strategic Risk – Change/Innovation                                     | <p>4) The Corporate Risk Advisor and the Director for Planning, Innovation &amp; Programmes introduced the paper setting out assurance arrangements. This is a reframed risk with a significant amount of work to shape the risk and provide clarity of how this will move forward.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>Noted no agreed model of change required, significant risk to achieve the level of commitment locally, a lack of clarity on changes required preventing commitment and buy in from the workforce.</li> <li>Links between portfolio and strategic risks. The Corporate Risk Advisor confirmed work is underway to raise awareness of the strategic risk and making sure portfolios are paying attention to the risk.</li> <li>Suggested outlining areas of control to influence the desire for change noting this is a challenge.</li> <li>Due to be discussed at December 2024 Board Meeting.</li> </ul> <p><b>PAFIC agreed the recommendations:</b></p> <ul style="list-style-type: none"> <li>Improvements are being made regarding the management of Strategic Risk 3006, and appropriate evidence has been provided of these improvement activities.</li> <li>Any gaps in controls or mitigations have been identified and are being addressed.</li> <li>The assurance level assigned to the management of Risk 3006 is appropriate: <b>Limited</b></li> </ul> |  |
| 4. | <b>Infrastructure – Exec Lead Alan Wilson</b><br>Topics and paper author: | 1) The Assistant Director of Infrastructure & Sustainability is progressing a longer term Whole System Service & Infrastructure Plan. The first stage of a maintenance only business continuity investment plan is due January 2024, which covers a 5-10 year timeframe to focus on where investment is required in the existing estate. Still in the  |  |



|    |   |  |  |
|----|---|--|--|
|    |   | <p>of confidence provided this is progressing as quickly as possible with £0.5M allocated for improvement works.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>• Bed provision for females. The Director of Infrastructure &amp; Sustainability confirmed that the current dorms that cannot be mixed would be changed to single rooms to allow more flexibility for female bed spaces.</li> <li>• What will happen with patients when remedial works are carried out? The Director of Infrastructure &amp; Sustainability confirmed owing to the shape of the building patients could be moved to quadrants to allow works to be carried out and moved back to their rooms each evening as opposed to being decanted.</li> <li>• Provision of new facility and consideration of a community based service. The Director of Infrastructure &amp; Sustainability advised community based service may not be suitable for the type of patient and that this facility will still be required. The Chief Executive confirmed the forensic unit are patients detained under the criminal act and are held in a secure environment to meet certain criteria.</li> <li>• Would a change in environment pose danger to patients and staff, and are staff on board with proposed changes. The Director of Infrastructure confirmed a better facilities have been proven to reduce violent activity with staff fully on board</li> </ul> <p><b>PAFIC agreed to note:</b></p> <ul style="list-style-type: none"> <li>• The plans for investment in the short term to address the most significant risks associated with the physical environment within the Blair Unit at Royal Cornhill Hospital.</li> </ul> |  |
| 5. | <p><b>Finance – Exec Lead</b><br/> <b>Alex Stephen</b><br/> Topics and paper author:<br/> 1) 24/25 Month 5 Update</p> | <p>1) The Senior Finance Manager advised the report is based on August 2024 position. Expected £59M overspend after delivery of £35M Value &amp; Sustainability savings of £35M. Brokerage limit agreed with SG of £15M. Year to date overspend of £30M to end of August 2024 with an average monthly overspend of £5M month which reflects operational pressures. Detailed revenue forecast has reduced slightly to £77.9M which includes £14.7M required to contribute to IJB overspends.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>• Improved position based on decisions made at the Board meeting in September 2024, savings on Junior Doctor rota compliance and prescribing savings</li> <li>• The Director of Finance advised that legally committed spends and non-legally committed spends are being</li> </ul>  |  |



|    |   |  |  |
|----|---|--|--|
|    |   | <p>looked at by CET to see if further savings could be realised with any findings to be presented to the Board.</p> <p><b>PAFIC agreed the recommendations:</b></p> <ul style="list-style-type: none"> <li>• Note the Board's position at the end of August and the current forecast year end position.</li> <li>• Note that further savings opportunities were agreed at the NHS Grampian Board meeting on 12<sup>th</sup> September 2024 and are now be implemented to mitigate the financial position.</li> </ul> <p>The Programme Lead Value &amp; Sustainability advised the paper was a spotlight on savings to end of August 2024 and the findings of the KPMG. The paper asks PAFIC to approve the reporting template confirm reporting template. Commitment continues maintaining momentum and ensuring tasks are progressed for consistent reporting.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>• No carry forward of reserves. The Director of Finance confirmed NHSG do not have reserves to allocate to services</li> <li>• KPMG Findings leading to short term and medium term savings. The Director of Finance confirmed that short term savings can be implemented immediately with medium term savings across 1-3 years</li> </ul> <p><b>PAFIC agreed to note the paper</b></p> |  |
|    | <p>2) 24/25 Month 5 Value &amp; Sustainability Plan Update including KPMG Update</p> <p>3) Strategic Risk - Finance</p> | <p>The Corporate Risk advisor confirmed the paper is to ensure PAFIC is well sighted on Finance Risk reflected by the previous two Finance items. PAFIC were asked to reflect on the governance arrangements and management of the risk.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>• PAFIC agreed they were fully sighted on the arrangements and management in place</li> </ul> <p><b>PAFIC agreed to note:</b></p> <ul style="list-style-type: none"> <li>• The current arrangement in place for the management of the current financial position</li> <li>• The impact of funding constraints on the ability to support service transformation effectively and the limited assurance opinion from the Executive Lead for this reason</li> </ul>   |  |
| 4. | Matters to escalate to Board/Committee Chairs   | General discussion regards escalations to be discussed at the Chairs meeting.  |  |
| 5. | Date of Next Meeting: <b>Wednesday 27<sup>th</sup> November 2024, 1400 to 1600</b>                                      |  |  |

**Chair: Mr Sandy Riddell**

**Key:** \* Paper attached # Verbal ~ Paper expected

**Notification of apologies/deputies to:**

**Mr David Creighton ([gram.grampianchiefexecutive.scot.nhs](mailto:gram.grampianchiefexecutive.scot.nhs))**