

APPROVED MINUTE

NHS Grampian

Performance Assurance, Finance & Infrastructure Committee

14 November 2023, 1400 to 1600

(Microsoft Teams Meeting)

Present

Sandy Riddell (Chair)	Non-Executive Board Member, NHS Grampian
Tracy Colyer	Non-Executive Board Member, NHS Grampian
Joyce Duncan	Non-Executive Board Member, NHS Grampian
Derick Murray	Non-Executive Board Member, NHS Grampian

In Attendance

Paul Allen	Director of Infrastructure & Sustainability
June Brown	Nurse Director
Sarah Duncan	Board Secretary
Adam Coldwells	Director of Strategy/Deputy Chief Executive (until 2:30 re-joined 1515)
Alison Evison	Board Chair/Non-Executive Board Member, NHS Grampian (from 2:35)
Steven Lindsay	Employee Director
Gavin Payne	General manager Facilities & Estates
Alex Stephen	Director of Finance/Executive Lead for Performance

Guests

Preston Gan	System Transformation Programme Manager Item 5.1 & 5.2
Alan Sharp	Deputy Director of Finance Item 4
Donna Smith	Programme Manager – Planning Item 3.2

Apologies

Kate Danskin	Chief of Staff
Caroline Hiscox	Chief Executive
Dennis Robertson	Non-Executive Board Member, NHS Grampian

Minute taker

David Creighton	Senior Administrator/PA
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Item	Note	Action
1.	<p>1) Welcome and Apologies</p> <p>The Chair welcomed everyone to the meeting. The Employee Director is in attendance for his first meeting and will attend future PAFIC meetings. Apologies noted as above.</p> <p>2) Minutes of previous meeting (30 August 2023)</p> <p>The Director of Infrastructure & Sustainability clarified for accuracy under Item 3 that Neil Gordon is Head of ICT Services/Acting General Manager of eHealth for correction in the minute.</p> <p>Derick Murray asked for an update under Item 4.2 on Value & Sustainability recruitment and impacts in locum spends and vacancy controls. The Director of</p>	

	<p>3) Matters Arising</p>	<p>Finance/Executive Lead for Performance confirmed that Carmen Gillies from Moray has been appointed as lead. Three project officers have been appointed along with admin support. The team will help with vacancy controls going forward with ongoing work to move locums to on framework agreements. There is a system in place using a locums desk to manage locum costs. In addition newly qualified nurses recruited will help to reduce the use of agency staff.</p> <p>The Chair advised that a meeting took place on 29/09/23 the Board Chair, the Board Secretary, the Director of Finance/Executive Lead for Performance and himself to discuss sequencing, frequency and reporting to PAFIC of action plans and performance trajectories. From this meeting a need for a forward planner was identified to plot business focus for coherence, as discussed in item 2. The Director of Finance/Executive Lead for Performance confirmed the forward planner, as an iterative process will help form agenda development and planning.</p> <p>The Chair advised there was a Board Assurance meeting on 19/10/23 with non-executives and executive leads for the Board to develop a shared sense of approach to seeking and providing assurance and develop a set of principles. Linking assurance to strategic objectives and risk tolerance and promoting conversations of mutual trust and respect on any issues.</p>	
<p>2. Committee Matters Committee meeting dates 2024 and forward planner</p>		<p>The Chair thanked the Board Secretary for her work on the forward planner to help strengthen the arrangements for committee business. The Director of Strategy/Deputy Chief Executive suggested that agenda planning and report requests keep a live dynamic reviewing process, led by the Chair and supported by the Executive Lead for Performance and himself for identifying key items.</p> <p>The Chair took the opportunity to thank the Director of Infrastructure & Sustainability for his professionalism, contributions, support and assurance provided to PAFIC before he retires with this being his last PAFIC meeting. The Director of Infrastructure & Sustainability thanked the Chair for his kind words.</p>	
<p>3. Infrastructure – Exec Lead Paul Allen Topics and paper author: 1) Infrastructure Annual Plan</p>		<p>The General Manager for Facilities and Estates introduced the paper.</p> <p>Committee member points raised in discussion</p> <ul style="list-style-type: none"> • Acknowledged the managed and clearly articulated risks. Asked in regards to indication from Scottish 	

	<p>(backlog maintenance)</p>	<p>Government (SG) on additional backlog funding to help manage risks. The Director of Finance/Executive Lead for Performance confirmed once an idea of exposure and capital funding for 2024/2025 is known a decision would be made by SG</p> <ul style="list-style-type: none"> • Asked about a replacement and funding for the programme manager? The General Manager of Facilities and Estates confirmed that this position is to be filled and is important over the next nine months to help deliver the work. A request to retain the funding for this will be made to The Chief Executive Team or the Director of Finance/Executive Lead for Performance, noting cost pressures with available funding. Update in Matter Arising at PAFIC Meeting 28/02/24 • Is the Board aware of the high and substantial risks that cannot be afforded? The General Manager of Facilities and Estates confirmed very high risks are reported to the Asset Management Group (AMG). The sequencing of transparent reporting from the AMG to PAFIC and the Board is to be looked at, given an increasing risk profile with older areas of the estate with impact on portfolios. Noting any items identified at PAFIC could be taken to the Board through exception reporting by the Chair • Asked if SG are aware of any risks out with funding? The Director of Infrastructure & Sustainability confirmed that NHS Grampian - as its own legal entity manages funding appropriately on behalf of Ministers from SG. Risks and very high risks identified and discussed through the AMG are reported annually to SG • Asked about managing requests from different parts of SG and how this process is managed? The Directory of Strategy/Deputy Chief Executive confirmed that joining up the requests from policy teams within SG is key for a holistic view <p>PAFIC agreed to:</p> <ul style="list-style-type: none"> • Note the current governance, programmes and action plans in place and • Support the investment requirements and groups set up to enable this complex programme 	<p>SR</p> <p>SD</p>
<p>2) DGH MRI Update</p>	<p>The Programme Manager - Planning introduced the paper.</p> <p>Committee member points raised in discussion</p> <ul style="list-style-type: none"> • Acknowledged the report clearly describes the interdependencies and discussions with SG, who 		

		<p>acknowledged the high quality business case for decanting Ward 4 at Dr Grays Hospital (DGH). Allowing the MRI Construction Programme and interdependent Ligature Reduction Programme to go ahead subject to funding from 16/12/23. PAFIC noted the assurance given in the report and being fully sighted on risks</p> <ul style="list-style-type: none"> • Clarity given that the 2017 HSE notice – confirmed as closed off referred to ligature reduction in Royal Cornhill Hospital. The notice suggested looking at other facilities that could benefit from ligature reduction through which Ward 4 DGH was identified. HSE will be advised on planned works @ DGH owing to appropriate funding being identified. The Director of Finance/Executive Lead for Performance confirmed conversations continue with SG in relation to funding. Noted a risk/challenges that if funding not identified for the MRI Construction Programme this will impact the Ligature Reduction Programme <p>PAFIC agreed to note the report</p>	
	<p>3) Sustainability: Public Bodies Climate Change Duties Report</p>	<p>The Chair advised for awareness the paper which is being consulted on for return to SG end of December 2023 is deferred to PAFIC Meeting 28/02/24.</p> <p>The General Manager for Facilities and Estates presented a slide set with the key points:</p> <ul style="list-style-type: none"> • 2022/2023 emissions - 90% related to heat and power. Remaining 10% split across Waste, Fleet, Water, Medical Gases and Business Travel • Reduction in emissions for heat and power over the last 9 years. A move to gas boilers for heating and electricity costs less than grid electricity but carrier higher emissions • A look forward to being net zero carbon emissions by 2030-2040 currently shows a widening gap based on the availability of investment capital against: energy efficiency of buildings, update of plant equipment, fleet vehicle charging network and updating fleet vehicles to fully electric to comply with SG • No grant funding in the 2023 round for decarbonisation – for context this is similar to most boards • Focus on improving recycling rate post a noticeable increase throughout covid. This does not affect emissions but has cost implications • Sustainability Delivery Planning is ongoing to achieve net zero carbon emissions 	

		<p>Committee member points raised in discussion</p> <ul style="list-style-type: none"> Noted concerns on the widening gap of reaching the 2030-2040 target, while work is moving in the right direction the ability to implement is based on SG ability to grant funding. Ongoing dialogue with SG to secure funding continues <p>PAFIC agreed to note the current governance, strategy and delivery plans in place and acknowledge the investment requirements for the delivery of net-zero and the associated financial and operational risks within the current funding constraints</p>	
4.	<p>Finance – Exec Lead Alex Stephen Topics and paper author: Finance Update 23/24 Q2 Position</p>	<p>Deputy Director of Finance introduced the paper.</p> <p>Committee member points raised in discussion</p> <ul style="list-style-type: none"> Asked how NHSG and IJBs compare nationally against other boards? The Director of Finance/Executive Lead for Performance confirmed it is a mixed picture across other boards & IJBs which makes comparisons difficult but this is monitored. Noted challenges for NHSG with locums due to recruitment and DGH overspend. Being realistic at the half way point of the financial year the additional measures in place may not have a significant impact but will continue to be developed to make a difference. The Director of Finance/Executive Lead for Performance confirmed the finance team makes an assessment on deliverability to determine timescales. The work being done this year will place NHSG in a better position for next year Asked about Estate and Office Space rationalisation being realised in the 2024/2025 financial year. The Director of Finance/Executive Lead confirmed this is taking longer than originally anticipated Assured by the work done by the finance team to realise savings. Suggested that any difficult conversations start to take place to help inform decision making in a safe space. The Director of Strategy/Deputy Chief Executive confirmed that remaining credible to SG, the Board and public is key. Seeking advice from other health boards who are successful in areas where improvement is required and balancing this as best as possible <p>PAFIC agreed to note the report</p>	
5.	<p>5. Performance – Exec Lead Alex Stephen</p>	<p>The System Transformation Programme Manager introduced the report.</p>	

<p>Topics and paper author:</p> <p>1) Scottish Government Annual Delivery Plan Q1 and Q2 performance report</p>	<p>Committee member points raised in discussion</p> <ul style="list-style-type: none"> • Suggested evolving to identifying/tracking KPIs to be used for spotlight reporting to allow PAFIC to identify the need for any deep dives • Report confirmed to come to PAFIC four times a year in line with SG reporting. This will help a sense of whole system performance and progress or lack of relating to any risks or concerns to be managed without increasing pressure • Noted clearly defined leadership oversight in appendix 3 • Asked for clarity on progress on KPIs versus milestones as it appears to show a reduction of completed milestones from June 2023 to September 2023. The System Transformation Programme Manager confirmed progress is defined by complete, on track, minor delay, significant delay or proposal to a combined total of 101 milestones and shows any fluctuating movement as milestones progress per quarter. Will pick up on how this information is presented for clarity. • Acknowledged the report is produced in line with how SG want the information presented with a continual look in conjunction with SG on how this can be simplified <p>PAFIC agreed the recommendations:</p> <p>1. The 2023/24 Q1 & Q2 ADP progress report presented in Appendix 2 and comment on whether it provides clarity and sufficient assurance in relation to NHS Grampian’s performance against the ADP for the period April-September 2023</p> <p>2. Whether the development process for this year’s FY2023/24 ADP report is sufficiently robust to demonstrate an improved approach towards assurance and transparency</p> <p>3. Whether the ADP reporting process (Appendix 3) demonstrates clarity of how the ADP report is scrutinise and validated for</p>	<p>PG</p> <p>PG</p> <p>AS/PG</p> <p>PG</p>
<p>2) Integrated Performance Assurance and Reporting Framework - update & Board December HAWD report – draft spotlights</p>	<p>The System Transformation Programme Manager introduced the report.</p> <p>Committee member points raised in discussion</p> <ul style="list-style-type: none"> • Noted the pressure in the system. Timetabling identified is helpful for awareness of when this report will be discussed and feedback required by other assurance committees for assurance to PAFIC that performance is reviewed and analysed appropriately 	

		<ul style="list-style-type: none"> Noted the huge amount of work and progress of this report which will adapt and change with any learnings <p>PAFIC agreed the recommendations:</p> <ol style="list-style-type: none"> 1. Consider the key points raised by the assurance committees, endorse the Framework document, acknowledge the iterative improvement of the Framework as it progresses through implementation. 2. Agree that the annual review cycle is sufficient to assure effectiveness and progressive delivery of the Framework 3. Consider whether the initial processes for operationalising the Framework are sufficiently robust, acknowledge that key risks and considerations will be included as part of the Framework’s programme of activities along with the production of guidance documents to support the full continuous improvement cycle. 	
6.	Matters to escalate to Board/Committee Chairs	No items noted not already identified in previous items.	
7.	Date of Next Meeting: Wednesday 28 February 2024, 1400 to 1600		