

**NHS Grampian**  
**Performance Assurance, Finance & Infrastructure Committee**  
**26<sup>th</sup> February 2025, 1400 to 1600**  
**(Microsoft Teams Meeting)**

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| Board Meeting |
| 12.06.25      |
| Open Session  |
| Item 13.3.1   |

**Chair – Mr Sandy Riddell**

**Present**

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| Sandy Riddell (Chair) | Non-Executive Board Member, NHS Grampian                                   |
| Joyce Duncan          | Non-Executive Board Member, NHS Grampian                                   |
| Derick Murray         | Non-Executive Board Member, NHS Grampian                                   |
| Kathleen Robertson    | Non-Executive Board Member, NHS Grampian (Deputising for Dennis Robertson) |

**In Attendance**

|                 |  |
|-----------------|--|
| June Brown      | Deputy Chief Executive/Executive Nurse Director    |
| Adam Coldwells  | Chief Executive                                    |
| Sarah Duncan    | Board Secretary                                    |
| Alison Evison   | Board Chair  |
| Preston Gan     | Head of Performance                                |
| Steven Lindsay  | Employee Director (from 1430)                      |
| Alex Stephen    | Director of Finance/Executive Lead for Performance |
| Alan Wilson     | Director of Infrastructure & Sustainability        |
| David Creighton | Senior Administrator/PA (Minute)                   |

**Guests**

|                   |   |
|-------------------|---|
| Carmen Gillies    | Programme Lead Value & Sustainability <b>Item 4.2</b>                 |
| Sarah Irvine      | Deputy Director of Finance <b>Items 4.1 &amp; 4.2</b>                 |
| Garry Kidd        | Assistant Director of Infrastructure & Sustainability <b>Item 5.1</b> |
| Jennifer Matthews | Corporate Risk Advisor <b>Item 5.2</b>                                |

**Apologies**

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| Colette Blackwell | Non-Executive Board Member, NHS Grampian |
| Ritchie Johnston  | Non-Executive Board Member, NHS Grampian |
| Dennis Robertson  | Non-Executive Board Member, NHS Grampian |

| Item      |   | Lead   | Action |
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| <b>1.</b> | 1) Welcome and Apologies  | The Chair welcomed everyone to the meeting. Deputies and Apologies noted as above. The Chair reminded Committee Members and Leads for items that it was a full agenda, it was assumed committee members will have read all of the reports, with introductions to items short and succinct. |        |
|           | 2) Declarations of Interest                                     | No Declarations of interest were noted   |        |
|           | 3) Minutes of previous meeting (27 <sup>th</sup> November 2024) | The minutes of the previous meeting were approved by PAFIC.  |        |

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|    | 4) Action Tracker   | The Action Tracker was agreed by PAFIC. Completed Actions older than the previous meetings actions are to be retained separately by PAFIC admin.   | DC    |
|    | 5) Matters Arising  | The Head of Performance advised a 2 stage process for performance management of mapping strategic intent for the Annual Delivery Plan (ADP) with relevant board assurance committees which will allow grouping of the KPI's and deliverables within the organisation. Mapping exercise to be done and regroup at chairs meeting to review strategic intent is appropriately assigned   | PG/SR |
| 2. | <b>Committee Matters</b><br>1) 2025 Meeting Dates & Forward Planner   | The committee noted the forward planner would be reactive to take any timely items as required.  |       |
| 3. | <b>Performance – Exec Lead Alex Stephen</b><br>Topics and paper author:<br>1) 24/25 Annual Delivery Plan Q3 report + Spotlights | <p>The Head of Performance advised while NHSG are now in Q4 the report focuses on Q3. A forward look has been done to project deliverables with some showing minor delays. Projection for performance indicators also shows declining performance based on systematic risk and pressures which have been described. Narrative has been provided against associated spotlights. The Director of Finance advised this was discussed at CET that future target setting needs to be realistic.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>• PAFIC welcomed the report</li> <li>• Noted focus on priorities and deliverables and what can be supported by staff under levels of demand. Taking into account leadership capacity, oversight arrangements and collaboration can slow down decision making or add barriers, to agree matters to delegate to teams to progress. Looking at a middle tier to support decision making, empowering people to make decisions is a longer term goal with support from line managers. Opportunity to look at developing themes to identify priorities</li> <li>• Timely decision making in relation to Baird and Anchor is a complex process which can be challenging at times</li> <li>• Length of Stay efficiency is good but not meeting national metrics. The Director of Finance confirmed that while ARI efficiency is good, it is impacted by the low bed base and some issues with access elsewhere in the system, as picked up by the Centre for Sustainable Delivery (CfSD) on their visit</li> <li>• Suggested a discharge ward versus the discharge lounge. The Nurse Director advised keeping patients</li> </ul> |       |

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|    |   | <p>in a ward longer is not desired as this would keep patients within ARI and patients should be moving onward with care packages as near to home as possible</p> <ul style="list-style-type: none"> <li>• Suggested presenting performance information on transformation and system redesign in the report</li> <li>• Scottish Government (SG) reporting framework requirements and if NHSG have any ability to influence. The Director of Finance and Head of Performance advised that SG have been flexible in agreeing to accept NHSGs reporting in the current format presented, which is more in depth compared to other boards, to avoid any duplication of information in a different format</li> <li>• Areas not performing well and identifying issues that can be dealt with, with transparent commentary for assurance. Noting finding the right balance is challenging for NHSG as a large organisation</li> </ul> <p><b>PAFIC agreed the recommendations:</b></p> <ul style="list-style-type: none"> <li>• <b>Approve</b> the progress on Q3 performance reporting (FY2024/25)</li> <li>• <b>Review</b> the PAFIC Performance Report (Q3 FY2024/25) and <b>assess</b> whether the performance data and insights enhance clarity and strengthen performance assurance</li> <li>• <b>Seek assurance</b> from the CET that early interventions will be implemented where possible to adjust and improve underperforming KPIs and Deliverables, prevent further deterioration, and sustain positive performance up to 31st March 2025</li> </ul> |  |
| 4. | <p><b>Finance – Exec Lead Alex Stephen</b><br/>Topics and paper author:</p> <p>1) 24/25 Month 10 Update</p> | <p>The Deputy Director of Finance introduced the 24/25 Month 10 Update. Key points noted below:</p> <ul style="list-style-type: none"> <li>• NHSG did not manage to set a balanced budget for 24/25. Additional savings to achieve financial balance would have had an intolerable impact on services</li> <li>• Overspend of £56M on non-delegated services.</li> <li>• Overspends contribution of £24.7M anticipated for the three Integrated Joint Boards (IJBs)</li> <li>• Forecast of £67.5M which is beyond the £59M expectation of SG</li> <li>• NHSG has been escalated to Stage 3 of the NHS Scotland Support and Intervention Framework</li> <li>• Draft Financial plan for 25/26 outlines a £140M deficit before anticipated savings of £37M of which £29 would come from the Value &amp; Sustainability plan</li> </ul>  |  |

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|  |   | <p>The Deputy Director of Finance screen shared a slide set outlining £7.2M savings from 76 proposals identified to help find balance. CET have been asked to ensure assessments are undertaken and identify if any organisational change is required. Lead officers will carry out impacts assessments and engagement with any impacts shared with relevant teams. Key messages have been agreed by CET.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>• Process outlined for the 76 savings proposals was commended for its inclusive approach. In regard to lead officers to carry out impact assessments is their sufficient resource capacity to progress quickly? The Director of Finance confirmed that the equalities team have been involved, as most savings have been identified from corporate teams this requires a lighter touch level of assessment as opposed to operational teams which would require a more thorough process</li> <li>• Following escalation to Stage 3 of the NHS Scotland Support and Intervention Framework is there any additional monitoring and oversight already in place? The Director of Finance confirmed regular meetings have been set up attended by CET and Finance. Recent focus has been on the draft financial plan for 25/26. The Chief Executive has been working with SG on what additional support NHSG may get.</li> <li>• Savings proposed aligned with the route map? The Director of Finance confirmed that this is aligned. In regard to corporate savings proposals, mindful that capacity to support and balance is being actively monitored</li> </ul> <p><b>PAFIC agreed the recommendations:</b></p> <ul style="list-style-type: none"> <li>• Discuss and note the Board's position at the end of January and the current forecast year end position</li> <li>• Discuss and note the update regarding financial planning underway to set the revenue budget for 2025/26 and refresh the Medium-Term Financial Framework</li> </ul> |  |
|  | 2) 24/25 Month 10 Value & Sustainability Plan | <p>The Programme Lead Value &amp; Sustainability introduced the 24/25 Month 10 Value &amp; Sustainability Plan paper. The quarterly bulletin (appendix 1) was highlighted, as this communication is vital to allowing colleagues to understand the financial position and how savings are progressing.</p> <p><b>PAFIC Questions/Comments</b></p>   |  |

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|    |   | <ul style="list-style-type: none"> <li>The quarterly bulletin was commended as a useful way of communicating to colleagues, being transparent and supporting ownership and commitment. It was noted that any feedback from colleagues would be helpful in continued development</li> <li>The Director of Finance wished to thank the Programme Lead Value &amp; Sustainability, Deputy Director of Finance and Executive colleagues for their hard work enabling momentum to continue growing</li> </ul> <p><b>PAFIC agreed to note the paper.</b></p>  |  |
| 5. | <p><b>Infrastructure – Exec Lead Alan Wilson</b><br/>Topics and paper author:</p> <p>1) Strategic Risk – Infrastructure</p> | <p>The Assistant Director of Infrastructure &amp; Sustainability introduced the Strategic Risk – Infrastructure paper.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>Confidence in resourcing capacity for disposal of buildings and pursue potential for rationalisation? The Director of Infrastructure &amp; Sustainability confirmed as mentioned in the finance section regards savings proposals which may impact resource capacity, resource has been prioritised against the highest risks. It was noted that NHSGs aging estate was a high priority coupled with any backlog maintenance required</li> <li>Working closely with partnerships a Northeast Partnership Group has been initiated to help bring this together across the whole system. Colleagues from Infrastructure &amp; Sustainability regularly attend meetings across the partnerships to engage and share information</li> <li>Project cost of high and very high risks identified helps highlight NHSGs position to SG</li> </ul> <p><b>PAFIC agreed to note the recommendations:</b></p> <ul style="list-style-type: none"> <li>The current arrangement in place for the management of Infrastructure Risk,</li> <li>The impact of funding constraints on the ability to manage infrastructure risks effectively and the limited assurance opinion from the Executive Lead for this reason,</li> <li>The improvement activities forming part of both Directorate operational planning and</li> <li>The submission of the draft the Business Continuity &amp; Essential Investment Infrastructure Maintenance Plan to the Scottish Government with a response pending</li> </ul> |  |

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|    | 2) Strategic Risk Appetite & Strategic Risk Process  | <p>The Corporate Risk Advisor introduced the Strategic Risk Appetite &amp; Strategic Risk paper.</p> <p><b>PAFIC Questions/Comments</b></p> <ul style="list-style-type: none"> <li>• Welcomed the inclusive process and rationale for the paper</li> <li>• Being descriptive about risk appetite within categories which can have multiple concepts contained to be clear on intent to be reflected in the next step of the process</li> </ul> <p><b>PAFIC agreed the recommendations</b></p> <ul style="list-style-type: none"> <li>• <b>Decision</b> - Consider the revised proposals regarding Board Risk Appetite levels, providing comment where required.</li> <li>• <b>Endorsement</b> - Consider and endorse the following proposals regarding the Strategic Risk Management process: <ul style="list-style-type: none"> <li>○ Strategic Risks to be reported to aligned Board Committees twice per year</li> </ul> </li> </ul> |       |
| 6. | <b>Matters to escalate to Board/Committee Chairs</b> | As discussed under Matters Arising Item 1.5: Mapping exercise to be done and regroup at chairs meeting to review strategic intent is appropriately assigned   | PG/SR |
| 7. | <b>Date of Next Meeting:</b>                         | <b>2nd April 2025</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))