

APPROVED Minute
NHS Grampian
Performance Assurance, Finance & Infrastructure Committee
28th May 2025, 1400 to 1545
(Microsoft Teams Meeting)
Chair – Mr Sandy Riddell

Board Meeting
14.08.25
Open Session
Item 12.4

Present

Sandy Riddell (Chair)	Non-Executive Board Member, NHS Grampian
Joyce Duncan	Non-Executive Board Member, NHS Grampian (from 1530 due to attending IJB)
Derick Murray	Non-Executive Board Member, NHS Grampian
Ritchie Johnson	Non-Executive Board Member, NHS Grampian

In Attendance

Adam Coldwells	Chief Executive
Hugh Bishop	Executive Medical Director
June Brown	Deputy Chief Executive/Executive Nurse Director (from 1520)
Alison Evison	Board Chair
Preston Gan	Head of Performance
Alex Stephen	Director of Finance/Executive Lead for Performance
David Creighton	Senior Administrator/PA (Minute)

Guests

Carmen Gillies	Programme Lead Value & Sustainability Item 4.2
Sarah Irvine	Deputy Director of Finance Items 4.1, 4.2
Garry Kidd	Assistant Director of Infrastructure & Sustainability (Deputising for Alan Wilson)
Pamela Milliken	Senior Responsible Officer (SRO) for Integration of Acute Pathways (IAP) Item 3.1

Apologies

Colin Adam	Programme Director Baird & Anchor Project
Colette Blackwell	Non-Executive Board Member, NHS Grampian
Sarah Duncan	Board Secretary
Nick Fluck	Senior Responsible Officer Baird & Anchor Project
Steven Lindsay	Employee Director NHS Grampian
Dennis Robertson	Non-Executive Board Member, NHS Grampian
Alan Wilson	Director of Infrastructure & Sustainability

Item		Discussion	Action
1.	1) Welcome and Apologies	The Chair welcomed everyone to the meeting including the new Medical Director who is attending PAFIC for the first time. Deputies and apologies noted as above. The Chair reminded Committee Members and Leads for items that it was assumed committee members will have read all of the reports, with introductions to items to be short and succinct.	
	2) Declarations of Interest	No Declarations of interest were noted.	

	<p>3) Minutes of previous meeting (2nd April 2025)</p> <p>4) Action Tracker</p> <p>5) Matters Arising</p> <ul style="list-style-type: none"> Operational Improvement Plan 	<p>The minutes were approved as an accurate record of the meeting subject to a change in item 1.5 from the word clarity to transparency.</p> <p>The Chair advised the Action Tracker includes only recently open or closed actions from the previous meeting. A copy of closed actions is held by admin support and is available upon request at any time.</p> <p>The Chair wished to advise PAFIC of a visit of some non-executives Board members, including himself, to the impressive facilities of the Baird & Anchor (B&A) site in April 2025.</p> <p>The Chair wished to thank the Programme Director B&A and colleagues for a comprehensive tour, and detailed explanation of daily challenges with conflicting standards and requirements. This was helpful in understanding the process and he wished to note the attention paid to the voice of the public and stakeholders in informing the process</p> <p>The Head of Performance advised an update following a meeting with the Board Chair to ensure NHS Grampian (NHSG) are aligned with the Operational Improvement Plan (OIP) introduced by the Scottish Government (SG) as a key focus for Boards. Operational teams were contacted about seven areas of focus to ensure brief updates are included in the June 2025 How Are We Doing (HAWD) report. For 2025/26 there will be a standing section in the HAWD report for OIP updates which will also inform the more comprehensive PAFIC performance report.</p> <p>The Director of Finance and Chief Executive advised the Committee that to provide capacity for the improvement work required due to the escalation of NHSG to Level 4 on the Scottish Government's Support and Intervention Framework, the scale and size of the report is likely to be reduced, balanced and refined. This would be done in collaboration with PAFIC, ensuring key information is presented to govern and scrutinise the performance of NHSG against agreed targets.</p>	DC
2.	Committee Matters	<p>The Chair wished to welcome the establishment of the Financial Recovery Board and thank Non-Executive member Mr Ritchie Johnson who will lead this important role in NHSG's oversight of savings and recovery. Mr Johnson confirmed work was in progress on the Terms of Reference (ToR) to ensure value, purpose and focus with links to existing arrangements.</p> <p>1) New Committee Report Template</p> <p>The Chair supported the new report template being operationalised for use at committees, to bring cohesion,</p>	

		consistency of focus and strength across governance arrangements. The template includes sections and prompts for assurance, recommendations, aligned strategic risks for reports and any escalations. The Chair welcomed the template for report writers to be able to focus on what committees are looking to support to the Non-Executives to develop and evolve in the role of assurance.	
	2) 2024/2025 Annual Accounts Assurance Statement	The Chair noted that the draft Annual Accounts Assurance Statement serves as a vital component of NHSG's corporate governance process, ensuring transparency, accountability and stakeholder confidence in reporting and operations. The Director of Finance thanked the Head of Performance for producing the report as a review of the work of the Committee during 2024.	
	3) 2025 Meeting Dates & Forward Planner	The Chair advised that the forward planner was included for information and is subject to change.	
3.	Performance – Exec Lead Alex Stephen Topics and paper author: 1) Integration of Acute Pathways	<p>The SRO for Integration of Acute Pathways (IAP) introduced the report to provide assurance to the Committee about progress on this work. Regular updates are given to the Chief Executive Team (CET) and the Strategic Change Board. The NHSG Board agreed in April 2025 to adopt a phased whole system approach across ARI and Dr Grays Hospital (DGH) to integrate Cardiology, Orthopaedics and Endoscopy pathways to improve sustainability, and link into the wider route map for strategic change. CET has set out parameters for the projects and an ambitious timeframe in response to concerns raised by Health Improvement Scotland and NS for a single delivery model and governance structure. Learning from the work so far will be the subject of the July 2025 Board seminar.</p> <p>Committee Questions/Comments</p> <ul style="list-style-type: none"> • The SRO for Integration of Acute Pathways confirmed that the IAP Programme Board meets twice weekly at present with fortnightly updates given to CET. • Governance currently sits within the IAP Programme Board. The Acute Senior Leadership triumvirate will be putting in place an IAP governance structure with a workshop to be held before its iteration. • It was noted that workshops have been held for Orthopaedics and Endoscopy with workshops scheduled for Cardiology. The project team is engaging with consultants to work through any concerns. • Wider system work including primary care and community services is essential to make progress on referrals. Pathway integration will not reduce waiting times but it will make them more equitable and is intended to increase efficiency which will reduce long waits using existing resources. 	

		<p>The Committee agreed to note the recommendations:</p> <ol style="list-style-type: none"> 1. The Chief Executive Team will, via the Integrated Acute Pathways Programme Board and Strategic Change Board, receive regular scheduled reports confirming progress, barriers that have / are being mitigated or requiring escalation. 2. The approach being taken forward by the Integrated Acute Pathways Programme of work, will in the short term, provide sustainable integrated pathways and in the medium term preferred target operating pathways. This is a phased approach initially focussing on pathways to reduce clinical and service risks in cardiology, orthopaedics and endoscopy. 3. Improved sustainable and target operating pathways with revised governance systems will lead to improvements in management process, access performance financial stewardship, engagement and outcomes for patients, their families and our support, and through a revised Grampian system ultimately deliver equitable clinical outcomes for the population within available resources. 4. Note the approach for Integration of Acute Pathways is a key component of the emerging Route Map to Strategic Change and the learning over the coming months will inform the development of the Route Map. 5. The revised acute clinical governance structure with our assurance framework and risk management will provide assurance to Grampian NHS Board and also external agencies. <p>The Committee agreed no escalation was required with regular future reporting, next planned for September 2025.</p>	
	2) Strategic Risk – Change/Innovation	<p>The Chief Executive advised the Strategic Risk – Change/Innovation details the risk of staying in Horizon 1. It sets out a number of actions and further mitigations. There is a tension between working on immediate priorities and trying to balance resource over next 12-18 months.</p> <p>Committee Questions/Comments</p> <ul style="list-style-type: none"> • Noted meetings planned over the summer of 2025 with Integrated Joint Boards (IJBs) to help shape the next phase with a focus on transformation and ensuring the correct links are in place across the system. • Noted system pressures and capacity to take forward transformation work and the level of commitment required to drive change by doing things more efficiently and sustainably within the current financial envelope. The ability to achieve this may be further informed through the Assurance Board following the external diagnostic review. 	

	<ul style="list-style-type: none">Welcomed progress to drive transformation in the short term and in the future, noting that being able to tell the correct story is key to motivating and getting the right support from colleagues. <p>The Committee agreed to note the recommendations:</p> <ol style="list-style-type: none">Improvements are being made regarding the management of Strategic Risk 3006, and appropriate evidence has been provided of these improvement activities.Any gaps in controls or mitigations have been identified and are being addressed.The assurance level assigned to the management of Risk 3006 is appropriate: Limited. <p>The Committee agreed no escalation was required with the next report planned for November 2025.</p>	
3) End of Year 2024/2025 and Q4 Annual Delivery Plan Performance Report	<p>The Head of Performance introduced the report which focused on Q4 and the End of Year position. Out of 100 deliverables 45 were complete, with 55 incomplete, which was a slight improvement from Q3. Assurance routes have been confirmed with teams for incomplete deliverables. The report details what will continue into the 2025/26 ADP, what will continue within services and what will be stopped. Work is happening now to reflect on progress on deliverables and thinking about the way NHSG allocates capacity for the outcomes we wish to achieve in 2025/26 and which will help tell a meaningful performance story.</p> <p>Committee Questions/Comments</p> <ul style="list-style-type: none">Welcomed sustained performance in relation to children's services.Noted a slightly improved position for mandatory training being sustained but non-compliance with statutory training due to financial and operational pressures.Welcomed a dedicated psychology resource for staff wellbeing and noted ongoing work for access to Occupational Health Services.Deliverables not in the 2025/26 ADP are detailed in the report which shows which part of the organisation will be managing outstanding deliverables.Abortion: the Nurse Director confirmed sexual health is hosted by Aberdeen City IJB with information shared with the Chief Officers for each IJB.Endometriosis: The Medical Director confirmed there is a robust system of clinical prioritisation in place.Short Stay Theatres have had challenges with infrastructure and Infection Prevention and Control (IPC) issues. The Chief Executive confirmed this is due to come to CET to look at balancing risk to make an informed decision on opening more capacity.	

		<ul style="list-style-type: none"> • Noted successful funding bids for Planned Care, including cancer to reduce 31 and 62 day waits. • Service redesign required for 104 weeks waiting time for outpatient appointments and Treatment Time Guarantee. The Chief Executive confirmed this links to future redesign of services, noting that the work within IAP will help inform development. • Noted the importance of setting realistic and achievable KPIs and ensuring support and a shared understanding of performance reporting requirements at all levels within the organisation. <p>The Committee agreed to note the recommendations:</p> <ul style="list-style-type: none"> • Endorsement Endorse the Quarter 4 and End of Year (EoY) PAFIC Performance Report and confirm closure of the 2024/25 ADP, taking into account performance at Q4 via KPI targets, any outstanding deliverables that have been identified will be managed through appropriate system arrangements. • Assurance Agreed that the report provides sufficient assurance that: <ul style="list-style-type: none"> ○ Areas of underperformance and risks have been assessed; ○ Mitigations are in place or underway; and ○ Work will continue to improve how Deliverables and KPIs are linked to intended outputs and in-year outcomes, and how these align to medium-term priorities. • Decision Agree that 2025/26 reporting will focus on clearer articulation of in-year outcomes and the improvements they are intended to deliver, supported by SMART Deliverables with measurable milestones, outcome-focused KPIs to strengthen delivery, tracking and assurance. <p>The Committee agreed no escalation was required.</p>	
4.	<p>Finance – Exec Lead Alex Stephen Topics and paper author:</p> <p>1) 2024/2025 Finance</p>	<p>The Deputy Director of Finance provided an update on the financial position for 2024/25. Overspend reported as £65.1M with brokerage confirmed by SG at £65.2M. Total brokerage repayable (when NHSG returns to balance) from 2023/24 and 2024/25 is £90M. A financial recovery plan for 2025/26 has been agreed to deliver a target deficit no greater than £45million, which is a reduced deficit position. Noted escalation to Level 4 in NHS Scotland’s Support and Intervention Framework. The external diagnostic review will help to inform how to bridge the gap to financial recovery.</p> <p>Committee Questions/Comments</p> <ul style="list-style-type: none"> • Noted the level of brokerage. 	

	2) 2024/2025 Value & Sustainability Plan	<p>Confidence in IJBs achieving budgets: the Director of Finance confirmed a provision of £17 million has been included in the financial recovery plan to offset in the event of overspends.</p> <p>The Committee agreed to note the recommendations:</p> <ol style="list-style-type: none"> 1. Discuss and note the Board's financial position for 2024/25. 2. Discuss and note the approach taken to developing a financial recovery plan to reduce the 2025/26 deficit to £45 million by the 7th June 2025. 3. Note the review of the strategic risk 3130 - "inability to achieve the aspirations set out in Plan for the Future due to financial resource constraints and inefficiencies" and that a full update on this risk will be provided to the Committee in July. <p>The Committee agreed no escalation was required.</p> <p>The Lead for Value & Sustainability confirmed the Value & Sustainability scheme exceeded targets for 2024/25. This was due to the dedication of all teams involved. To deliver at pace for 2025/26 will be challenging. Communication will continue to be clear and simple for further sharing through the system to build collective commitment to deliver the targets set.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> • Welcomed the savings achieved. • Behaviour and culture to embrace change to continue making savings: the Lead for Value & Sustainability confirmed that the team have a structure in place to support operational teams are data driven to back up messaging and are resilient. Support from the Planning, Innovation and Programmes (PIP) team will help keep momentum for 2025/6. • Ability to make recurring savings as well as non-recurring savings: the Director of Finance confirmed progress on achieving recurring savings was seen at the end of 2024/25 and this is set to continue for 2025/26. <p>The Committee agreed to note the recommendation:</p> <ul style="list-style-type: none"> • Assurance Review and scrutinise the information provided in this paper and confirm that it provides assurance that savings have be delivered. <p>The Committee agreed no escalation was required.</p>	
5.	Matters to escalate to Board/Committee Chairs	<p>The Chair agreed to raise assurance on staff absence and support for staff at the Committee Chairs Meeting to ensure processes are joined up and there are no gaps in assurance.</p>	SR

		Noted that CET had recently discussed staff absence and are working through ways to manage this. Update on staff absence and training from the Interim Director of People and Culture under matters arising on 30 th July.	DC
6.	Date of Next Meeting: 30th July 2025		

Chair: Mr Sandy Riddell

Key: * Paper attached # Verbal ~ Paper expected

Notification of apologies/deputies to:

Mr David Creighton (gram.grampianchiefexecutive.scot.nhs)