

APPROVED Minute
NHS Grampian
Performance Assurance, Finance & Infrastructure Committee
26th November 2025, 1400 to 1600
(Microsoft Teams Meeting)

Board Meeting
19.02.26
Open Session
Item 14.1.3

Chair – Mr Sandy Riddell

Present

Sandy Riddell (Chair)	Non-Executive Board Member, NHS Grampian
Colette Backwell	Non-Executive Board Member, NHS Grampian
Joyce Duncan	Non-Executive Board Member, NHS Grampian
Ritchie Johnson	Non-Executive Board Member, NHS Grampian
Derick Murray	Non-Executive Board Member, NHS Grampian

In Attendance

June Barnard	Nurse Director Acute - Deputising for June Brown (until 1435)
Preston Gan	Head of Performance
Laura Skaife-Knight	Chief Executive
Alex Stephen	Director of Finance/Executive Lead for Performance
Phil Tydeman	Interim Director of Improvement
David Creighton	Senior Administrator/PA (Minute)

Guests

Nick Fluck	Senior Responsible Officer B&A Item 5.1
Carmen Gillies	Programme Lead Value & Sustainability Item 4.2
Michelle Hankin	Clinical Governance and Risk Team Leader Observing and Item 5.3
Susan Harrold	Senior Planning Manager Item 3.4
Sarah Irvine	Deputy Director of Finance Items 4.1, 4.2 & 4.3
Fiona Mitchelhill	Chief Officer, Aberdeen City HSCP (until 1445)
Lorraine Scott	Head of Planning, Innovation & Programmes Item 3.4
John Tomlinson	Non-Executive Board Member, NHS Grampian Observing (until 1500)
Phil Tydeman	Interim Director of Improvement

Apologies

Hugh Bishop	Executive Medical Director
June Brown	Executive Nurse Director
Sarah Duncan	Board Secretary
Alison Evison	Board Chair
Steven Lindsay	Employee Director
Garry Kidd	Assistant Director of Infrastructure & Sustainability
Kathleen Robertson	Non-Executive Board Member, NHS Grampian
Alan Wilson	Director of Infrastructure & Sustainability

No.	Item	Discussion	Actions
1.	<p>1) Welcome and Apologies</p> <p>2) Declarations of Interest</p> <p>3) Minutes of previous meeting (3rd September 2025)</p> <p>4) Action Tracker</p> <p>5) Matters Arising</p>	<p>The Chair welcomed everyone to the final PAFIC meeting of 2025 and extended a warm welcome to our new Chief Executive – Laura Skaife-Knight attending her first PAFIC Meeting. Apologies noted as above.</p> <p>The Chair reminded committee members and leads for items that it was assumed committee members will have read all of the reports. Introductions to items are to be short and succinct, only including any new information or key points.</p> <p>Mr Derick Murray advised in relation to Item 5.2 he sits on the SURE project board.</p> <p>Mr Ritchie Johnston advised for transparency he is Chair of the Financial Recovery Board which is a new layer for financial assurance. There should be no conflict of interest.</p> <p>The Minutes were approved as an accurate record of the meeting.</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>No matters arising noted.</p>	
2.	<p>Committee Matters</p> <p>1) Proposed 2026 Meeting Dates & Forward Planner</p>	<p>The committee reviewed the planned set of meeting dates for 2026, which could be subject to change. Noting some clashes with IJB (Integration Joint Board) meetings.</p> <p>It was acknowledged it would be challenging to accommodate everyone and to keep conflicts to a minimum where possible.</p>	
3.	<p>Performance – Exec Lead Alex Stephen</p> <p>Topics and paper author:</p> <p>1) 25/26 Q2 Performance Report</p>	<p>The Chair thanked the Head of Performance and team for the work on the Quarter 2 (Q2) performance report. The Chair noted improvements in governance and the evolving narrative, clearer justifications for reported statuses, evidence of risk reduction. Highlighted the importance of detailed information for strengthening assurance and tracking measurable improvements towards agreed outcomes across change programmes.</p> <p>The Head of Performance introduced the paper which focuses on the three change programmes: Planned Care,</p>	

		<p>Unscheduled Care and Value & Sustainability. The Head of Performance noted mixed performance in Q2, with improvements in some areas and dips in others, in particular Planned Care due to operational pressures. Emphasis was given on the maturing performance model, the shift to outcomes focused reporting, and the separation of Operational Improvement Plan (OIP) content for targeted review. Noting that while the report demonstrates progress more work is needed on risk mitigations as the report evolves.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> • The high-level overview of performance was praised for report clarity through the use of Artificial Intelligence (AI). • The Scottish Government (SG) review of Planned Care and the impact of Central Decontamination Unit (CDU) closure on outcomes. The Chief Executive confirmed the external review report was received with no red flags and would go through the Planned Care Board, with any actions to be discussed at a future Board seminar. The Interim Director of Improvement further explained the CDU closure would worsen 52-week waits by approximately 1,124 patients, with mitigations being explored and a revised submission to the SG planned. • Ambulance turnaround times minimal improvement despite cohort spaces. The Executive Nurse Director explained the issue is multi-factorial, with ongoing monitoring and improvement through the Unscheduled Care Programme Board. The Chief Executive confirmed focus on improving the 60 minute wait time target. • Governance and confidence in meeting targets, cross-programme linkages, and planning for future years. The Interim Director of Improvement confirmed there was a robust governance structure, regular meetings, and efforts to ensure joined up working and sustainable solutions. • Delays in opening the 4th endoscopy room. The Director of Improvement confirmed it opened in November 2025 and would ramp up to full capacity by mid-December 2025. • The Chief Executive confirmed a need for more precision in reporting. Such as specific dates, not quarters and suggested the Board decide whether the report should focus only on the three priority areas or become a fully integrated performance report including finance, workforce and quality. <p>PAFIC agreed to note the recommendations:</p> <ul style="list-style-type: none"> • Endorsement - Endorse Quarter 2 organisational performance position, noting continued progress 	
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	<p>2) 25/26 Q2 Operational Improvement Plan (OIP)</p>	<p>across the Three Change Programmes, improved financial recovery within Value and Sustainability, operational pressures affecting KPI performance within Planned Care and Unscheduled Care.</p> <ul style="list-style-type: none"> • Assurance - Take assurance from the maturing use of the performance model, which is strengthening visibility of contributions across Deliverables, Outputs, KPIs and Outcomes. - The actions underway to progress implementation across Planned Care and Unscheduled Care - Continued improvement in complaints handling timeliness as part of the wider Voice of our Citizens perspective Note the limitations created by the timing of reporting, whereby recent operational developments and emergent risks may not yet be reflected in the Quarter 2 snapshot. • Decision - Approve the Quarter 2 How Are We Doing (HAWD) Board Performance Report, and the continued utilisation of the Performance Model within the Performance Assurance Framework to ensure activity translates into measurable improvements across the Three Change Programmes. <p>PAFIC agreed no escalation required.</p> <p>The Head of Performance explained the OIP now stands alone from the performance report to give clear visibility on progress in areas outside the main change programmes. Most projects are progressing with some minor delays and details on actions to sustain or improve performance included in the report.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> • Sandy asked for confirmation on the GP Subcommittee’s approval of the enhanced diagnostic rapid entry pathway. Alex said this would be confirmed outside the meeting. • Confidence in delivering frailty and discharge to assess projects, given delays due to late funding and recruitment. The Chief Officer, Aberdeen City HSCP confirmed delays due to funding but expressed confidence in delivery, noting some work is already embedded, and discharge to assess is rolling out across Grampian. • The Chief Executive confirmed accountable officers for performance under this item should attend and will raise this at the next Chief Executive Team (CET) meeting. <p>PAFIC agreed to note the recommendations:</p> <ul style="list-style-type: none"> • Note – Proposed change to reporting of the OIP as a separate report outwith the HAWD Report. 	
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	<p>3) Future Performance Reporting</p> <p>4) National Designated Services</p>	<ul style="list-style-type: none"> • Endorse – Endorse a return to separate reporting of delivery performance of the OIP priorities by NHS Grampian and that they will be excluded from the revised Board How Are We Doing report for the remainder of 2025/26, to provide a more focussed and targeted reporting against the Three Change Programmes. <p>PAFIC agreed no escalation required.</p> <p>No further comments were added as key points about the direction of future reporting covered above.</p> <p>The Senior Planning Manager introduced the report which had been endorsed by CET and now included the Q2 position from National Services Division (NSD). The report does not reflect in-year fluctuations due to variable demand, especially for ECMO and hyperbaric services noting a positive outcome of the NSD Tier 4 review recommending continued designation. Established governance processes are in place with monthly, quarterly and annual reporting.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> • Progress with SAS and ScotSTAR on the sustainable transport model, noting the Service Level Agreement (SLA) was extended to March 2026 and confidence in resolving this by then. The Senior Planning manager advised work is ongoing and positive meetings continue between NHS Grampian Medical Directors to provide regular updates and assurance to NSD colleagues. Further 6 monthly report to follow in July 2026 • Managing the risk if NSD funding for genetics changes, given the current overspend. The Senior Planning Manager advised this is a historical issue, which NSD is aware of, and a national review is underway to develop a sustainable model. The Deputy Director of Finance confirmed historically NSD has always funded actual costs. <p>PAFIC agreed to note the recommendations:</p> <ul style="list-style-type: none"> • Assurance – review and scrutinise the information provided in this paper and confirm that the performance assurance processes in place for the four nationally commissioned services provided by NHS Grampian are adequate and robust. This includes: <ol style="list-style-type: none"> 1. Established national mandatory performance monitoring and review via National Services Division (NSD) for all nationally designated services (monthly, quarterly and annually). 	
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<p>4. Finance – Exec Lead Alex Stephen Topics and paper author:</p> <p>1) 2025/2026 Month 6 Finance Update</p>		<p>The Deputy Director of Finance Sarah introduced the report and provided an update on the October 2025 position, noting a continued £2m operational overspend, adjusted for reserves to £4.1m, with a year-to-date overspend of £32.3M. The forecast outturn gap remained at £2.1M, with moderate assurance of closing it, highlighting enhanced governance and next steps focused on Planned Care, Unscheduled Care, and 2026/27 planning.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> • Confidence in closing the £2.1m gap, given winter pressures and slippage in savings schemes. The Director of Finance advised that while the final contribution to IJBs is unknown the forecast is prudent and the financial position has stabilised, with confidence in delivering the £45m target set by SG. The Director of Finance further confirmed a recent whole-system workshop with councils and IJBs had taken place to discuss financial positions and planning which is due to reconvene after council settlements early in 2026, with ongoing work on consistent savings implications in the meantime. • The Deputy Director of Finance clarified that the forecast includes £6m deterioration for winter, providing cover for known pressures, and the Unscheduled Care plan funding supports system pressures. • Evidence of whole-system governance, the status of brokerage repayment, the difference between savings gap and forecast gap and whether IJB figures include Unscheduled Care funding. The Director of Finance and Deputy Director of Finance confirmed brokerage is repayable, the savings gap and forecast gap are tracked separately, Unscheduled Care funding is not 	

	<p>2) 2025/2026 Month 6 Value & Sustainability Plan Update</p>	<p>yet included, and future IJB contributions are marked as reasonable estimates.</p> <ul style="list-style-type: none"> Mr Ritchie Johnson commented on the Recovery Board's review of new cost pressures, the importance of recurring savings, and the need to maintain momentum into 2026/2027. <p>PAFIC agreed to note the recommendations:</p> <ol style="list-style-type: none"> Discuss and note the update on the Board's financial position for the period to September 2025/26 and the current forecast year end position. Discuss and note the update on the development of the three-year Financial Plan and Medium-Term Financial Framework. Escalation - confirm if any escalation is required to another Board committee or the Board and specify the details of that escalation. <p>PAFIC agreed no escalation required.</p> <p>The Programme Lead V&S introduced the paper. Month 7 figures show £27M savings achieved against a £25.4M target. Noted the savings gap had reduced to £400k, with confidence that pipeline schemes would close it and the £61.8m target would be met. Planning for 2026/27 had already started with a 20-week programme to deliver a robust plan.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> PAFIC welcomed the impressive shift toward recurring savings and away from reliance on non-recurring or one-off funds. Restrictions on non-essential maintenance referred to capital or revenue budgets. The Deputy Director of Infrastructure & Sustainability confirmed there is a revenue maintenance budget for ongoing planned preventative maintenance, while backlog maintenance uses capital. <p>PAFIC agreed to note the recommendations:</p> <ul style="list-style-type: none"> Note the financial savings achieved through Value & Sustainability (V&S) Programme up to September 2025. Note the revised governance arrangements for the Value and Sustainability programme with the creation of a Value & Sustainability Programme Board, chaired by the Director of Finance, with responsibility to deliver the £61.8million in year savings target. <p>PAFIC agreed no escalation required.</p>	
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<p>5. Infrastructure – Exec Lead Alan Wilson Topics and paper author:</p> <p>1) Baird & Anchor (B&A) Update</p>	<p>The Senior Responsible Officer B&A introduced the paper. It was agreed that a briefing from the closed Board session on 24/11/2026 would be shared with the Board.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> • Meaning of “closing out derogations” meant. The Senior Responsible Officer B&A explained it refers to either remedying, accepting, or mitigating identified issues, reaching a stage where the process is content with the resolution. • If moisture mapping could further delay occupation if issues are found. The Senior Responsible Officer B&A confirmed that any identified issues must be addressed before safe occupation, but current assessment suggests major impacts are unlikely, though it remains a risk. • Final Instructions to Contractor. The Senior Responsible Officer B&A clarified that the final changes discussed in Monday’s briefing included these instructions. • Cooling coil positioning design issue. The Senior Responsible Officer B&A explained it relates to maintenance access and agreed to take the point away for further clarification. • If technical advisors could be called in to speed up commissioning given resource constraints. The Senior Responsible Officer B&A explained the challenge is due to two simultaneous major projects requiring the same team, but efforts are made to keep them synchronised. <p>PAFIC agreed to note the recommendations:</p> <ul style="list-style-type: none"> • Assurance - to review and scrutinise the information provided in this paper and confirm that it provides assurance that the policies and processes necessary are in place and are robust. • PAFIC is invited to note progress with The Baird Family Hospital and The ANCHOR Centre project, specifically an update on key matters; including an update on the design, construction, commissioning, and assurance processes that are under way in the lead up to completion and functional occupation of the buildings, along with the risks to delivery of each building, and the project as a whole. • Future reporting – to note that completion dates and the final project forecast will feature in future reporting on the Baird and ANCHOR project when the full impact of all changes has been reported by the Contractor. <p>PAFIC agreed no escalation required.</p> <p>The Deputy Director of Infrastructure & Sustainability introduced the paper which covered current year funding,</p>	
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	<p>2) Infrastructure Planning & Programme Update</p>	<p>process, programme delivery, and future planning. A recent meeting with the Integrated Planning Group, where a draft commission for strategic infrastructure planning was agreed, aiming to identify three priority projects for strategic assessment submission by March 2026.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> • Learning from the CDU experience and how priorities are set for critical infrastructure. The Deputy Director of Infrastructure & Sustainability confirmed priorities are based on risk of harm, service continuity, and practicality. Funding constraints and service shutdowns for work are ongoing challenges. Feasibility work is underway for a more permanent CDU solution. The Clinical Governance and Risk Team Leader further added that the CDU risk has been reviewed at operational and strategic levels, with changes to risk ownership and a more focused lens on operational risks. • Asset Disposals. The Deputy Director of Infrastructure & Sustainability confirmed the focus is on disposing of empty buildings to reduce maintenance costs, but savings are generally small. A staged approach to estate rationalisation, including reviewing use of the residual estate is in place for planning of long-term suitability. <p>PAFIC agreed to note the recommendations:</p> <ul style="list-style-type: none"> • Assurance – The Committee is asked to review and scrutinise the information provided in this paper and confirm that it provides assurance of the following: <ol style="list-style-type: none"> 1. The effective allocation of limited available capital funding to address key risks across the infrastructure base. 2. Robust arrangements exist for the monitoring of progress against the agreed infrastructure investment programme. 3. Current status of the various infrastructure projects and programmes under delivery, 4. Effective arrangements exist for the management and prioritisation of future infrastructure investment (and disinvestment) plans. <p>PAFIC agreed no escalation required.</p>	
	<p>3) Strategic Risk - Infrastructure</p>	<p>The Deputy Director of Infrastructure & Sustainability introduced the report and confirmed the risk profile is unchanged due to persistent funding challenges, despite some additional funding for critical projects. The approach centres on business continuity and essential infrastructure maintenance plans, which are now required annually by SG. Prioritisation and cataloguing of maintenance are in</p>	

		<p>place noting challenges with information on older buildings.</p> <p>PAFIC Questions/Comments</p> <ul style="list-style-type: none"> • What activity would move to the Life Sciences building and what “Life Sciences” refers to. The Deputy Director of Infrastructure & Sustainability confirmed it is a purpose-built university lab, temporarily used for the CDU’s wash function during equipment replacement. • The meaning of “corrective action” in the context of limited assurance, noting the report does not specify what corrective action is proposed. The Deputy Director of Infrastructure & Sustainability and The Clinical Governance and Risk Team Leader explained limited assurance is due to insufficient funding, and corrective action would require significant future investment, which is challenging. Noting the risk’s dependency on other risks. • Concerns about the recommendation wording, suggesting it should be changed to: “there are strong policies and processes in place to manage the risk within the constraints of the funding available”. <p>PAFIC agreed to note the recommendations: Assurance - review and scrutinise the information provided in this paper and confirm that it provides assurance that the policies and processes to manage the risk are in place and robust. Escalation – confirm if any escalation is required to another Board Committee or the Board.</p> <p>PAFIC agreed no escalation required.</p>	MH
6.	Matters to escalate to Board/Committee Chairs	No items formally identified for escalation.	
7.	Date of Next Meeting: 28th January 2026		