

Meeting:	NHS Grampian Board
Meeting date:	19 March 2026
Item Number:	10
Title:	Infrastructure Investment Plan 2026-2031
Responsible Executive:	Alex Stephen, Director of Finance & Alan Wilson, Director of Infrastructure, Sustainability and Support Services
Report Author:	Julie Anderson, Assistant Director of Finance

1 Purpose and recommendations

This is presented to the Committee for:

- Assurance
- Decision
- Delegation

Assurance: The Board is asked to review and scrutinise the information provided in this paper and confirm that it provides assurance that the Infrastructure Investment Plan reflects a risk-based approach to infrastructure investment within the confirmed funding constraints.

Decision: The Board approves the NHS Grampian Five Year Infrastructure Plan – 2026-2031 attached as Appendix 1.

Delegation: The Board delegates authority to the Asset Management Group (AMG) for delivery of the works listed in appendix 2, including those projects with forecast costs exceeding £1 million, subject to individual identified items being within total budgetary limits identified within the Plan.

Delegation: The Board delegates authority to the Asset Management Group (AMG) for delivery of the programme of items identified in appendix 3, subject to confirmation of funding.

This report relates to:

- NHS Grampian Strategy: Plan for the Future – Places
- Board Annual Delivery Plan – Create Condition for Sustainable Change
- Government directive
- Other – Financial Governance

This aligns to the following NHS Scotland quality ambition(s):

- Safe
- Effective

2 Report summary

2.1 Situation

NHS Grampian is required to approve its capital infrastructure plan as part of its Medium Term Financial Framework each year.

The Performance, Assurance Finance & Infrastructure Committee (PAFIC) obtain assurance on the effective management of the Board's infrastructure programme and the Asset Management Group oversee the delivery of the programme.

Capital funding for infrastructure investment continues to be severely constrained for future years. For 2026/27 the funding allocation of £14.06m from Scottish Government is confirmed, it will be augmented with project specific funding for the Baird and ANCHOR Project, national equipment replacement programmes, and Laboratory Information Management (LIM) System replacement.

The approved Infrastructure Investment Plan for 2025/26 was £93.2m inclusive of £68.2m in relation to the Baird and ANCHOR Project. Forecast final investment for 2025/26 is £110.9m, which includes Baird and ANCHOR Project (£44.7m), the transfer of the New Integrated Mortuary (£34.7m) and additional funding (£14.5m) received to deliver key priorities identified in Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP). Successful progress has been made in tackling high priority areas during the year inclusive of essential equipment replacement (£11.4m), backlog maintenance and compliance with statutory standards (£16.2m) and sustainability energy projects (£2.1m).

2.2 Background

The 'Plan for the Future' sets out the strategy to deliver equitable access, inclusive of growth and improved population health and wellbeing through the transformation of

how and where we provide our health and social care services. To achieve this, we will require a very different type of infrastructure to reflect the changing patterns of service delivery, including an increasing reliance on new technology.

As well as supporting the return to financial sustainability of the Board, combined with the requirement to be deliverable and demonstrate best value. Our investment plans have been developed taking into account the impact of infrastructure on service delivery and aligns with the planning horizons adopted by the Board.

Two key areas of Scottish Government planning guidance have informed the approach adopted:

- DL (2024) 02 (NHS SCOTLAND: Whole System Infrastructure Planning)
- DL (2025) 15 (Whole System Infrastructure Planning – Strategic Planning Stage)

A Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP), is now embedded in infrastructure planning and has been refreshed, by exception, during the year and seeks to mitigate inherent risks associated with existing infrastructure, meet environmental sustainability standards as opportunity allows, and provide the necessary accommodation for service delivery needs.

Our Integrated Planning Group has recently commissioned work to progress development and agreement of our Strategic Infrastructure Plan. The second phase of work outlined in DL (2025) 15 above requires the Board to align submission of Strategic Assessments supporting 3 priority projects with local and national planning processes (by March 2027). Approval by Scottish Government of strategic project priorities that should proceed to development is expected thereafter.

As part of the Sub-National Planning arrangements for the East the development of an approach to align capital prioritisation processes and work towards a single capital plan is expected to feature in 2026/27.

2.3 Assessment

The Infrastructure Investment Plan (Plan) (Appendix 1) sets out the priorities for maintaining the current infrastructure that supports the delivery of patient care and associated services across NHS Grampian and our partner organisations, it is a key enabler to the delivery of the Grampian Clinical Strategy. Specifically the plan is to focus on the investment required to mitigate inherent risks with existing infrastructure, meet environmental sustainability standards (as opportunity allows), and provide the necessary accommodation for service delivery needs.

This Plan (Table 1) focusses on 2026/27 which was confirmed via a risk based prioritisation process and is “balanced” within available funding across a five year investment programme. It outlines how we intend to use the various sources of funding available to the Board to support of our priorities being: the Baird and ANCHOR Project, national equipment replacement programmes and Laboratory Information Management (LIM) System replacement, smaller projects in the delivery stage and essential backlog maintenance and equipment replacement including sustainability and digital investment.

The capital funding position continues to be severely constrained, and as such the short term priority is a targeted approach to our backlog maintenance and essential equipment replacement programme.

Table 1 – Summary – Infrastructure Investment Plan 2026-31

	2026-27	2027-28	2028-29	2029-30	2030-31	Total
	£ms	£ms	£ms	£ms	£ms	£ms
Funding						
SGHSCD Capital Formula Allocation	14.06	14.06	14.06	14.06	14.06	70.29
Funding Slippage from 2025/26	5.00	0.00	0.00	0.00	0.00	5.00
Project Specific Funding	70.88	15.70	0.00	0.00	0.00	86.58
Capital Receipts Retained Locally	0.25	0.25	0.00	0.00	0.00	0.50
Revenue Budget Sources	0.14	0.14	0.14	0.14	0.14	0.69
Donated Assets Allocation	5.55	0.50	0.50	0.50	0.50	7.55
Total Core Capital Resource Identified	100.13	32.04	14.70	14.70	14.70	176.26
Expenditure						
Project Staffing and Support Costs	0.21	0.21	0.21	0.21	0.21	1.05
BLM, Sustainability, Digital & Equipment	24.09	17.19	15.54	15.54	15.54	87.88
Other Programmes	6.25	0.25	0.25	0.25	0.25	7.25
Project Specific Funding	70.88	15.70	0.00	0.00	0.00	86.58
Planned Expenditure	101.43	33.34	16.00	16.00	16.00	182.75
Assumed Programme Slippage	-1.30	-1.30	-1.30	-1.30	-1.30	-6.50
Funding to be allocated(over commitment)	0.00	0.00	0.00	0.00	0.00	0.00

Appendix 2 identifies those projects within the Plan at time of preparation which have a project forecast cost greater than £1 million and funding confirmed. Subject to these project forecast costs not exceeding overall limits set out in the Plan and within previous delegations, the Asset Management Group will oversee their procurement and delivery without referral back to the Board for approval.

Appendix 3 identifies those priority projects, which at the time of preparation, approved funding arrangements are not yet in place, which have a project forecast cost greater than £1 million. Subject to these project forecast costs not exceeding overall limits set out and within previous delegations, the Asset Management Group will oversee their procurement and delivery without referral back to the Board for approval. Further status details of those individual projects can be found in appendix 1.

The Infrastructure Investment Plan includes programme development funding recognising the requirement to invest in planning and development activities in preparation for delivery of facilities when funding becomes available. Active planning arrangements are in place for a number of key priority areas and will continue to be supported by this funding.

The NHS Grampian Estate Rationalisation Plan is the Board-led approach to ensuring the estate is safe, fit for purpose, right-sized, affordable and sustainable by focusing investment on buildings that support current and future service delivery. The systematically reviewing all properties against factors such as condition, backlog maintenance risk, statutory compliance, utilisation, running costs, carbon impact and strategic importance is being progressed. In doing so the Board will benefit from capital receipts and reduced property related revenue expenditure.

2.3.1 Quality/ Patient Care

The impact of financial decisions on the quality of care and delivery of services are assessed at an individual scheme level and an assurance framework has been established to escalate any concerns.

2.3.2 Workforce

Infrastructure investment is a key enabler for service delivery and will support staff effectively performing their duties.

2.3.3 Financial

Table 1 in section 2.3 sets out the forecast expenditure to deliver the Plan (£182.75 million (2026/27 £101.43 million)) the Asset Management Group will be responsible for overseeing and agreeing refinements to the Plan over its life. The Board's financial performance including infrastructure expenditure is reported in detail regularly to the Performance Assurance, Finance & Infrastructure Committee and also monthly to the Scottish Government. Additional arrangements for the Baird and ANCHOR Project include reporting to the Board each meeting.

2.3.4 Risk Assessment/Management

Risk assessment and subsequent management of the risks relating to infrastructure and financial performance are recorded on NHS Grampian's risk management system.

Infrastructure features as a Strategic Risk 3127 – Inability to effectively maintain and invest in NHS Grampian's infrastructure

The key actions outlined in this paper will assist in mitigating Strategic Risk 3127.

Ability to address all critical issues affecting our services that require investment within available funds, systems to prioritise and manage operational risks are in place.

Additional project risk management arrangements are in place for identified projects.

2.3.5 Equality and Diversity, including health inequalities

N/a

2.3.6 Other impacts

N/a

2.3.7 Communication, involvement, engagement and consultation

Drafting of revisions to these documents has been informed by relevant specialists and considered by the Asset Management Group.

2.3.8 Route to the Meeting

This has been previously considered by the following group as part of its development. The group has supported the development of content, and their feedback has informed the finalisation of the documents presented in this report.

- Asset Management Group, 25 February 2026

2.4 Recommendation(s)

Assurance: The Board is asked to review and scrutinise the information provided in this paper and confirm that it provides assurance that (i) the Infrastructure Investment Plan reflects a risk-based approach to infrastructure investment within the confirmed funding constraints.

Decision: The Board approves the NHS Grampian Five Year Infrastructure Plan – 2026-2031 attached as Appendix 1.

Delegation: The Board delegates authority to the Asset Management Group (AMG) for delivery of the works listed in appendix 2, including those projects with forecast costs exceeding £1 million, subject to individual identified items being within total budgetary limits identified within the Plan.

Delegation: The Board delegates authority to the Asset Management Group (AMG) for delivery of the programme of items identified in appendix 3, subject to confirmation of funding.

3 Appendix/List of appendices

The following appendix/appendices are included with this report:

- Appendix 1 – NHS Grampian Five Year Infrastructure Plan – 2026-2031
- Appendix 2 – Summary of Projects, greater than £1m within NHS Grampian Five Year Infrastructure Plan – 2026-2031.
- Appendix 3 – Summary of Further Projects including Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP) (Refreshed 2026/27)

Appendix 1 – NHS Grampian Five Year Infrastructure Plan – 2026-2031

NHS Grampian Five Year Infrastructure Plan – 2026-2031

1. Introduction

NHS Grampian's 'Plan for the Future' sets out the strategy to deliver equitable access, inclusive growth and improved population health and wellbeing through the transformation of how and where we provide our health and social care services. To achieve this, we will require infrastructure to reflect the changing patterns of service delivery, including an increasing reliance on new technology.

The availability of capital funding to support investment in infrastructure is a key constraint in both the short and longer term. Our plans therefore are prioritised based on risk and fit with the Board's objectives and be suitably integrated with our partners' plans to meet needs across health and social care. As well as supporting the return to financial sustainability of the Board, combined with the requirement to be deliverable and demonstrate best value. Our investment plans are therefore developed taking into account the impact of infrastructure on service delivery and align with the planning horizons adopted by the Board:

- Short term maintenance only phase - continue to focus available investment at current operational risks with available resource prioritised against the highest risk deliverable projects. We have an existing process in place where all requirements are risk assessed, and for equipment, also peer reviewed in line with simple risk criteria, such as, reduced risk of harm and improved statutory compliance, e.g. fire/Healthcare Associated Infections (safe), improved access, quality and efficiency of key diagnostic processes (effective) and the impact on patient experience and environment (person centred).
- Longer term –service informed infrastructure investment strategy to be informed by engagement extensively across all service portfolios and with our partners to develop a prioritised strategic investment plan which will set out our long term infrastructure requirements in line with local and national policy.

Consistent with

- DL (2024) 02 (*NHS SCOTLAND: Whole System Infrastructure Planning*)
- DL (2025) 15 (*Whole System Infrastructure Planning – Strategic Planning Stage*)

It is recognised that the new sub-national planning arrangements set out in Co-operation and Planning Directions 2025 (DL(2025)25), will influence future planning and will encompass alignment of infrastructure planning and prioritisation approach across the East of Scotland Programme.

The second phase of work related to agreement of the board's top three strategic priorities for investment in infrastructure is being progressed for submission by March 2027.

The process to manage infrastructure investment is overseen by an established governance structure with our Board agreeing the final plan, with the Performance, Assurance Finance & Infrastructure Committee (PAFIC) obtaining assurance on the effective management of the Board's infrastructure programme and the Asset Management Group undertaking prioritisation and delivery of the programme.

1. Overview of Infrastructure Investment Requirements

NHS Grampian's infrastructure is ageing, accruing an increasing backlog of maintenance and compliance issues across our properties. Much of the Board's current estate is also considered functionally unsuitable for the purpose it is currently used. Our equipment base, including our digital infrastructure, is utilised on average well beyond recommended replacement timescales. To deliver NHS Grampian Climate Emergency & Sustainability Strategy (October 2023) aligning local ambitions with national target is challenging without investment. Investment in digital technology will be a key lever to modernise services, support staff productivity, and help deliver sustainable health and care within tightening financial constraints

Due to funding constraints in recent years the Plan has focussed on areas of highest risk only to ensure delivery against financial target.

The inability to affectively maintain and invest in NHS Grampian's infrastructure is one of the Board's strategic risks rated very high (likely/extreme).

The ability to invest in lifecycle maintenance and renewing our basic infrastructure is constrained and not only impacts on our ability to manage safety and patient care but inhibits investment in new models of care, hindering of recovery and improvements in organisational productivity and capacity.

It is recognised that it is unlikely that significant additional funding will be available to plan for and deliver new developments. However it is important to recognise our priorities for infrastructure investment that require to be progressed during the next five years to support service delivery of change.

This Financial Plan (Table 1) focusses on 2026/27 which was confirmed via a risk based prioritisation process and is "balanced" across five year investment programme. It outlines how we intend to use the various sources of funding available to the Board to support our priorities being: projects in the delivery stage, the Baird and ANCHOR Project, national equipment replacement programmes and Labs Information Management (LIM) System replacement and essential backlog maintenance and equipment replacement.

A more detailed version of the plan is set out in annex A.

Table 1 – Summary – Infrastructure Investment Plan 2026-31

	2026-27	2027-28	2028-29	2029-30	2030-31	Total
	£ms	£ms	£ms	£ms	£ms	£ms
Funding						
SGHSCD Capital Formula Allocation	14.06	14.06	14.06	14.06	14.06	70.29
Funding Slippage from 2025/26	5.00	0.00	0.00	0.00	0.00	5.00
Project Specific Funding	70.88	15.70	0.00	0.00	0.00	86.58
Capital Receipts Retained Locally	0.25	0.25	0.00	0.00	0.00	0.50
Revenue Budget Sources	0.14	0.14	0.14	0.14	0.14	0.69
Donated Assets Allocation	5.55	0.50	0.50	0.50	0.50	7.55
Total Core Capital Resource Identified	100.13	32.04	14.70	14.70	14.70	176.26
Expenditure						
Project Staffing and Support Costs	0.21	0.21	0.21	0.21	0.21	1.05
BLM, Sustainability, Digital & Equipment	24.09	17.19	15.54	15.54	15.54	87.88
Other Programmes	6.25	0.25	0.25	0.25	0.25	7.25
Project Specific Funding	70.88	15.70	0.00	0.00	0.00	86.58
Planned Expenditure	101.43	33.34	16.00	16.00	16.00	182.75
Assumed Programme Slippage	-1.30	-1.30	-1.30	-1.30	-1.30	-6.50
Funding to be allocated (over commitment)	0.00	0.00	0.00	0.00	0.00	0.00

The NHS Grampian Estate Rationalisation Plan is the Board-led approach to ensuring the estate is safe, fit for purpose, right-sized, affordable and sustainable by focusing investment on buildings that support current and future service delivery. The systematically reviewing all properties against factors such as condition, backlog maintenance risk, statutory compliance, utilisation, running costs, carbon impact and strategic importance is being progressed.

In doing so the Board will benefit from capital receipts and reduced property related revenue expenditure. Demolition programmes will feature as part of this plan.

2. Key Assumptions

In preparing the plan the following key assumptions have been made:

Funding

- Formula funding will not increase over 5 years - £14.06m
- Specific funding reflects those projects that have been agreed with Scottish Government.
- Donated Asset forecast has been inflated in 2026/27 to reflect expected receipt of charitable funds to support delivery of the SURE Unit, Baird and ANCHOR Delivering the Difference Campaign.
- Forecast funding slippage (£5.0m) in 2025/26 made good by the Scottish Government in 2026/27

- The availability of Additional DEL of £13m (£10m 2026/27) to address critical projects (to be confirmed)
- The availability of additional BCP funding (to be confirmed)

Expenditure

- Baird and ANCHOR Project – completion in 2027/28
- Central Decontamination Unit (CDU) Remedial – development of a solution to replace current CDU in 2026/27
- Positron Emission Tomography (PET/CT) –the replacement planned for 2025/26 has slipped to 2026/27
- Replacement of MRI West ARI –the replacement planned for 2025/26 has slipped to 2026/27
- Switched on Fleet – programme to install charging points has slipped to 2026/27

3. Infrastructure Funding

Funding identified within the Plan is £176.26m (2026/27 £100.13m).

The plan assumes Scottish Government formula allocation in 2026/27 is £14.06m, it also reflects expected agreement to carry forward formula allocation from 2025/26 for projects committed and benefit not yet received of £5.0m. Additional project specific support (£86.58m (2026/27 £70.88m) is also confirmed for the Baird and ANCHOR, Laboratory Information Management System and National Equipment Programmes.

Further project specific funding £6.65 (2026/27 £5.0m) has been made available in response to Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP) submission to address critical risks.

In addition the infrastructure investment programme is supplemented by charitable donations, developer's contributions and assumed revenue funding to support backlog maintenance that can't be treated as capital. In 2026/27 this is anticipated to be: £5.94m.

Charitable Donations – (£5.55m 2026/27 & £0.5m per annum thereafter) of anticipated investment from charitable donations are:

- Baird and ANCHOR - Deliver the Difference (£4m) delayed from 2025/26, which will help to provide environmental enhancements, special finishing touches and additional clinical equipment in both buildings that experience tells us makes all the difference to our patients.
- SURE Unit (£1.1m) – delayed from 2025/26 Creation of a Swift Urological Response and Evaluation (SURE) Unit at Aberdeen Royal Infirmary
- NHS Grampian Charity (£0.5m) mainly for new equipment to support research and advances in clinical care, but also other infrastructure related initiatives such as the

reconfiguration of patient accommodation to improve patient experience from the NHS Grampian Charity Endowment Funds.

Revenue – (£0.21m) per annum of funding from various revenue sources is assumed, from our core RRL to support the programme.

GP Loans – future funding tranches for this programme are under review by Scottish Government currently applications received are on hold and no provision has been made in the Plan at this stage.

Asset Disposals - We have assumed the benefit retained locally from the sale of properties as part of estate rationalisation (£0.25m). No further benefit is assumed from any other properties which are currently available for sale for example, Raeden site and the old Denburn Health Centre in Aberdeen due to the suspensive risks associated with planning consents and the length of time it can take to reach final agreement on sale.

In recent years qualifying projects have benefited from the use of developers contributions, opportunities to optimise this funding stream is being actively managed.

4. Infrastructure Expenditure

The following details the areas of planned investment.

Annual Investment Programmes

Prioritised five year plans for equipment replacement and back log maintenance have developed during the year and are maintained by the Backlog Maintenance Programme Board, The Equipment and Medical Devices Group and Digital Directorate.

In response to DL (2024) 02, the Board prepared a Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP) Priorities revisited the prioritisation process and has identified the key priorities in relation to investment in this area and the plan reflects these.

The prioritisation process has confirmed that formula funding is insufficient to meet emerging high and very high risks and total requirement over a five year programme. The majority of our formula funding continues to be allocated to essential equipment (including digital) replacement and backlog maintenance.

Programmes of Investment

Rolling programme of investment funded by formula allocation have been prioritised and set out in table

Table 2 – Priority Areas for Investment – Rolling Programmes

	2026-27	2027-28	2028-29	2029-30	2030-31	Total
	£ms	£ms	£ms	£ms	£ms	£ms
Expenditure						
Equipment Replacement Programme	4.92	5.97	6.22	6.22	6.22	29.56
Digital Allocation	1.00	1.00	1.00	1.00	1.00	5.00
Backlog Maintenance Programme	4.47	6.10	5.78	5.78	5.78	27.91
Primary Care Premises Improvement	0.20	0.20	0.20	0.20	0.20	1.00
DDA	0.05	0.05	0.05	0.05	0.05	0.25
Contingency	1.00	1.00	1.00	1.00	1.00	5.00
Planned Expenditure	11.64	14.32	14.25	14.25	14.25	68.72

Project Specific Funding

Major capital projects of £86.56m (2026/27 £70.88m) which are supported by project specific funding feature in the plan. The Board is engaged in a significant programme of work to progress investments in our hospital based services. This has included significant clinical, service user and public engagement.

- Construction of the Baird Family Hospital and the ANCHOR Cancer Centre £79.59m (2026/27 £64.23m) is nearing conclusion. The Baird Family Hospital will replace the existing maternity hospital, breast screening, gynaecology and neo-natal facilities. The Anchor Cancer centre will be located adjacent to the existing radiotherapy building on the Aberdeen Royal Infirmary site. It is recognised dialogue is ongoing with Scottish Government to confirm funding arrangements for the Baird and ANCHOR Project. The project is currently forecasting an uplift in overall project costs following changes to scope and challenging commercial arrangements.
- Equipment replacement £6.47m (2026/27 £6.15m) – the Plan benefits from national equipment replacement programmes, namely: Radiotherapy and PET Equipment £1.84m, PET/CT Equipment £4.34m and Switched on Fleet 2026/27 £0.3m
- LIMS system and implementation forecast locally funded implementation costs of £0.81m (2026/27 £0.50m), update pending from National programme
- Replacement Central Decontamination Unit (CDU) 2026/27 £0.5m, future years tbc - The NHSG decontamination services are critical to the operation of acute services, various clinics and community healthcare. The aged facility and associated backlog maintenance risk mean a replacement facility is required. There is currently no alternative service provision with sufficient capacity locally and there have been recent instances where service has been lost impacting significantly on clinical activity. Remedial work was undertaken during 2025/26, a long term solution is now being

progressed with a site feasibility study commissioned and further project development planned for 2026/27.

Other Specific Projects

- BCP Funding – commitments confirmed (2026/27 £4.25m):
 - GP-MNT-0003 Phase 1 Theatres Radiology Roof/RAAC (2026/27 £2.4m)
 - GP-MNT-0004 Phase 1 Electric plant and VIR cabling replacement (2026/27 £1.85m)

- SURE Unit (£1.05m) – Creation and equipping of a Swift Urological Response and Evaluation (SURE) Unit at Aberdeen Royal Infirmary approved in 2025/26 is due to complete in 2026/27.

- Further essential backlog maintenance in phase 1 of £2.2m planned for 2026/27.

- Replacement of MRI West ARI (£2m) – the replacement planned and approved for 2025/26 has slipped to 2026/27.

- Fire compliance programme of remedial works features across the plan £4.75m (2026/27 £0.75m)

- Hospital Helicopter Landing Site (HHLS) works at Foresterhill required to address safeguarding measures of new regulatory requirements (2026/27 £0.44m)

- Replacement of 3rd Cath Lab (£1.5m) – the replacement planned and approved for 2025/26 has slipped to 2026/27. Forecast costs have increase from £1m to £1.5m as requirements have matured.

- Essential Backlog Maintenance programme of work Ashgrove House (2026/27 £1m)

Project Support and Development

- Project Staffing and Support Costs of £0.21m are met from the programme each year
- The Plan includes an annual programme development funding (£0.5m) recognising the requirement to invest in planning and development activities in preparation for delivery of facilities when funding becomes available.

- Consistent with previous years planned slippage of £1.3m per year is included and reflected in balancing the plan.

5. Investment Requirements Dependant on Additional Funding being identified not yet included in Draft Infrastructure Investment Plan 2026-2031

Table 3 sets out key priorities that will require additional funding £133.65m (2026/27 £32.82m to be confirmed to progress. The maturity and status of these requirements are considered below.

Table 3 – Priority Areas for Investment – Additional Funding Requests

	2026-27	2027-28	2028-29	2029-30	2030-31	Total
Backlog Maintenance, Essential Equipment Replacement and Compliance Funding Requirements	£ms	£ms	£ms	£ms	£ms	£ms
BCP - Buildings - Backlog Maintenance	10.31	18.35	17.75	19.30	16.65	82.36
ADEL/BCP - Buildings - Dr Grays Ward 4 Ligature Reduction Programme	3.50	0.00	0.00	0.00	0.00	3.50
ADEL/BCP - Buildings - Blair Forensic Unit - remaining phases	2.50	1.00	0.00	0.00	0.00	3.50
BCP - Essential Equipment Replacement	8.86	14.17	13.37	13.86	16.70	66.96
BCP - Digital	6.45	2.05	4.00	3.98	6.80	23.27
BCP - Sustainability - Core	1.12	0.00	0.00	0.00	0.00	1.12
BCP - Sustainability - Additional	1.14	0.00	0.00	0.00	0.00	1.14
ADEL - Estate Rationalisation: Demolition	4.00	2.00	0.00	0.00	0.00	6.00
Developer Obligations: Danestone Medical Practice Expansion	1.30	0.00	0.00	0.00	0.00	1.30
Sub- Total	39.18	37.57	35.12	37.13	40.15	189.15
Formula Funding after pre-commitments	6.37	12.15	12.33	12.33	12.33	55.50
Total Additional Funding Requirement	32.82	25.42	22.79	24.80	27.82	133.65

A) Business Continuity and Essential Investment Infrastructure Maintenance Plan Priorities (BCP)

BCP submission to Scottish Government updated in November 2025 is a risk-based maintenance plan to support business & service continuity, aimed at mitigation against some of the more serious inherent infrastructure risks.

The preparation of this plan has identified a need for investment of £181.85m (2026/27 £33.88m) over the next five years. £126.35m additional funding is required beyond that provided for from forecast formula allocation as set out in table 2.

Additional funding is expected to be confirmed over the coming months to allow progression of some of the key priorities identified. Key projects of note.

- **Dr Gray's Ward 4 Ligature Reduction £3.5m**

In June 2017, the Board received an improvement notice from the Health and Safety Executive (HSE) requiring action to reduce the environmental ligature risks within the in-patient wards at Royal Cornhill Hospital (RCH). Consequently, the Board have recently completed a programme of works aimed at reducing the risk of self-harm in the six Mental Health Acute Admission wards at RCH, being the areas assessed where the patient population is at highest risk. Design work is being progressed to

address the same issues within the Elgin based service (Ward 4 Dr Gray's). An outline business case was considered and approved by the Asset Management Group (AMG) on 25 February 2026.

- **Forensic Services £3.5 m (2026/27 £2.5m)**

The requirement to upgrade the existing accommodation at Royal Cornhill Hospital was highlighted in the recommendations arising from independent reviews of the facility including the Forensic Mental Health Review (Barron Report), Mental Welfare Commission Reports 2018-2023 and the HIS Inspection Report published June 2023. The initial phases of this work are concluding with a further phase scoped. A business case was considered and approved by the Asset Management Group (AMG) on 25 February 2026.

Arrangements set out in this report are in place to address high priority areas within the current Blair Forensic Unit at Royal Cornhill Hospital. The requirement for a replacement facility has been identified in the medium term.

B) Estate Rationalisation Plan

The following feature in the estate rationalisation plan and will required to be funded.

- Denburn Health Centre demolition (2026/27 £2m) – this building is now vacated and declared surplus. The building contains a significant RAAC and asbestos risk and plans are under development to progress the the intention is to demolition and disposal of the site.
- Aberdeen Maternity Hospital (AMH), Rosehill House and Other FHC Buildings (2027/28 £2m) – following the opening of the Baird Family Hospital AMH will be vacated and there will be a requirement to demolish, associated buildings in that area of the Forresterhill Site will also feature as part of this demolition programme.

C) Primary Care Funded by Developer Obligations

- Danestone Medical Practice Expansion (£1.3m) – plans to develop the police station adjacent to Danestone Medical Practice to generate capacity to meet the demands associated with population growth were supported by AMG in January 2026, subject to developer obligations being secured to fund the project.

Annex A – Detailed – Infrastructure Investment Plan 2026-31

	2026-27	2027-28	2028-29	2029-30	2030-31	Total
	£ms	£ms	£ms	£ms	£ms	£ms
Funding						
SGHSCD Capital Formula Allocation	14.06	14.06	14.06	14.06	14.06	70.29
SGHSCD BCP Allocation Confirmed	4.25	1.40	0.00	0.00	0.00	5.65
Funding Slippage from 2025/26	5.00	0.00	0.00	0.00	0.00	5.00
Project Specific Funding	70.88	15.70	0.00	0.00	0.00	86.58
Capital Receipts Retained Locally	0.25	0.25	0.00	0.00	0.00	0.50
Revenue Budget Sources	0.14	0.14	0.14	0.14	0.14	0.69
Donated Assets Allocation	5.55	0.50	0.50	0.50	0.50	7.55
Total Core Capital Resource Identified	100.13	32.04	14.70	14.70	14.70	176.26
Expenditure						
Resources						
Project Staffing and Support Costs	0.21	0.21	0.21	0.21	0.21	1.05
Equipment Programme						
Equipment Replacement Programme	4.92	5.97	6.22	6.22	6.22	29.56
Equipment Replacement - MRI West ARI	2.00	0.00	0.00	0.00	0.00	2.00
Radiotherapy Equipment	1.50	0.34	0.00	0.00	0.00	1.84
PET/CT	4.34	0.00	0.00	0.00	0.00	4.34
Donated Asset	0.50	0.50	0.50	0.50	0.50	2.50
Digital Infrastructure & Equipment Replacement						
Digital Allocation	1.00	1.00	1.00	1.00	1.00	5.00
Labs Information System (LIMS)	0.50	0.22	0.03	0.03	0.03	0.81
Backlog Maintenance Programme						
Backlog Maintenance Programme	4.47	6.10	5.78	5.78	5.78	27.91
Phase 1 (Essential Backlog Maintenance)	2.20	0.00	0.00	0.00	0.00	2.20
SURE Unit (Charity Funded)	1.05	0.00	0.00	0.00	0.00	1.05
Fire compliance remedial (beyond BLM allowance)	0.75	1.00	1.00	1.00	1.00	4.75
<i>BCP - Buildings - Backlog Maintenance</i>						
Phase 1 Theatres Radiology Roof/RAAC etc	2.40	0.70	0.00	0.00	0.00	3.10
Phase 1 Electric plant and VIR cabling replacement	1.85	0.70	0.00	0.00	0.00	2.55
Helipad	0.44	0.00	0.00	0.00	0.00	0.44
CDU Replacement	0.50	0.00	0.00	0.00	0.00	0.50
Sustainability Programme						
Switched on Fleet	0.32	0.00	0.00	0.00	0.00	0.32
Other Service Developments						

Baird and Anchor	64.23	15.36	0.00	0.00	0.00	79.58
Baird and Anchor Delivering the Difference (Donated)	4.00	0.00	0.00	0.00	0.00	4.00
Service Development - Cath Lab	1.50	0.00	0.00	0.00	0.00	1.50
Backlog Maintenance Ashgrove House	1.00	0.00	0.00	0.00	0.00	1.00
Development Funding	0.50	0.00	0.00	0.00	0.00	0.50
Other Programmes						
Primary Care Premises Improvement	0.20	0.20	0.20	0.20	0.20	1.00
DDA	0.05	0.05	0.05	0.05	0.05	0.25
Contingency	1.00	1.00	1.00	1.00	1.00	5.00
Planned Expenditure	101.43	33.34	16.00	16.00	16.00	182.75
Assumed Programme Slippage	-1.30	-1.30	-1.30	-1.30	-1.30	-6.50
Funding to be allocated/(over commitment)	0.00	0.00	0.00	0.00	0.00	0.00

Appendix 2 – Summary of Projects, greater than £1m within NHS Grampian Five Year Infrastructure Plan – 2026-2031

	2026-27	2027-28	2028-29	2029-30	2030-31	Total
	£ms	£ms	£ms	£ms	£ms	£ms
Expenditure						
Equipment Replacement Programme	4.92	5.97	6.22	6.22	6.22	29.56
Equipment Replacement - MRI West ARI	2.00	0.00	0.00	0.00	0.00	2.00
Radiotherapy Equipment	1.50	0.34	0.00	0.00	0.00	1.84
PET/CT	4.34	0.00	0.00	0.00	0.00	4.34
Digital Allocation	1.00	1.00	1.00	1.00	1.00	5.00
Backlog Maintenance Programme	4.47	6.10	5.78	5.78	5.78	27.91
Phase 1 (Essential Backlog Maintenance)	2.20	0.00	0.00	0.00	0.00	2.20
SURE Unit (Charity Funded)	1.05	0.00	0.00	0.00	0.00	1.05
Phase 1 Theatres Radiology Roof/RAAC etc	2.40	0.70	0.00	0.00	0.00	3.10
Phase 1 Electric plant and VIR cabling replacement	1.85	0.70	0.00	0.00	0.00	2.55
Baird and Anchor	64.23	15.36	0.00	0.00	0.00	79.58
Baird and Anchor Delivering the Difference (Donated)	4.00	0.00	0.00	0.00	0.00	4.00
Service Development - Cath Lab	1.50	0.00	0.00	0.00	0.00	1.50
Backlog Maintenance Ashgrove House	1.00	0.00	0.00	0.00	0.00	1.00
Other Items	3.68	1.88	1.69	1.69	1.69	10.64
Planned Expenditure	101.43	33.34	16.00	16.00	16.00	176.26

Appendix 3 – Summary of Further Projects including Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP) (Refreshed 2026/27)

	2026-27	2027-28	2028-29	2029-30	2030-31	Total
Backlog Maintenance, Essential Equipment Replacement and Compliance Funding Requirements	£ms	£ms	£ms	£ms	£ms	£ms
BCP - Buildings - Backlog Maintenance	10.31	18.35	17.75	19.30	16.65	82.36
ADEL/BCP - Buildings - Dr Grays Ward 4 Ligature Reduction Programme	3.50	0.00	0.00	0.00	0.00	3.50
ADEL/BCP - Buildings - Blair Forensic Unit - remaining phases	2.50	1.00	0.00	0.00	0.00	3.50
BCP - Essential Equipment Replacement	8.86	14.17	13.37	13.86	16.70	66.96
BCP - Digital	6.45	2.05	4.00	3.98	6.80	23.27
BCP - Sustainability - Core	1.12	0.00	0.00	0.00	0.00	1.12
BCP - Sustainability - Additional	1.14	0.00	0.00	0.00	0.00	1.14
ADEL - Estate Rationalisation: Demolition	4.00	2.00	0.00	0.00	0.00	6.00
Developer Obligations: Danestone Medical Practice Expansion	1.30	0.00	0.00	0.00	0.00	1.30
Sub- Total	39.18	37.57	35.12	37.13	40.15	189.15
Formula Funding after pre-commitments	6.37	12.15	12.33	12.33	12.33	55.50
Total Additional Funding Requirement	32.82	25.42	22.79	24.80	27.82	133.65