

NHS Grampian

**Infrastructure Investment Plan – period
ending 31 March 2024**

Draft

April 2019

Contents

Introduction

Section 1: Overview of the five year plan

Section 2: Strategic planning and priorities

Section 3: Maintaining our infrastructure

DRAFT

Introduction

1.1 The purpose of this paper is to set out the following:

- Section 1: overview of the five year infrastructure investment plan;
- Section 2: the basis for strategic planning and identifying investment priorities, and
- Section 3: the actions that will be taken to maintain the Board's property and equipment.

1.2 The five year Infrastructure Investment Plan supports the Board's Asset Management Plan, which is summarised within the North of Scotland Regional Asset Management Plan.

1.3 The development of the Infrastructure Investment Plan is overseen by the Board's Asset Management Group, chaired by the Director of Finance. The Asset Management Group has representation from all the main senior personnel responsible for managing the Board's infrastructure, members of the System Leadership Team, the three Integration Joint Boards, the clinical advisory structure and staff partnership.

1.4 The Infrastructure Investment Plan will be kept under review to ensure that it addresses the key priorities for the Board and the ambitions as set out within the Board's clinical strategy. In support of the plan we ensure that :

- Appropriate governance and management structures are in place to effectively manage the Board's assets;
- The Board's assets are utilised effectively and efficiently through maintaining, enhancing, replacing and disposing of those assets deemed surplus to requirements;
- Effective prioritisation of backlog maintenance and essential equipment replacement where there is a high or significant risk to the ability of the assets to deliver current and future services; and
- Availability of an appropriate number of quality and affordable assets to meet the population health needs and which are financially sustainable over the longer term.

Section 1: Overview of the Infrastructure Investment Plan

1.1 The summary five year plan sets out the key areas where investment will be targeted over the next five years. The following balanced approach will ensure that we are able to obtain maximum benefit from the available funding to:

- Responding to new and improved ways of delivering services,
- Improve estate and asset performance on all key indicators, including a targeted reduction in significant and high risk backlog maintenance and a continued programme of essential equipment replacement.
- Disinvest from buildings with high operating costs, backlog maintenance requirements, or short remaining life where these do not meet future service requirements; and
- Invest and develop in new technology that achieves simplification of the existing information technology infrastructure, whilst simultaneously allowing additional investment and improved resilience.

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m	£m	£m
Baird Family & ANCHOR	16.5	74.8	50.4	10.2	0	151.9
Elective Care	2.2	18.2	26.2	4.0	0	50.6
Primary and Community Care	0.6	5.4	13.9	4.7	0.2	24.8
Equipment	11.3	8.0	11.8	13.5	10.4	55
Backlog Maintenance	10.7	6.0	1.4	4.1	6.1	28.3
Other	0.7	0.6	0.7	0.7	0.7	3.4
Total	42	113	104.4	37.2	17.4	314

Section 2: Strategic Planning and key priorities for investment

Strategic Planning

2.1 In terms of strategic planning, it is important that the Board's infrastructure is able to support the ambitions set out within the Clinical Strategy and the NHS Scotland National Delivery Plan. The Asset Management Group continuously reviews the status of the Board's infrastructure plans with a focus on the following key elements:

- **Major site development plans** - establishment of development plans for each of our main sites. We have a well-established development framework for the Foresterhill Campus and are currently undertaking site appraisals at Dr Gray's Hospital, Woodend Hospital and Cornhill Hospital. These are in addition to ongoing assessments undertaken of our community hospital infrastructure in line with future service and investment requirements.
- **Primary Care Premises strategy** – the Board has a primary care premises strategy which is kept under review with the latest strategy having been recently considered by the three IJBs and the Board's Asset Management Group. This enables the identification of the priorities for future investment in new infrastructure and to inform Board decisions regarding the case for investment in new premises to support the delivery of local primary and community care services.
- **Digital Strategy** – the importance of the Board's digital infrastructure is acknowledged and work is progressing to assess the priorities for investment over the next five years. The Digital Strategy will be presented to the Asset Management Group later this year before being considered for Board approval.
- **Strategic Risk Assessments** – the Asset Management Group has undertaken a comprehensive risk assessment of the Board's infrastructure in relation to backlog maintenance and essential equipment replacement. These risk assessments are used to target investment in a prioritised and risk assessed basis.
- **Office accommodation** – following Board approval in December we have established a project board to oversee the implementation of agile working across our services and to develop the business case for co-location of our corporate and administrative functions.

Strategic priorities

- 2.2 In terms of those projects which have already been identified as a strategic priority the following are being progressed, with the associated funding having been confirmed.

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m	£m	£m
Baird Family & ANCHOR	16.5	74.8	50.4	10.2	0	151.9
Elective Care	2.2	18.2	26.2	4.0	0	50.6
Primary and Community Care	0.6	5.4	13.9	4.7	0.2	24.8

- The Baird Family Hospital and ANCHOR Centre is the largest single project that we have undertaken as a Board and will result in a significant redesign of the services we provide to the population of Grampian. The Final Business Case is due to be considered by the Board in late summer with the enabling works already commenced.
- The Elective Care Centre will be one of six to be established in Scotland to support the National Waiting Times Improvement Programme. This represents a major investment in facilities which will improve the Board's capacity to meet future demand for elective care.
- The replacement of the Denburn Health Centre with new facilities in Northfield/Mastrick and new facilities for the population of North Aberdeen and the surrounding Aberdeenshire hinterland will be the two key projects which we will deliver in the next five years. As previously agreed with the Board we are also developing initial agreements to make a case for further investment in service redesigns at Banchory, Ellon, Danestone and Keith. These have been confirmed within the primary care premises strategy as the areas of highest priority for investment.
- The Board has also approved a plan to invest significantly in the improvement of mental health ward accommodation at Royal Cornhill Hospital to meet legislative requirements and to establish a centre of excellence for Child and Adult Mental Health Services at the City Hospital.

Section 3: Maintaining our infrastructure

- 3.1 As set out in the NHS Scotland State of the Estate report, the backlog maintenance on the Aberdeen Royal Infirmary remains amongst the highest in Scotland, given its size and the age of the buildings (60% of NHS Grampian premises are over 30 years old). The Board approved the Acute Reconfiguration Project (ARP) in 2012 to reduce high and significant backlog maintenance in inpatient areas. At this time the risk reassessed backlog maintenance was £193m (1st April 2012). This included backlog maintenance and compliance with statutory standards but excluded functional suitability. Our infrastructure investment programme completed to 31st March 2018 has reduced the overall backlog to £143m. The high and very high backlog risks have reduced from £76.5m to £28.5m during this period.
- 3.2 In addition, the NHS Scotland State of the Estate report also highlights the need for and importance of a robust and risk assessed essential equipment replacement programme. Over the next five years we will invest £55m in essential equipment replacement.
- 3.3 The Board has reconfirmed that core capital funding will be prioritised for use in backlog maintenance and essential equipment replacement. The summary below sets out the proposed allocations of funding for 2019/20 and future years.

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m	£m	£m
Equipment	11.3	8.0	11.8	13.5	10.4	55
Backlog Maintenance	10.7	6.0	1.4	4.1	6.1	28.3
Other	0.7	0.6	0.7	0.7	0.7	3.4

- 3.4 The Board also has an asset disposal programme progress against which is monitored by the Asset Management Group and Performance Governance Committee. It has been previously agreed that all asset disposal proceeds will be re-invested in the infrastructure programme and will not be used to support the Board's revenue position.