

<b>Meeting:</b>	<b>NHS Grampian Board</b>
<b>Meeting date:</b>	<b>10 April 2024</b>
<b>Item Number:</b>	<b>11</b>
<b>Title:</b>	<b>Infrastructure Investment Plan 2025-2030</b>
<b>Responsible Executive:</b>	<b>Alex Stephen, Director of Finance &amp; Alan Wilson, Director of Infrastructure, Sustainability and Support Services</b>
<b>Report Author:</b>	<b>Julie Anderson, Assistant Director of Finance</b>

## 1 Purpose and recommendations

**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; and (ii) a robust process is in place to agree priorities for longer term investment plans on a whole system basis in line with DL (2024)02.

**Decision:** The Board approves the NHS Grampian Five Year Infrastructure Plan – 2025-2030 attached as Appendix 1.

**Delegation:** The Board delegates authority to the Asset Management Group (AMG) for

- (i) delivery of the works listed in Annex A, Table A of NHS Grampian Five Year Infrastructure Plan – 2025-2030 attached as Appendix 1, including those projects with forecast costs exceeding £1 million, subject to individual identified items being within total budgetary limits identified within the Plan; and
- (ii) delivery of the programme of items associated with the submission to Scottish Government of the draft Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP) and identified in Appendix 2, subject to individual items being within total budgetary limits within the plan and confirmation of funding from Scottish Government.

### **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) obtains assurance on the effective management of the Board's infrastructure programme and the Asset Management Group oversees the delivery of the programme.

Capital funding for infrastructure investment continues to be severely constrained for future years. For 2025/26 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, Laboratory Information Management (LIM) System replacement and the Switched on Fleet programme.

The approved Infrastructure Investment Plan for 2024/25 was £57.2m inclusive of £30.6m in relation to the Baird and ANCHOR Project. Forecast final investment for 2024/25 is £94.1m with £70.6 m in relation to the Baird and ANCHOR Project. Successful progress has been made in tackling high priority areas during the year, inclusive of essential equipment replacement £14m, the link building (Laboratory) roof £1.7m, fire prevention compliance £1m and Blair forensic unit £0.5m.

### **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.

The availability of capital funding to support investment in infrastructure is a key constraint in both the short and longer term. Our plans must therefore be prioritised based on risk and fit with the Board's objectives, be deliverable, demonstrate best value and be suitably integrated with our partners' plans to meet needs across health and social care. Our investment plans have therefore been developed across to align with planning horizons and guidance from Scottish Government:

On 12 February 2024, the Scottish Government issued the Director's Letter to all NHS Boards *NHS SCOTLAND: Whole System Infrastructure Planning – DL (2024) 02*. This outlined the requirements for all NHS Boards to prepare a whole-system infrastructure plan, consisting of two Programme Initial Agreement (PIA) phases:

- 1) Development of a Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP) to mitigate inherent risks associated with existing infrastructure, meet environmental sustainability standards as opportunity allows, and provide the necessary accommodation for service delivery needs. Timescale - January 2025 (submitted).
- 2) Development of a longer-term infrastructure investment strategy (20 to 30 year timeframe), informed by existing Clinical Strategies and Medium Term Plans and regional and national service plans.

## **2.3 Assessment**

The Infrastructure Investment Plan (Plan) 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 Plan for the Future. Specifically, the Plan focuses 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 2025/26, has been developed 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 of our priorities. These priorities are:

- projects in the delivery stage
- the Baird and ANCHOR Project
- national equipment replacement programmes,
- Laboratory Information Management (LIM) System replacement and
- essential backlog maintenance and equipment replacement.

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

**Table 1 – Summary – Infrastructure Investment Plan 2025-30**

	2025-26	2026-27	2027-28	2028-29	2029-30	Total
	£ms	£ms	£ms	£ms	£ms	£ms
<b>Funding</b>	<b>90.51</b>	<b>16.59</b>	<b>15.11</b>	<b>14.76</b>	<b>14.76</b>	<b>151.74</b>
Essential Equipment Replacement and Backlog Maintenance (BLM) Pr	14.65	13.54	13.77	13.76	13.76	69.51
SURE Unit (Charity Funded)	0.98	0.33	0.00	0.00	0.00	1.31
BLM of Link Building - Roof	0.96	0.00	0.00	0.00	0.00	0.96
BLM of Link Building -Towers	1.18	0.00	0.00	0.00	0.00	1.18
Equipment Replacement - MRI West	2.00	0.00	0.00	0.00	0.00	2.00
Service Development - Clinical Equipment	1.00	0.00	0.00	0.00	0.00	1.00
Fire compliance remedial (beyond BLM allowance)	1.00	1.00	1.00	1.00	1.00	5.00
Replacement CSSD and Laundry - Remedial Works	0.70	0.00	0.00	0.00	0.00	0.70
RCH Forensic MH Accommodation - Remedial Works (Blair Unit)	1.60	0.00	0.00	0.00	0.00	1.60
Labs Information System (LIMS) - Local Implementation Costs	0.76	0.22	0.00	0.00	0.00	0.98
Baird and Anchor	62.80	0.00	0.00	0.00	0.00	62.80
Radiotherapy and PET Equipment	2.88	1.50	0.34	0.00	0.00	4.71
<b>Planned Expenditure</b>	<b>90.51</b>	<b>16.59</b>	<b>15.11</b>	<b>14.76</b>	<b>14.76</b>	<b>151.74</b>
<b>Transfer of Multi Agency Mortuary</b>	<b>31.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>31.00</b>

Table 1 also identifies those projects within the Plan which, at the time of preparation of the Plan, have project forecast costs greater than £1 million. Subject to these project forecast costs not exceeding those set out in the Plan and within previous delegations, the Board is asked to grant the Asset Management Group delegated authority to oversee their procurement and delivery without further referral back to the Board for approval. Further details of those individual projects can be found in Appendix 1 (Annex A, Table).

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.

In January 2025 the first phase of the PIA, the draft Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP), was completed and submitted to Scottish Government for approval. It focuses on deliverability and a risk based assessment, considering:

- Physical condition - risk of failure
- Service continuity - risk of closure/harm/operating effectiveness
- Service continuity – risk of reduced capacity

All items in the submission are priorities in the programmes of backlog maintenance and essential equipment replacement and summarised in Appendix 2. Feedback on additional funding arrangements is awaited, however planning to deliver the projects is underway.

In the longer term a new approach to strategic infrastructure will be adopted. The Scottish Government have indicated that revised guidance is expected during April 2025 to clarify the whole system infrastructure planning requirements of DL (2024) 02. This will help inform the process and action plan for the next stage, which is to develop a long term whole system infrastructure investment strategy, informed by existing clinical strategies (ie Plan for the Future) and Medium Term Plans and regional and national service plans. It is likely that the deadline for completion of this second stage will slip beyond January 2026.

### **2.3.1 Quality/ Patient Care**

The impact of infrastructure investment 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 (£154.1m) (2025/26 £93.20m). 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 at 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.

Although the development of a prioritised infrastructure investment plan will ensure that the available resource is used effectively and to deliver best value, there is a risk that insufficient resource will be available to deliver all of the required investment priorities with a consequential impact on service delivery and delivery against our strategic intent.

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 report 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, 26 February 2025

## **2.4 Recommendation(s)**

The Board is asked to:

**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; and (ii) a robust process is in place to agree priorities for longer term investment plans on a whole system basis in line with DL (2024)02.

**Decision:** The Board approves the NHS Grampian Five Year Infrastructure Plan – 2025-2030 attached as Appendix 1.

**Delegation:** The Board delegates authority to the Asset Management Group (AMG) for (i) delivery of the works listed in Annex A, Table A of NHS Grampian Five Year Infrastructure Plan – 2025-2030, including those projects with forecast costs exceeding £1 million, subject to individual identified items being within total budgetary limits identified within the Plan and (ii) delivery of the programme of items associated with the submission to Scottish Government of the draft Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP) and identified in appendix 2, subject to individual items being within total budgetary limits within the plan and confirmation of funding from Scottish Government.

### **3 Appendix/List of appendices**

The following appendix/appendices are included with this report:

- Appendix 1 – NHS Grampian Five Year Infrastructure Plan – 2025-2030
- Appendix 2 – Summary Draft Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP)

## Appendix 1 – NHS Grampian Five Year Infrastructure Plan – 2025-2030

### NHS Grampian Five Year Infrastructure Plan – 2025-2030

#### 1. Introduction

The ‘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 a very different type of 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 Infrastructure Investment Plan (Plan) must therefore be prioritised based on risk and fit with the Board’s objectives, be deliverable, demonstrate best value and be suitably integrated with our partners’ plans to meet needs across health and social care. Our Plan has been developed taking into the account the impact of infrastructure on service delivery and aligns with the planning horizons adopted by the Board:

- Short term – consistent with recent years, the Plan continues to focus available investment on current operational risks, with available resource prioritised against the highest risk, deliverable projects. The details of this approach are developed further in our submission to Scottish Government in response to the DL (2024) 02. This DL required the Board to develop, by January 2025, a maintenance-only business continuity investment plan (5 to 10 year timeframe). 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.
- Longer term – to engage extensively across all service portfolios and with our partners to develop a prioritised, whole system infrastructure investment plan as required by DL (2024) 02, which will set out our long term infrastructure requirements focused on population health and across the three key themes of people, place and pathways.

The Plan includes a “balanced” five year investment programme which outlines how we intend to use the various sources of funding available to the Board in support of our priorities. It also includes a “long list” of other priorities for investment in infrastructure, delivery of which will be dependent on the availability of additional funding.

The process to manage infrastructure investment is overseen by an established governance structure with our Board agreeing the final Plan, 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.

NHS Grampian's infrastructure is ageing and is 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 for which it is currently used. Our equipment base, including our digital infrastructure, is utilised on average well beyond recommended replacement timescales. Due to funding constraints, in recent years the Plan has focussed on areas of highest risk only to ensure delivery against financial target.

The process to agree priorities for longer term investment plans on a whole system basis in line with Plan for the Future' is underway and will inform future year development of the Plan.

The inability to affectively maintain and invest in NHS Grampian's infrastructure is one of the Board's strategic risks. 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 delivery of Plan for the Future.

This financial Plan (Table 1) focusses on 2025/26 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 of 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.

**Table 1 – Summary – Infrastructure Investment Plan 2025-30**

	2025-26	2026-27	2027-28	2028-29	2029-30	Total
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<b>Transfer of Multi Agency Mortuary</b>	<b>31.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>31.00</b>

## 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 2025/26 & 2026/27 to reflect expected receipt of charitable funds to support delivery of the SURE Unit and the Baird and ANCHOR Delivering the Difference Campaign.
- Forecast funding slippage (£2.5m) in 2024/25 made good in 2025/26

### Expenditure

- Integrated Mortuary will be completed in 2025/26
- Baird and ANCHOR Project completion in 2025/26

## 3. Infrastructure Funding

Funding identified within the Plan is £151.74m (2025/26 £90.51m).

The plan assumes Scottish Government formula allocation in 2025/26 is £14.06m, it also reflects anticipated agreement from Scottish Government to carry forward formula allocation from 2024/25 for projects committed and benefit not yet received of £2.5m. Additional project specific support is also confirmed for the Baird and ANCHOR, Laboratory Information Management System, National Equipment Programmes and Switched on Fleet.

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 2025/26 this is anticipated to be: £7.48m.

**Charitable Donations** – (£6.97m 2025/26 & £0.83m 2026/27 & £0.5m per annum thereafter) of anticipated investment from charitable donations:

- Baird and ANCHOR - Deliver the Difference (£4m) 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. MRI scanner to meet need of patient group within the facility.
- SURE Unit (£1.3m) – Creation of a Swift Urological Response and Evaluation (SURE) Unit at Aberdeen Royal Infirmary
- NHS Grampian Charity (£0.5m) from the NHS Grampian Charity Endowment Funds, 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

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

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

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

**Asset Disposals** - We have assumed the benefit from the sale of properties on the Woodend site as part of estate rationalisation (£0.3m). No further benefit is assumed from any other properties which are currently surplus, 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.

#### **4. Infrastructure Expenditure**

The detailed 5 Year Infrastructure Plan is set out in annex A. It identifies planned expenditure of £151.73m, with information below detailing the areas of planned investment.

##### **4.1 Planned Commitment**

Planned commitments total £102.14m (2025/26 £86.01m) as follows:

- The following were approved for 2025/26 in at part of agreeing 2024-2029 Plan and are carried forward:
  - Primary Care Premises Improvement (£0.20m)
  - DDA (£0.02m)
  - Capital through Revenue Equipment (£0.38m)
  - Contingency (£1.00m)
  - Additional Equipment Replacement - MRI West (£2.00m)
  - Fire compliance remedial (beyond BLM allowance) (£1.00m)
  
- The following were approved for 2025/26 in at part of agreeing 2024-2029 Plan and are carried forward and updated for slippage:
  - BLM of Link Building – Roof (original £0.51m, revised £0.96m) which brings the forecast cost for construction contracts to £2.4m
  - BLM of Link Building – Towers (£1.18m)
  - Replacement CSSD and Laundry - Remedial Works (original £0.5m revised £0.7m)

- The following have been approved for 2025/26 during the course of 2024/25 and has been adopted into the plan:
  - RCH Forensic MH Accommodation - Remedial Works (Blair Unit) (£2.0m (£1.6m 2025/26)
  - Labs Information System (LIMS) - Local Implementation Costs (£0.73m, 2025/26 £0.51m)
- Project Specific Funding

Major capital projects of £68.31m (2025/26 £66.48m) 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 Centre is underway. The Baird Family Hospital will replace the existing maternity hospital, breast screening, gynaecology and neo-natal facilities. The Anchor Centre will be located adjacent to the existing radiotherapy building on the Aberdeen Royal Infirmary site. 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. A key priority for the board is MRI resilience and an MRI shell features in the facility but funding arrangements remain to be confirmed.
- Equipment replacement £5.26m (2025/26 £3.43m) – the Plan benefits from national equipment replacement programmes: Radiotherapy and PET Equipment £2.21m (2025/26 £0.38m); PET/CT Equipment 2025/26 only £2.5m, Switched on Fleet 2025/26 only £0.3m and Mobile DXA replacements 2025/26 only £0.25m
- LIMS system and implementation forecast costs of £0.25m, update pending from National programme (2025/26 £0.25m).
- Items of equipment and backlog maintenance procured in 2024/25 which are benefit delayed and funded by agreed slippage (£3.33m).

## **4.2 Investment Programme – New Priorities**

Prioritised five year plans for equipment replacement and backlog 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, preparation of the Draft Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP) has revisited the

prioritisation process and has identified the key priorities in relation to investment in this area and the plan reflects these. The process assessed that investment of £256.5m is required for the Board to address high and very high risk issues. Identified in the five year plan is £47.60m (2025/26 £3.5m) funded and awaiting funding confirmation £93.5m (2025/26 £18.7m), as set out in table 2.

**Table 2 – Summary Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP) Priorities**

	2025-26	2026-27	2027-28	2028-29	2029-30	Total
	£ms	£ms	£ms	£ms	£ms	£ms
<b>Investment Requirements</b>	<b>1.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>
Backlog Maintenance	13.13	16.82	14.24	11.85	13.47	<b>69.50</b>
Essential Equipment Replacement	7.34	11.19	11.75	12.46	11.27	<b>54.00</b>
Digital	1.74	1.73	3.73	5.41	4.98	<b>17.58</b>
<b>Prioritised Investment Requirement</b>	<b>22.20</b>	<b>29.73</b>	<b>29.72</b>	<b>29.72</b>	<b>29.72</b>	<b>141.09</b>
Formula Funding after pre-commitments	3.50	11.03	11.03	11.02	11.02	<b>47.60</b>
Additional Funding Request to SG (Confirmation Awaited)	18.70	18.70	18.70	18.70	18.70	<b>93.49</b>
<b>Total Funding Requirement</b>	<b>22.20</b>	<b>29.73</b>	<b>29.73</b>	<b>29.72</b>	<b>29.72</b>	<b>141.09</b>

Additionally the plan identifies the following new priorities:

- Bed base review £0.25m – recognising the strategic priority to increase the bed base of NHS Grampian; investment in supporting infrastructure is planned.
- Development funding £2.5m (2025/26 £0.5m) - 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.
- Service Development – equipment £1m – to meet key emerging service priority for the Board subject to full business case being prepared and approved.

### **4.3 Investment Requirements Dependant on Additional Funding being identified included in Infrastructure Investment Plan 2025-2030**

There are two categories of additional funding requests to Scottish Government:

- (i) Maintenance Only: the Summary Draft Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP) priorities and those areas of high priority falling outwith this Plan that cannot be accommodated within current funding parameters.
- (ii) Future Developments; These reflect those areas of infrastructure identified as priorities to progress with phase 2 of the whole system planning and which we are expected to revisit. Within the 5 year planning horizon these have an

estimated investment requirement of £416m with significant investment beyond that timeframe.

Table 3 below sets out key priorities which require additional funding to be confirmed to progress.

**Table 3 – Priority Areas for Investment – Additional Funding Requests**

	2025-26	2026-27	2027-28	2028-29	2029-30	Total
Backlog Maintenance, Essential Equipment Replacement and Compliance Funding Requirements	£ms	£ms	£ms	£ms	£ms	£ms
Requested: Whole System Infrastructure - Maintenance Only Plan Backlog	18.70	18.70	18.70	18.70	18.70	93.50
Denburn Health Centre & Rosehill House Demolition	2.50	0.00	0.00	0.00	0.00	2.50
Mortuary Repayments	0.00	0.00	0.00	-1.25	-1.25	-2.50
Net Carbon Zero (e.g Electrical Capacity, Vehicle Cost Premium etc)	0.50	0.50	0.50	0.50	0.50	2.50
Replacement CSSD and Laundry	0.50	4.50	10.00	10.00	10.00	35.00
Development Requirements	1.00	38.40	114.10	125.60	137.10	416.20
<b>Sub- Total</b>	<b>23.20</b>	<b>62.10</b>	<b>143.30</b>	<b>153.55</b>	<b>165.05</b>	<b>547.20</b>

#### 4.3.1 Whole System Infrastructure - Business Continuity and Essential Investment Infrastructure Maintenance Plan

Section 4.2 describes the assessment process and outcomes in the BCIMP. Potential additional capital available to NHS Grampian for this element of the Plan is not guaranteed but will be at 133% of the 2025/26 formula capital level, a further £18.6 million.

#### 4.3.2 RAAC Mitigation Projects

During 2023 surveys of NHS Grampian's estate have been initiated and carried out with the support of NHS Scotland Assure and Scottish Government. Requirements for intrusive actions were confirmed for three areas: Link Building, Labs and Foresterhill Health Campus. This was known prior to the national inspection programme and a plan is in place to mitigate the risk through a roof replacement programme.

Denburn Health Centre demolition (2025/26 £2.5m): this building has now been vacated in accordance with long standing plans to move the General Practice operating there to Carden House. However, there is a requirement to demolish and dispose of the site

Radiology and theatres roof at ARI: options for remediation are being progressed and are included in the Business Continuity Maintenance Plan.

#### 4.3.3 Replacement CSSD and Laundry £35m (2025/26 £0.5m)

The NHS Grampian linen and decontamination services are critical to the operation of acute services, various clinics and community healthcare. The aged facility and associated backlog

maintenance risk means 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 on clinical activity.

#### **4.3.4 Mortuary (repay £2.5m)**

Construction of a new build multi partner integrated mortuary facility for the population of the North East of Scotland and the Northern Isles on the Foresterhill Site is progressing and the new mortuary is expected to open in 2025. Repayment of funding advances to Scottish Government are reflected in the Plan and will be £1.25m from Aberdeen City Council and £1.25m NHS Grampian.

#### **4.3.5 Sustainability (£2.5m)**

The Board is committed to reduce the level of carbon emissions across our property base and all new developments are now delivered with integral technology designed to reduce energy use and consequently carbon emission levels.

The Board is also continuing with the implementation of a range of initiatives under the wider sustainability agenda, including opportunities to improve the availability of information on fleet performance, use of electric vehicles, roll out of installation of electrical vehicle charging points, increase the proportion of our waste that is biodegradable e.g. by reducing reliance on paper towels, participation in the Deposit Return scheme and increasing our recycling rate. However, there continues to be considerable challenges in pursuit of reducing emissions and achieving net zero status. A significant obstacle is the high cost associated with transitioning to renewable energy sources and implementing sustainable practices across various sectors, especially during a period marked by financial constraints within the organisation.

Work is also ongoing to develop a route map to achieve carbon zero, including an energy and utility strategy for the Foresterhill Site and the wider estate. We continue to work closely with partners to explore regional solutions and alternative funding mechanisms. It is anticipated that significant investment beyond that reflected in the Plan will be required in new energy infrastructure and the retrofit of existing buildings infrastructure will be required to deliver the net carbon zero requirement.

#### **4.3.6 Strategic Change – Achieving Financial Balance (2025/26 £1m, 5 Year £416m, Project £1,038m)**

Fundamental redesign is needed to create a sustainable health system in the north east of Scotland. A route map for Strategic Change is being developed to support the redesign needed to achieve financial balance alongside the Board's strategic intent of a sustainable health and care system where enabling wellness and treating illness are more in balance. The whole system review of infrastructure requirements alongside the Route Map for Strategic Change will inform the update and refresh of the future years of this plan.

A key focus in 2025/26 directly impacting on this Plan will include undertaking strategic review of our estate to maximise return on investment and identify and execute opportunities to rationalise our estate where appropriate.

Additionally, the redesign of the system may require specific investment in infrastructure, for example digital technologies to unlock cash releasing savings.

### **Major Hospital Estate**

Development of our existing major hospital estate is a priority for development and significant requirements on both the Foresterhill Campus (FHC) and Dr Gray's Hospital (DGH) site are planned.

At FHC, in the latter years of this five year plan priorities for development and modernisation of our Acute services include a replacement surgical in-patient ward block and theatre suite, phase 1 and a new laboratory block.

In addition to the investment required to maintain and develop the estate at DGH, there are further investment requirements to facilitate delivery of the maternity review. A consultant-led maternity service is planned to be in place in DGH from 2026 and it is likely that investment may be required in relation to theatre capacity and other infrastructure requirements to deliver the full obstetric service.

### **National Treatment Centre (NTC) – Grampian Programme**

NTC projects that Scottish Government featured as part of the Programme for Government are dependent on funding commitments. In line with guidance received in 2024, these projects are paused in the Plan and the funding requirements moved out to later years.

### **Primary and Community Care**

We have a comprehensive Primary Care Premises Strategy setting out priorities across the Grampian area, taking account of the functional suitability and capacity of existing premises and emerging new settlements in line with local development plans. We remain committed to our investment in modern, new-build facilities for Primary Care.

Delivery of primary care premises strategy identified priority areas for investment in the North of City, Denburn/Northfield, Keith, Banchory, Ellon and Danestone.

The GP premises code agreed by the Scottish Government requires Boards to consider the purchase of practice-owned accommodation where this is considered in the best interests of the service. It is anticipated this will be a growing pressure on Boards' capital funding allocations over the five years of the Plan as partners in existing practices consider their retirement plans.



Maintenance requirements of our community hospitals feature heavily in the backlog maintenance programme. At Inverurie, the Wards and Admin Block require significant upgrade and essential maintenance.

### **Forensic Services**

The requirement to upgrade the existing accommodation at Royal Cornhill Hospital was highlighted in the recommendations arising from recent 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.

Arrangements 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.

### **Estate Rationalisation**

A programme to review the estate and identify rationalisation opportunities is underway with potential opportunities to drive cost efficiencies and achieve capital receipts. Anticipated capital receipts are not included at this stage.

In preparing this Plan it has been recognised that the outcome of Whole System Review of Infrastructure requirements is likely to identify areas of further significant planned investment, but these have not been included at this stage.

## Annex A – Expenditure Plan

### Table A – NHS Grampian Five Year Infrastructure Plan – 2025-2030

	2025-26	2026-27	2027-28	2028-29	2029-30	Total
	£ms	£ms	£ms	£ms	£ms	£ms
<b>Funding</b>						
SGHSCD Capital Formula Allocation	14.06	14.06	14.06	14.06	14.06	70.29
Funding Slippage from 2024/25	2.50	0.00	0.00	0.00	0.00	2.50
Project Specific Funding	66.48	1.50	0.34	0.00	0.00	68.31
Capital Receipts Retained Locally	0.30	0.00	0.00	0.00	0.00	0.30
Revenue Budget Sources	0.21	0.21	0.21	0.21	0.21	1.03
Donated Assets Allocation	6.97	0.83	0.50	0.50	0.50	9.30
<b>Total Core Capital Resource Identified</b>	<b>90.51</b>	<b>16.59</b>	<b>15.10</b>	<b>14.76</b>	<b>14.76</b>	<b>151.73</b>
<b>Expenditure</b>						
<b>Resources</b>						
Project Staffing and Support Costs	0.25	0.14	0.14	0.15	0.15	0.83
<b>Total Resource Funding</b>	<b>0.25</b>	<b>0.14</b>	<b>0.14</b>	<b>0.15</b>	<b>0.15</b>	<b>0.83</b>
<b>BLM, Digital and Equipment Programme</b>						
Primary Care Premises Improvement	0.20	0.20	0.20	0.20	0.20	1.00
DDA	0.02	0.02	0.02	0.02	0.02	0.10
Capital through Revenue Equipment	0.38	0.38	0.38	0.38	0.38	1.88
Donated Asset	5.99	0.50	0.50	0.50	0.50	7.99
SURE Unit (Charity Funded)	0.98	0.33	0.00	0.00	0.00	1.31
Contingency	1.00	1.00	1.00	1.00	1.00	5.00
Other 2024/25 Slippage - Committed & Forecast	3.33	0.00	0.00	0.00	0.00	3.33
Business Continuity and Essential Investment Infrastructure Maintenance	3.50	11.03	11.03	11.02	11.02	47.60
BLM of Link Building - Roof	0.96	0.00	0.00	0.00	0.00	0.96
BLM of Link Building - Towers	1.18	0.00	0.00	0.00	0.00	1.18
Equipment Replacement - MRI West	2.00	0.00	0.00	0.00	0.00	2.00
Service Development - Clinical Equipment	1.00	0.00	0.00	0.00	0.00	1.00
Fire compliance remedial (beyond BLM allowance)	1.00	1.00	1.00	1.00	1.00	5.00
Replacement CSSD and Laundry - Remedial Works	0.70	0.00	0.00	0.00	0.00	0.70
RCH Forensic MH Accommodation - Remedial Works (Blair Unit)	1.60	0.00	0.00	0.00	0.00	1.60
Labs Information System (LIMS) - Local Implementation Costs	0.51	0.22	0.00	0.00	0.00	0.73
Bed base Review	0.25	0.00	0.00	0.00	0.00	0.25
Development Funding	0.50	0.50	0.50	0.50	0.50	2.50
<b>Total BLM &amp; Equipment</b>	<b>25.10</b>	<b>15.17</b>	<b>14.62</b>	<b>14.62</b>	<b>14.62</b>	<b>84.12</b>
<b>Projects - Specific Funding</b>						
Baird and Anchor	62.80	0.00	0.00	0.00	0.00	62.80
Radiotherapy and PET Equipment	0.38	1.50	0.34	0.00	0.00	2.21
PET/CT	2.50	0.00	0.00	0.00	0.00	2.50
Switched on Fleet	0.32	0.00	0.00	0.00	0.00	0.32
Mobile DXA - Islands	0.23	0.00	0.00	0.00	0.00	0.23
Labs Information System (LIMS)	0.25	0.00	0.00	0.00	0.00	0.25
<b>Total Project Specific Funding</b>	<b>66.48</b>	<b>1.50</b>	<b>0.34</b>	<b>0.00</b>	<b>0.00</b>	<b>68.31</b>
<b>Planned Expenditure - Committed</b>	<b>91.83</b>	<b>16.81</b>	<b>15.11</b>	<b>14.76</b>	<b>14.76</b>	<b>153.26</b>
Assumed Programme Slippage	-1.32	-0.22				-1.54
<b>Funding to be allocated/(over commitment)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## Appendix 2 – Summary Draft Business Continuity and Essential Investment Infrastructure Maintenance Plan (BCIMP)

### Equipment

#### Equipment Replacement Requirements High/Very High risks estimated costs

	25/26 £000s	26/27 £000s	27/28 £000s	28/29 £000s	29/30 £000s	Total £000s
<b>MEDICAL EQUIPMENT</b>						
MEDICAL EQUIPMENT MANAGEMENT SERVICE	1,400	4,220	2,280	5,560	4,870	18,330
RADIOLOGY	2,000	2,900	3,270	4,040	2,140	14,350
NUCLEAR MEDICINE	15	0	1,040	0	0	1,055
LABORATORY MEDICINE	233	271	271	76	90	941
DENTAL SCHOOL	50	100	600	1,100	500	2,350
CITY IJB	394	431	186	107	33	1,151
ABERDEENSHIRE IJB	106	125	100	27	0	358
MORAY IJB	130	170	124	96	36	556
ARI THEATRES	650	160	120	330	100	1,360
RACH THEATRES	297	32	11	0	16	356
DGH THEATRES	80	80	120	51	0	331
WOODEND THEATRES	405	120	56	16	56	653
AMH THEATRES	0	41	0	0	0	41
RCH	0	32	5	0	5	42
<b>TOTAL MEDICAL EQUIPMENT</b>	<b>5,760</b>	<b>8,682</b>	<b>8,183</b>	<b>11,403</b>	<b>7,846</b>	<b>41,874</b>
<b>NON MEDICAL EQUIPMENT</b>						
MAINTENANCE	365	145	216	0	0	726
DECONTAMINATION	414	475	640	100	300	1,929
LAUNDRY	0	500	1,640	142	900	3,182
CATERING	267	403	437	279	265	1,651
CLEANING	130	230	270	235	270	1,135
VEHICLES	400	650	15	0	1,600	2,665
GROUPS/GARDENING	0	30	30	140	0	200
PORTERING	0	70	60	0	10	140
SECURITY	0	0	262	160	80	502
<b>TOTAL NON MEDICAL EQUIPMENT</b>	<b>1,576</b>	<b>2,503</b>	<b>3,570</b>	<b>1,056</b>	<b>3,425</b>	<b>12,130</b>
<b>TOTAL EQUIPMENT</b>	<b>7,336</b>	<b>11,185</b>	<b>11,753</b>	<b>12,459</b>	<b>11,271</b>	<b>54,004</b>

#### Digital Services High/Very High Risks Estimated Costs

	£000's	£000's	£000's	£000's	£000's	Total
Desktops, Laptops and Monitors	3,024	2,396	1,508	2,363	2,313	<b>11,604</b>
Cyber security	180	0	0	0	0	<b>180</b>
Networks	434	264	544	560	1038	<b>2,839</b>
Data Centres	790	285	0	900	600	<b>2,575</b>
Tele-Communications	86	86	101	86	24	<b>385</b>
<b>Total Cost Digital High/Very High Risks</b>	<b>4,515</b>	<b>3,031</b>	<b>2,153</b>	<b>3,909</b>	<b>3,975</b>	<b>17,583</b>

## Re-profiled Investment Plan Five Year Period 2025/26 to 2029/20

Buildings	25/26 £000's	26/27 £000's	27/28 £000's	28/29 £000's	29/30 £000's	Five Year Total £000's
<b>Wind and Watertight</b>						
Roofs	3,450	4,320	1,250	2,000	1,000	12,020
Structure/Façade	370	440	0	0	750	1,560
Windows	400	820	500	500	2,000	4,220
<b>Sub Total Wind and Watertight</b>	<b>4,220</b>	<b>5,580</b>	<b>1,750</b>	<b>2,500</b>	<b>3,750</b>	<b>17,800</b>
<b>Critical Systems</b>						
Electrics	1,820	3,800	2,750	2,388	2,560	13,318
Drainage	200	1,800	200	200	200	2,600
Building Management systems	200	300	300	500	500	1,800
Lifts	400	400	400	400	400	2,000
Steam, Boilers, Heating and Water	3,375	2,700	1,950	1,950	1,950	11,925
Ducts	1,000	0	0	0	0	1,000
Ventilation	910	1,137	4,687	2,313	2,613	11,660
Nurse Call systems	100	100	100	100	100	500
<b>Sub Total Critical Systems</b>	<b>8,005</b>	<b>10,237</b>	<b>10,387</b>	<b>7,851</b>	<b>8,323</b>	<b>44,803</b>
<b>Buildings - Health, Safety and Compliance</b>						
Ward 4 DGH Ligature reduction	0	0	0	0	0	0
Blair Unit - remaining phase	0	0	1,000	0	0	1,000
Internal decoration and HAI related actions	300	300	300	700	600	2,200
Helicopter Landing pad improvements	100	0	0	0	0	100
Yellow zone link corridor floor coverings	100	0	0	0	0	100
Pro active Asbestos removal	100	300	300	300	300	1,300
Road and pavement repair	300	400	500	500	500	2,200
<b>Sub Total Health Safety and Compliance</b>	<b>900</b>	<b>1,000</b>	<b>2,100</b>	<b>1,500</b>	<b>1,400</b>	<b>6,900</b>
<b>TOTAL BUILDINGS</b>	<b>13,125</b>	<b>16,817</b>	<b>14,237</b>	<b>11,851</b>	<b>13,473</b>	<b>69,503</b>
<b>TOTAL EQUIPMENT</b>	<b>7,336</b>	<b>11,185</b>	<b>11,753</b>	<b>12,459</b>	<b>11,271</b>	<b>54,004</b>
<b>TOTAL DIGITAL</b>	<b>1,740</b>	<b>1,725</b>	<b>3,733</b>	<b>5,409</b>	<b>4,975</b>	<b>17,583</b>
<b>GRAND TOTAL PLANNED INVESTMENT</b>	<b>22,201</b>	<b>29,727</b>	<b>29,723</b>	<b>29,719</b>	<b>29,719</b>	<b>141,090</b>
<b>MAXIMUM AVAILABLE FUNDING</b>	<b>22,201</b>	<b>29,727</b>	<b>29,723</b>	<b>29,719</b>	<b>29,719</b>	<b>141,090</b>
	0	0	0	0	0	0