

## Board of Directors (in Public)

### Item 5.7

**Subject:** Exception Report on the Trust's Response to the National Annual Premises Assurance Model (PAM)  
**Date of Meeting:** Tuesday 27<sup>th</sup> July 2021  
**Prepared by:** Adam Hope, Head of Estates  
**Presented by:** Hayley Kendall, Chief Operating Officer  
**Purpose of Report:** To Note

BAF Reference	Impact on BAF
BAF3	Potential impact on the BAF due to the financial implications of resolving any areas of exception.

Level of assurance					
✓	<b>Acceptable assurance</b> Controls are suitably designed, with evidence of them being consistently applied and effective in practice	<input type="checkbox"/>	<b>Partial assurance</b> Controls are still maturing – evidence shows that further action is required to improve their effectiveness	<input type="checkbox"/>	<b>Low assurance</b> Evidence indicates poor effectiveness of controls

#### 1. Executive Summary

The purpose of this paper is to provide the Board of Directors with an update on the status of the Premises Assurance Model (PAM) at Liverpool Heart and Chest Hospital.

The NHS Premises Assurance Model (PAM) has been developed to support NHS Trusts to make more informed decisions about the development of their estates and facilities services and provides assurances that the estate is safe, efficient, effective and of high quality. As set out in the NHS Standard Contract completion of NHS PAM is now required by all NHS Trusts annually.

This paper will detail the non-compliances identified and an estimated cost to get these areas to a compliant state, although it should be noted that there are only minor areas of non-compliance.

#### 2. Background

The NHS PAM was originally introduced in 2013 and has been regularly reviewed and updated ever since. Originally completion of PAM was optional, however the NHS standard contract was updated in April 2021 and it is now mandatory for all NHS Trusts to complete the return annually.

Currently the national Estates and Facilities services and their costs are benchmarked and collated through the Estates Reporting Information Computer (ERIC). However, this system lacks flexibility and more importantly lacks the governance and compliance transparency which Trust Boards need in order to assure themselves of the estate position, around risks and managing the associated gaps. Whilst the ERIC data can prove useful in many areas, it lacks any qualitative aspects, and focuses primarily upon the cost of the services. ERIC return ignores all aspects of governance and compliance, which is clearly very important to the provision of an effective estate function.

The estate and its related services are integral to the delivery of high-quality clinical care. Therefore, it is essential that the NHS provides a safe, high quality and efficient estate and it is critical that none of these three elements are delivered at the expense of the other two. The objective is to deliver a financially sustainable NHS that takes quality and safety as its organising principle.

In addition to supporting this NHS constitutional right, the main benefits of the NHS PAM are to:

- Allow NHS funded providers to demonstrate to their patients, commissioners and regulators that robust systems are in place to assure that their premises and associated services are safe.
- Provide a consistent basis to measure compliance against legislation and guidance, across the whole NHS.
- Prioritise investment decisions to raise standards in the most advantageous way.

### 3. Methodology

A task and finish group was set up to complete the PAM within the tight timescale set. An initial review of each self-assessment questionnaires (SAQ's) was carried out by the Head of Estates and each question allocated to the best suited person within the trust for completion.

The premises assurance model is measured on the below domains:

Effectiveness	Premises and facilities are functionally suitable, sustainable and effective in supporting the delivery of improved health outcomes.
Efficiency	Space, activity, income and operational costs of the estates and facilities provide value for money, are economically sustainable and meet clinical and organisational requirements.
Patient Experience	Patient experience is an integral part of service provision and is reflected in the way in which services are delivered; and the extent to which patients and members of the public are involved in the development of services and the monitoring of performance.
Safety	The design, layout, build, engineering, and operation and maintenance of the estate meet appropriate levels of safety to provide premises that supports the delivery of improved clinical and social outcomes.
Organisation governance	Organisation's board of directors delivers strategic leadership and effective scrutiny of the organisation's estates and facilities operations and how the other four domains are managed as part of the internal governance of the NHS organisation

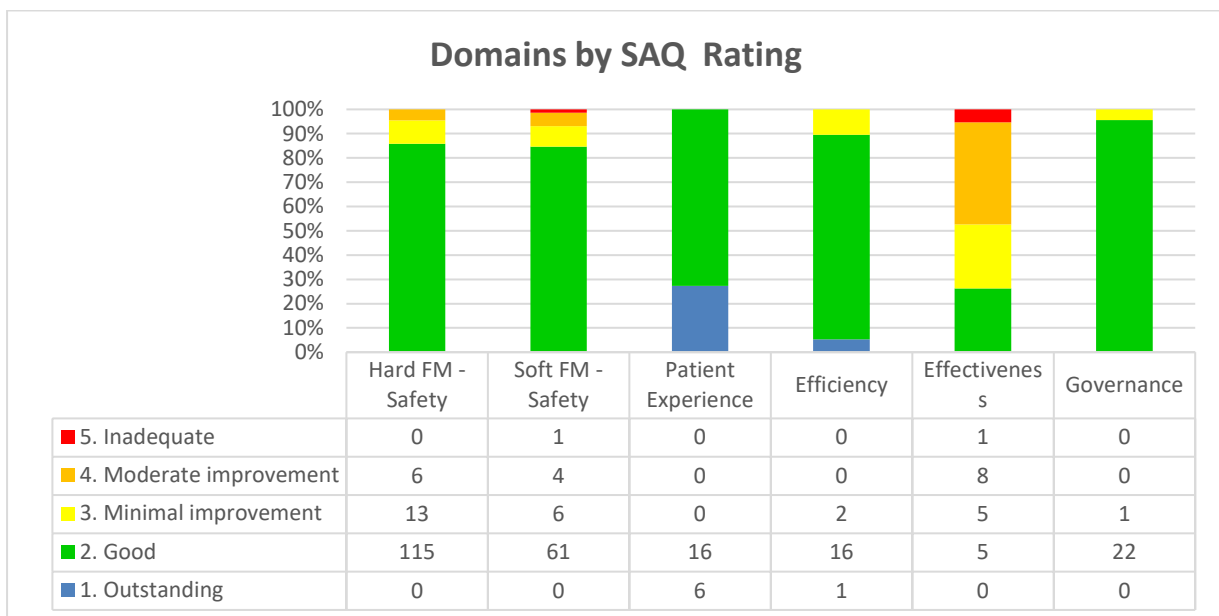
There are SAQ's associated with each domain which Trust must evidence their compliance with. Each questionnaire is split into a series of prompt questions and can be rated using the following

answers:

Outstanding	Compliant plus evidence of very high-quality service and innovation.
Good	Compliant, no action requires (where there was no policy, other documents, procedures & processes were in place to mitigate.
Requires Minimal Improvement	The impact on patients/staff/organisation has the potential to be low.
Requires Moderate Improvement	The impact on patients/staff/organisation has the potential to be medium.
Inadequate	Action is required quickly – high impact for patients/staff.
Not Applicable	Does not apply to the organisation.

#### 4. Summary of Findings

The below chart gives an overview of findings from the completed PAM Model for LHCH:



Over all domains, the PAM assessment has identified 2 areas as 'Inadequate' and these relate to Business Continuity for decontamination and not having an efficient process for acquisition of land and property (note – there is no process in place for acquisition of land as this is not something that has ever occurred, LHCH would appoint suitable representation to develop process if ever required). Decontamination business continuity cover is currently being developed within the appropriate governance channels following the change in portfolio.

Some moderate risks do exist around policy gaps, resources and the lack of assessments in some areas i.e. Estate Strategy and facilities policies (note – the development of the Trust Estates Strategy has commenced with clear delivery timescales in place). It has been highlighted that there is no overarching facilities or portering policies in place and this is to be developed by the facilities team.

## 5. Summary by Domain

The organisation provides assurance for estates, facilities and its support services that the design, layout, build, engineering, operation and maintenance of the estate meet appropriate levels of safety to provide premises that supports the delivery of improved clinical outcomes. The SAQs collectively provide assurance that the design, maintenance and use of facilities, premises and equipment keep people safe.

### 5.1 Safety (Hard FM)

SAQ Code	Is the organisation compliant and well managed with regards to:	Average Rating	SAQ Code	Is the organisation compliant and well managed with regards to:	Average Rating
SH1	Estates & Facilities Operational Management	Good	SH11	Ventilation, Air Con and Refrigeration	Good
SH2	Design, Layout and Use of Premises	Good	SH12	Lifts, Hoists & Conveyance Systems	Good
SH3	Estates & Facilities Document Management	Good	SH13	Pressure Systems	Good
SH4	Health & Safety at Work	Good	SH14	Fire Safety	Good
SH5	Asbestos	Good	SH15	Medical Devices & Equipment	Good
SH6	Medical Gas	Good	SH16	Resilience, Emergency & Business Continuity Planning	Good
SH7	Natural Gas & Specialist Piped Systems	Good	SH17	Safety Issues & Alerts for Estates & Facilities	Good
SH8	Water Safety	Good	SH18	Outsourced Facilities Services	Good
SH9	Electrical Safety	Good	SH19	Contractor Management for Soft and Hard FM	Good
SH10	Mechanical Systems & Equipment	Good			

No serious risks to the organisation were identified in the Hard FM Safety field. Many of the improvements required will be addressed through the new Estates Strategy and review / amendments to various policies and procedures. Some policy gaps that represent a minor risk were identified within the safety fields such as there being no specific 'Mechanical Policy' albeit these items are somewhat addressed within the Estates Maintenance Policy and the Estates Business Continuity Plan, due to this, the level of impact is reduced but the mechanical policy will be developed.

There is an estimated cost of £35,407 to achieve full compliance with Hard FM Safety.

### 5.2 Safety (Soft FM)

SAQ Code	Is the organisation compliant and well managed with regards to:	Average Rating	SAQ Code	Is the organisation compliant and well managed with regards to:	Average Rating
SS1	Catering Services	Good	SS6	Security Management	Minimal Improvement

SS2	Decontamination	Moderate Improvement	SS7	Transport Services and Access Arrangements	Good
SS3	Waste & Recycling Management	Good	SS8	Pest Control	Good
SS4	Cleanliness and Infection Control	Good	SS9	Portering Services	Good
SS5	Laundry & Linen Services	Good	SS10	Telephony & Switchboard	Good

Decontamination overall has scored as 'Requires Moderate Improvement'. Decontamination has recently been handed over to a new lead who has made significant progress in a short period of time. However, more work is still required to achieve desired compliance and governance in this area and links to the risk identified on the Trust Risk Register with actions being progressed over the coming months.

Security Management has an overall rating of 'Requires Minimal Improvement' this is due to the current condition of CCTV on site (note - proposal for replacement approved at Executive Committee 7<sup>th</sup> July 2021 and will be installed over the coming months) and the lack of business continuity plans for the service, which will be developed in line with required governance. Again there have been major improvements over the last 12 months in relation to the Security Service but there are still some minor gaps that require focus.

Many of the improvements required will be addressed through a timely review / amendment to various policies and procedures. Some policy gaps that represent a minor risk were identified within the safety fields.

There is an estimated cost of £39,907 to achieve full compliance with Soft FM Safety.

### 5.3 Patient Experience

This domain measures how the organisation ensures that patient experience is an integral part of service provision and is reflected in the way in which services are delivered. The organisation will involve patients and members of the public in the development of services and the monitoring of performance.

SAQ Code	Is the organisation compliant and well managed with regards to:	Average Rating	SAQ Code	Is the organisation compliant and well managed with regards to:	Average Rating
P1	Engagement and involvement of estates and facilities from users	Good	P4	Ensuring Access and Car Parking Arrangements meet needs of Patients, Staff and Visitors	Good
P2	Perceived condition, appearance, maintenance, privacy and dignity of estate by users	Outstanding	P5	High Quality and Supportive Environments - Grounds & Gardens	Good
P3	Perceived cleanliness of estate by users	Outstanding	P6	Ensuring NHS Catering Services provide adequate Nutrition & Hydration	Good

No issues or risks were identified as part of the patient experience domain and the Trust has good

systems in place to ensure that patient experience is monitored and measured, overall some of the SAQ's scored as 'Outstanding' and others all as 'Good'.

#### 5.4 Efficiency

The organisation provides assurance that space, activity, income and operational costs of the estates and facilities provide value for money, are economically sustainable and meet clinical and organisational requirements.

SAQ Code	Is the organisation compliant and well managed with regards to:	Average Rating	SAQ Code	Is the organisation compliant and well managed with regards to:	Average Rating
F1	Performance Management of Estate and Facilities Operations	Good	F4	Well managed and robust financial control, procedures and reporting in estates and facilities	Good
F2	Well managed approach to improved efficiency in estates and facilities running	Good	F5	Ensuring estates and facilities are continuously improved and sustainability ensured	Good
F3	Improved efficiencies in capital procurement, refurbishments and land management	Good			

Efficiency is monitored by the Trust using various tools including PLACE assessment, ERIC, PAM, CAFM system and audit reports from the external Authorising Engineers and there are no areas of exception that need to be addressed.

#### 5.5 Effectiveness

The effectiveness domain measures how the organisation provides assurance that its premises and facilities are functionally suitable, sustainable and effective in supporting the delivery of improved health outcomes.

SAQ Code	Is the organisation compliant and well managed with regards to:	Average Rating	SAQ Code	Is the organisation compliant and well managed with regards to:	Average Rating
E1	Clear vision and a credible strategy to deliver good quality Estates and Facilities services	Moderate Improvement	E3	A well-managed robust approach to management of land and property	Moderate Improvement
E2	A well-managed approach to town planning	Minimal Improvement	E4	Suitable Sustainability Approach in Place	Moderate Improvement

Effectiveness domain scored poor overall with the majority of SAQ's 'Requiring Moderate Improvement'. The Trust's Estates strategy is currently being developed to reflect the Trust's five-year plan. The Trust is engaging with an external advisor to support the timely development of the strategy.

The Trust's Sustainability Development Management Plan (SDMP) has recently been updated and progress has been made working towards goals within the plan.

There is an estimated cost of £245,000 to achieve full compliance with the effectiveness domain. This cost would cover the development of the Estates Strategy, installation of smart meters across the Trust to allow effective monitoring of energy use, development of an energy efficiency policy and development of air pollution policy and procedure. These areas of development will be reviewed in line with the current five year capital programme and prioritised in line with the Trust's risk management policy, although it should be noted that the five year programme is fully committed.

## 5.6 Governance

The Trust's Board of Directors deliver strategic leadership and effective scrutiny of the organisation estates and facilities operations.

The other four domains are managed as part of the internal governance of the organisation. Its objective is to ensure that the outcomes of the domains are reported to NHS Boards and embedded in internal governance and assurance processes to ensure actions are taken where required.

SAQ Code	Is the organisation compliant and well managed with regards to:	Average Rating	SAQ Code	Is the organisation compliant and well managed with regards to:	Average Rating
G1	Estates and Facilities governance framework has clear responsibilities and that quality, performance and risks are understood and managed	Good	G3	Organisations Board has access to professional advice on all matters relating to Estates and Facilities services	Good
G2	Estates and Facilities leadership and culture reflects the vision and values, encourages openness and transparency and promoting good quality estates and facilities services	Good			

All SAQ's within the Governance domain scored Good overall, and there are no non-conformances to report.

Authorising Engineers are in place for specialist disciplines and annual audits are carried out to assure the Board of compliance and procedures.

## 6. Conclusion

The Liverpool Heart and Chest Hospital has submitted a compliant PAM return for the 2020/21 year.

The NHS PAM provides assurance to the Trust across the range of estates and facilities services and identifies areas requiring improvement which are minor. In addition to providing a high-level summary of how compliance is managed and quality of the estate, the information provides a valuable resource to identify where investment is required through both operational resource and capital investment.

Where gaps have been identified, action plans will be generated to ensure that areas of non-compliance with PAM standards are recorded and appropriately managed to closure in order to

demonstrate continuing and targeted improvement. These will be taken through the Capital Management Group (CMG) and Operational Board as required.

## **7. Recommendations**

The Board of Directors is asked to note the strong performance of the PAM assessment findings and the progress made to achieve a compliant position for the estates and facilities services.

The Board is asked to note that there may be future requests for revenue and capital funding to address any areas of non-compliance which will be assessed in line with the Trust's risk management policy.