SHSCT PERFORMANCE

MANAGEMENT FRAMEWORK

Approved by Trust Board 30th October 2007
Performance management is a key element of the Trust’s Assurance Framework through which the organisation can assure itself and others as to its ability to achieve its objectives.

There are a number of key drivers which require the Trust to have a robust and comprehensive Performance Management Framework and associated performance reporting systems. These include:

- The need to provide strategic direction, corporate priorities and annual performance targets for the organisation, and clarity in respect of the accountability and performance management arrangements.
- The drive for improved performance, effectiveness and efficiency to ensure best use of public funds.
- The commitment by this Trust to the core value of integrity - being open, honest and fair with our stakeholders
- The developments in commissioning arrangements, including the proposed introduction of an activity-based payment regime and potentially a Northern Ireland version of Payment by Results.

Through the effective operation of the Performance Management Framework, the Trust will be able to provide assurance throughout the organisation and to external stakeholders that:

- its strategic objectives are being met,
- there is a focus on the continual improvement of service delivery, and
- there is effective utilisation of all its resources - financial, management and clinical - to support the achievement of high quality, safe and effective services and the delivery of other key organisational objectives and targets.

The Performance Management Framework must be integrated with and be complementary to the Trust’s Governance arrangements, within the overarching Board Assurance Framework. The differentiating factor between the performance management and governance systems is:
Performance Management will focus on those areas of the Trust’s business where improvements can be made or targets must be achieved.

Governance will provide assurance that the standards and obligations set for the Trust are met as a minimum, and that organisational, clinical and social care and financial governance systems are in place and operating effectively. The output from the governance systems and reporting will provide a valuable and independent quality assurance of the performance management systems and reporting.

The diagram below provides an overview of this concept.

**Trust Assurance Framework**

<table>
<thead>
<tr>
<th>Performance Framework assures:</th>
<th>Governance Framework assures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Direction</td>
<td>Minimum standards are met (RQIA, Controls Assurance, etc)</td>
</tr>
<tr>
<td>Clear Corporate Objectives</td>
<td>Statutory obligations are met and statutory functions are delivered</td>
</tr>
<tr>
<td>Annual performance targets</td>
<td>Effective Risk Management is in place</td>
</tr>
<tr>
<td>Effective Performance monitoring and reporting</td>
<td>Quality Assurance of Performance through reporting of complaints, Serious Adverse Incidents, etc.</td>
</tr>
<tr>
<td>Identification of variance and reasons for same</td>
<td></td>
</tr>
<tr>
<td>Effective corrective action</td>
<td></td>
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<tr>
<td>Roll out of successful reform/innovation</td>
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<tr>
<td>Embedding of system and process reform</td>
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**Principles**

There are a number of key principles underpinning the development of the Trust’s performance management framework to ensure focus on the achievement of corporate objectives and the delivery of high quality, safe, effective services. These are that the Performance Framework will:

- Enable the establishment and review of strategic direction, translated into challenging Corporate Objectives and annual targets which describe expected levels of performance, clearly
linked to day to day performance goals for Directors, their teams and individual staff.

- Provide clear accountability for performance targets throughout all levels of the organisation.

- Create a supportive mechanism for measuring, managing and improving performance, with agreed indicators that clearly demonstrate whether the Trust is achieving its objectives and targets.

- Provide the internal source of assurance to the Board on performance as part of the Trust’s Assurance Framework, and be complementary to the Governance Framework.

In adhering to these principles, the Performance Framework will have the following key features:

1. **Strategic Direction, Corporate Objectives and annual delivery targets** which cascade throughout the organisation.

2. **Clearly defined responsibility and accountability** throughout the organisation for the delivery of the above.

3. **Integrated reporting of performance** which looks at a range of performance indicators under agreed domains to enable informed assessment of performance and the contributors to variations in performance (both above and under performance targets).

4. The integrated performance reporting will be **available at all levels of the organisation** in a format and level of detail appropriate to their management needs.

1. **Strategic Direction, Corporate Objectives and annual delivery targets**

The Performance Framework will set out the above through two key documents:

- The rolling Corporate Plan which sets out 3-5 year objectives and annual targets.
The annual Trust Delivery Plan which details the Trust’s response to annual commissioning priorities and targets.

2. Clearly defined responsibility and accountability

The broader accountability arrangements within the HPSS, including the accountability of Trust Board, are set out in the Board Assurance Framework. In relation to Performance Management, the specific accountabilities are:

<table>
<thead>
<tr>
<th>Trust Board</th>
<th>Senior Management Team</th>
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</thead>
<tbody>
<tr>
<td>Determine and review strategic direction</td>
<td>Develop Strategic Direction and Corporate Objectives for approval by Trust Board</td>
</tr>
<tr>
<td>Set and approve Corporate Objectives</td>
<td>Develop Corporate Plan and TDP for approval by Trust Board</td>
</tr>
<tr>
<td>Approve annual Corporate Plan</td>
<td>Develop Performance Framework and provide organisational performance reports which enable comparison through use of benchmarks.</td>
</tr>
<tr>
<td>Approve Trust Delivery Plan</td>
<td>Assign accountability for performance targets</td>
</tr>
<tr>
<td>Approve Performance Framework</td>
<td>Weekly monitoring of performance risks</td>
</tr>
<tr>
<td>Organisational Performance Monitoring</td>
<td>Develop plans for corrective action where required</td>
</tr>
<tr>
<td>Agree the assessment of performance risks</td>
<td>Ensure plans for corrective action are in place</td>
</tr>
</tbody>
</table>

The objectives and targets set out in the Corporate Plan are assigned to Directors in line with their areas of management, professional and clinical responsibility. These responsibilities will be reflected in:

- Directorate Work Plans which detail responsibilities, actions and timescales for the assigned targets. These Plans may be further refined into Team Work Plans
- Individual Performance Review Plans which detail the expected contribution of individual members of staff.

3. Integrated Reporting of Performance
Performance can be judged in a variety of ways and from a range of perspectives. It is critical that a range of perspectives are reported in an integrated way so that performance can be accurately judged across the crucial ingredients of success in financial, operational and quality terms. The key performance perspectives proposed for the Trust’s Integrated Performance Framework are listed under the following domains:

- **Clinical and Social Care Quality** – a range of indicators that will be developed by working with each Director and their teams, and with clinical and professional staff particularly, drawing on accredited indicators from UK and beyond.

- **Patient and Client Satisfaction** – as part of the Trust’s User and Community Engagement Strategy, to develop ways of assessing user satisfaction with the services provided by the Trust. This is currently in development and may take the form of an annual report to Trust Board.

- **Achievement of Access and Targets** – ‘real time’ (where possible) performance reporting against the Ministerial PfA Principal and Supplementary targets, summarised to Trust Board on a monthly basis, supplemented by quarterly reports on progress against Trust-specific targets in Corporate Plan.

- **Efficient Delivery of Care** – a range of indicators that provide assurance that the organisation is making best use of resources.

- **Workforce** – a range of workforce issues can impact on performance (levels and duration of sickness, vacancy levels, etc.)

- **Finance** – Trusts are expected to perform at high levels and achieve financial balance, so it is critical to include financial performance indicators in any integrated performance framework.

- **Staff Satisfaction** – while it is difficult to identify measures of staff satisfaction in any ‘real time’ or even monthly basis, it is critical that the organisation evaluate the organisational ‘climate’ at least annually and for Trust Board to consider the outputs of this evaluation in conjunction with other perspectives of performance.

- **Strategy and Effectiveness** - The perspective of strategy & effectiveness includes market and business development, key trends and forecasts. This will be developed as part of the
ongoing refinement of the Integrated Performance Management Framework.

A sample of performance indicators and benchmarks, at corporate and Directorate level, for those domains suitable for regular (at least monthly) reporting is included in Appendix 1.

4. Performance reporting available at all levels of the organisation

Performance measurement information will be provided at a strategic, tactical and operation level, offering an integrated view of operational performance across the Trust under the agreed domains. This performance management approach will allow the Trust to view performance from multiple perspectives, interpret information, gain insight and judgment and enable effective decision making.

A ‘dash board’ will be developed to present organisational performance against the key performance indicators developed, initially, for the domains of:

- Finance
- Workforce
- Access and Targets
- Clinical and Social Care Quality
- Efficient Delivery of Care

This dashboard will provide a ‘traffic light’ assessment of performance risks with exception reporting where areas of both success and concern will be highlighted. Where possible, benchmarks will be included to provide a basis for judging performance against each indicator. The dashboard indicators must be suitable for regular (at least monthly) reporting.

The content of the dashboard will be subject to continual review and iterative development, due to the changing nature of Departmental and Trust-specific performance targets, development of new performance measurements and benchmarks and in response to performance issues identified through governance and other management processes.
The information will cascade through the organisation through the performance ‘dashboard’, with each layer of the organisation having access to that level of detail appropriate to their management responsibilities, professional and clinical needs, but also providing the ability to ‘drill down’ to further detail if required.

It is critical that performance information is made available in the level of detail to which recognises the responsibilities and accountabilities of that level of the organisation as set out below.

- Trust Board – Corporate and Directorate level
- Senior Management Team – Corporate and Directorate level
- Directors - Directorate and Service level
- Assistant Directors – Service level
- Professional/clinical leads – Assistant Medical Directors, Clinical leads, Service, Team and Practitioner level
- Heads of Service/Team Leaders – Service, Team level and practitioner level
- Governance leads – Service and Team level
- Individual staff - for their individual areas of responsibility as set out in IPR.

While every effort will be made to make the dashboard reporting as comprehensive as possible, this cannot be the only source of performance reporting within the Trust. Additional assurance on performance will be provided by a range of detailed quantitative and qualitative performance reports, provided monthly, quarterly, bi-annual or annually.

These include:

- Priorities for Action Principal and Supplementary Targets
- Progress against the Trust’s Corporate Plan
- Patient/Client engagement/satisfaction
- Workforce Vacancies, sickness levels, etc
- Reform, Modernisation and Efficiency/Productivity
- Staff Training and Development
- Progress on skill mix across staff groups/Directorates
- Performance against Equality/Section 75 requirements
- Staff satisfaction

These reports are either in place or under development.
In addition to the above internal reporting arrangements, external reporting is required to DHSSPS and Commissioners. This includes regular reporting on PfA performance, Reform, Modernisation and Efficiency, and performance against Service and Budget Agreements including written reports on quality outcomes.

Summary

Trust Board will require a range of reports to assure itself that performance is at the expected level and properly managed.

- Corporate and Directorate-specific Integrated Performance Dashboard reporting, provided on a monthly basis. This provides a strategic overview through the use of performance-sensitive indicators initially across the domains of finance; workforce; achievement of access and targets; clinical and social care quality, and efficient delivery of care.
- Monthly reports on performance against Principal Priorities for Action targets: As these targets are the most high profile indicators of the Trust’s performance, a report detailing performance and risk will be brought to Trust Board on a monthly basis.
- Quarterly reports on performance against Supplementary Priorities for Action targets: While these are also high profile performance targets for the Trust, the reporting requirement to DHSSPS and commissioners is quarterly and it is proposed to bring these to Trust Board following submission (due to the timescales involved).
- Quarterly reports on performance against trust-specific targets in Corporate Plan.
- A range of detailed quantitative and qualitative performance reports, provided monthly, quarterly, bi-annual or annually. These include:
  - Patient/Client engagement/satisfaction
  - Workforce Vacancies, sickness levels, etc
  - Reform, Modernisation and Efficiency/Productivity
  - Staff Training and Development
  - Progress on skill mix across staff groups/Directorates
  - Performance against Equality/Section 75 requirements
  - Staff satisfaction
## Development Timetable

<table>
<thead>
<tr>
<th>Activity</th>
<th>Date/Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of Corporate Aim and Objectives</td>
<td>Agreed April 2007</td>
</tr>
<tr>
<td>Development of TDP</td>
<td>Approved May 2007</td>
</tr>
<tr>
<td>Development of Corporate Plan</td>
<td>Approved June 2007</td>
</tr>
<tr>
<td>Monthly reporting on performance against Principal PfA targets</td>
<td>In place since May 2007</td>
</tr>
<tr>
<td>Quarterly performance reporting on Supplementary PfA targets</td>
<td>From October 2007</td>
</tr>
<tr>
<td>Performance Management Framework</td>
<td>To Trust Board for approval in October 2007</td>
</tr>
<tr>
<td>Development of agreed set of performance indicators for ‘performance dashboard’</td>
<td>September to October 2007</td>
</tr>
<tr>
<td>‘Dashboard’ integrated performance reporting</td>
<td>December 2007</td>
</tr>
<tr>
<td>Quarterly report on performance against targets in Corporate Plan</td>
<td>From December 2007</td>
</tr>
<tr>
<td>Annual Report on staff satisfaction</td>
<td>From April 2008</td>
</tr>
</tbody>
</table>

Complementary to the Trust Board performance reporting arrangements, work will be commissioned to provide access to the performance dashboard at all levels within the organisation. It is anticipated that work on this development will commence in December 2007.