INTEGRATED PERFORMANCE ASSURANCE AND REPORTING FRAMEWORK (IPARF)

2025/26

Contents

Appendices:

Appendix 1: Good Governance Indicators per Assurance Committee.

Appendix 2: Overview of NHS Grampian's internal performance management and assurance arrangements 2025/26.

Appendix 3: Repurposed 2025/26 HAWD Report showing agreed Outcomes, KPIs, Deliverables and Outputs including the OIP (DRAFT).

Appendix 4: Guide to Outcomes, KPIs and Deliverables for 2025/26.

1. Introduction

This framework sets out how NHS Grampian will deliver performance assurance and reporting during Financial Year (FY) 2025/26. It builds on the existing Integrated Performance Assurance and Reporting Framework (IPARF), which defines how we plan, measure, and monitor and report performance across the system to support delivery of the Plan for the Future priorities and the Scottish Government's Operational Improvement Plan (OIP).

2. Strategic Context

The Board was escalated to Stage 4 of the escalation and support framework on the 12th May 2025 due to concerns around the Board's financial sustainability, the deterioration of the Board's financial position during 2024/25 and leadership and governance. Nationally, the Scottish Government is shifting focus from the Annual Delivery Plan (ADP) to the Operational Improvement Plan (OIP), Service Renewal Framework (SRF), and the emerging Population Health Plan (PHP). In response, our performance assurance approach must become more targeted, outcome-driven, and aligned to both national and local priorities.

While the current framework has strengthened assurance, several challenges remain. The enhanced performance model for FY2025/26 will support continued progress by:

- Focusing efforts to enable financial and operational stability.
- Clarifying in-year outcomes and their intended impact.
- Aligning deliverables, KPIs, and strategic objectives.
- Streamlining indicators and deliverables to focus on what matters most with realistic targets.
- Supporting reduction of strategic risks overseen by the Board.

To support this, the Board and the Performance Assurance, Finance and Infrastructure Committee (PAFIC) have endorsed the approach:

"Agree that 2025/26 reporting will focus on clearer articulation of in-year outcomes and the improvements they are intended to deliver, supported by SMART deliverables with measurable milestones, and outcome-focused KPIs to strengthen delivery, tracking, and assurance."

The framework aims to:

- Align with national and local priorities.
- Focus on measurable, meaningful in-year outcomes.
- Strengthen assurance from operational delivery through to Board and public reporting.

3. Guiding Principles for shaping Performance

These principles guide how Outcomes, KPIs and Deliverables are defined, measured, and aligned to strategic intent:

Be Outcome-Focused
Understand the difference between what we do (outputs) and what we aim to improve (outcomes). Focus on measurable change.

Apply SMART Thinking
All objectives, deliverables, KPIs, and outcomes should be specific, measurable, and realistic within the year.

Use KPIs to Show Change
KPIs should track improvement, not just activity. Where no direct measure exists, use proxy or narrative indicators.

Connect to the Bigger Picture
Every action should support strategic priorities and risk management to enable longer-term outcomes.

3.1 Enhanced Performance Model for FY2025/26

NHS Grampian will continue to apply its established Performance Framework, which operates across three integrated segments: Plan and Align, Do and Measure, and Monitor, Review and Report. For FY2025/26, this framework will be enhanced to strengthen the articulation of in-year outcomes, improve alignment between deliverables and strategic objectives, and sharpen the focus on outcome-based KPIs to support assurance and improvement. The model demonstrates an end to end view of how outcomes can be realised.

Enhanced Performance Model (2025/26)

4. Plan and Align

This phase ensures that strategic intent is translated into clear, measurable outcomes and aligned delivery.

4.1 Strategic Alignment

The framework is aligned to:

- NHS Grampian's *Plan for the Future.*
- The Scottish Government's *Operational Improvement Plan (OIP).*

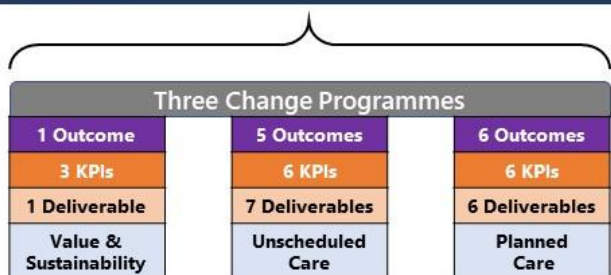**4.2 Operationalisation of the Framework through Change Programmes and OIP**

To ensure delivery is both locally relevant and nationally responsive, NHS Grampian's performance framework for 2025/26 is structured around **two core areas of focus**:

- The **Three Change Programmes** act as the primary vehicles for delivering the priorities aligned to NHS Grampian's *Plan for the Future*. Certain aspects of the Programmes such as Planned Care, Unscheduled Care should drive improvement across focus areas in the Operational Improvement Plan.

- The **Operational Improvement Plan (OIP) Focus Areas** reflect the Scottish Government's national priorities for improving access, efficiency, and sustainability across the health and care system.

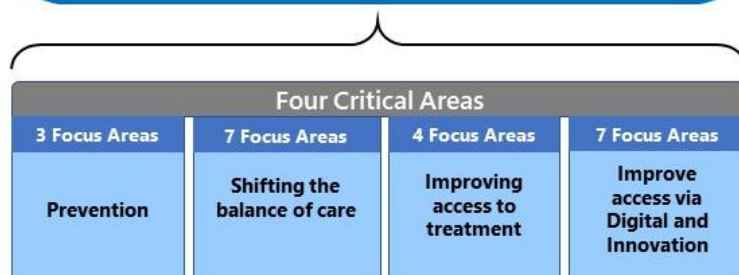| NHS Grampian Annual Delivery Plan (ADP) Objectives	Scottish Government Operational Improvement Plan (OIP)
❖ Balance the system capacity to meet healthcare and population needs whilst delivering financial targets for 2025/26 in line with our finding balance principles ❖ Optimising system capacity and efficiency to enable wellness and respond to illness resulting in reduced clinical risk	The plan brings focus to four critical areas that the Government is committed to delivering, to help protect the quality and safety of care, supported by the increased investment for health and social care in the 2025-26 Scottish Budget: improving access to treatment.

Three Change Programmes

1 Outcome 3 KPIs 1 Deliverable Value & Sustainability	5 Outcomes 6 KPIs 7 Deliverables Unscheduled Care	6 Outcomes 6 KPIs 6 Deliverables Planned Care

Four Critical Areas

3 Focus Areas Prevention	7 Focus Areas Shifting the balance of care	4 Focus Areas Improving access to treatment	7 Focus Areas Improve access via Digital and Innovation

4.3 Outcome Structure and Performance Alignment

Each Change Programme will be underpinned by the performance model using a structured approach to define outcomes that are meaningful, measurable, and time-bound. The type of outcomes committed for delivery are an agreed mix of direct benefits for patient-facing or staff, enabling or internal improvements to support system resilience and processes. They are supported by:

- Selective one or more outcomes-focused KPIs: showing whether the intended change is achieved.
- Deliverables: specific actions we are taking to influence the KPIs.
- Tangible outputs: the work products or milestones that evidence progress and enable the intended improvement towards the outcomes.

The OIP priorities are embedded within the relevant programmes to ensure alignment between national expectations and local delivery. OIP will adopt a similar performance structure to the change programmes.
Example of an Outcome by 31st March 2026: *Fewer people with frailty and multi-morbidity medical patients are admitted to hospital unnecessarily."*

4.4 Alignment of Good Governance Indicators at Assurance Committees

As NHS Grampian adopts a more outcome-focused approach through the Change Programmes and Operational Improvement Plan (OIP), some indicators previously reported at Board level will now be monitored by Assurance Committees as these remain essential for assurance. For example, statutory and mandatory training compliance, while no longer escalated to the Board, continues to be a key indicator for the Staff Governance Committee. To support this shift, each Committee has identified a set of Good Governance Indicators, a focused mix of governance and performance metrics and deliverables. These will enable and support Committees to effectively discharge their responsibilities, ensuring governance remains transparent, accountable, and continuously improving. Details can be found in Appendix 1.

Assurance Committee	Good Governance Indicators for reporting at Committee level
Population Health	Agreed to progress and deliver on Population Health Workplan (KPIs and Deliverables)
Audit and Risk	Proposed Indicators - To be agreed with Committee Chair
Performance Assurance, Finance and Infrastructure	PAFIC Performance Report, Finance Plan, Value and Sustainability, Performance Assurance Framework effectiveness, Key Infrastructure Deliverables: • Maximise return on investment and identify and execute opportunities to rationalise our estate where appropriate • Delivery of the NHSG Climate Emergency & Sustainability Strategy related action plan • Construction of Major Capital Projects
Staff Governance	Indicators agreed for reporting at Committee
Clinical Governance	Majority of indicators agreed

5. Do and Measure

This stage focuses on implementing the plan and tracking progress. It involves delivering agreed Deliverables and Outputs and assessing whether they are contributing to the intended improvements, measured against outcomes-focused KPIs and in-year outcomes. Collectively, there are:

Three Change Programmes			Operational Improvement Plan
12 Outcomes	15 KPIs	14 Deliverables	21 focus areas across four critical areas

Each Programme has undertaken a structured approach to develop KPIs that are outcomes focused with a line of sight to setting realistic targets, and to define Deliverables and Outputs in a way that maintains the integrity of the performance model.

5.1 A more purposeful approach to KPIs

Previous approaches often included a wide range of KPIs, many of which focused on activity rather than improvement. This model takes a more focused and disciplined approach, **selecting** only those KPIs that **directly measure** progress toward outcomes. The following section outlines the criteria used to define an outcomes-focused KPI.

5.2 Outcomes-Focused KPIs

Key Performance Indicators (KPIs) are selected and designed to pass the **'So What?' test**, measuring meaningful improvement, not just activity. They are defined early to guide the right actions and assess whether people, services, or systems are better off as a result of the work.

To be considered outcomes-focused, a KPI should:

- Measure change or improvement *(e.g. Did waiting times reduce? Did patient confidence improve?)*
- Reflect the result of a specific intervention or deliverable *(not just context or background data)*
- Indicate whether something is working *(effectiveness, not just volume or compliance)*
- Relate to people, equity, quality, or system value *(rather than just activity or process)*
- Represent a meaningful improvement if achieved

Examples of outcomes-focused KPI aligned to Outcome:
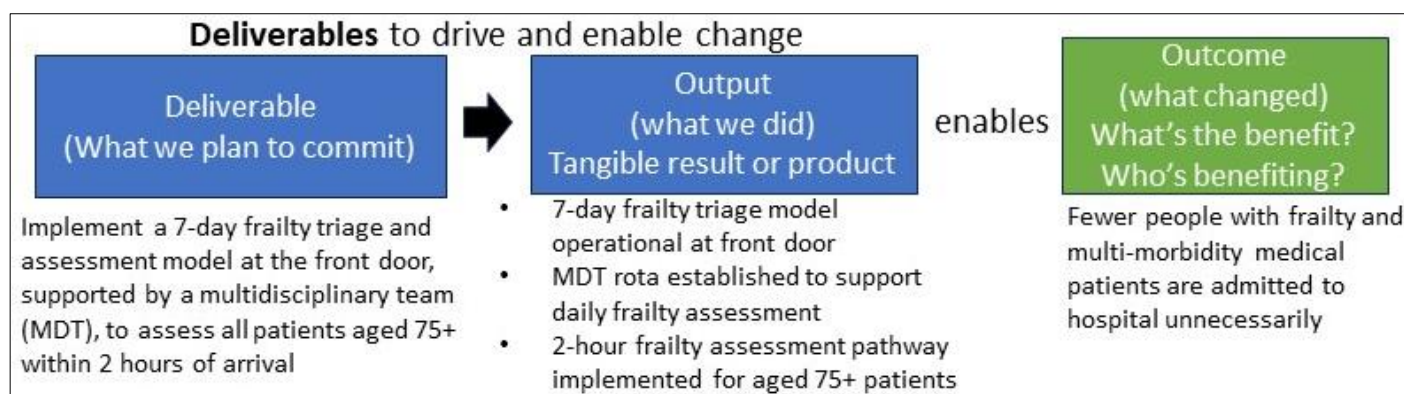
Outcome by 31st March 2026: *"Fewer people with frailty and multi-morbidity medical patients are admitted to hospital unnecessarily."*

Outcomes-focused KPI: % of patients with frailty and multi-morbidity medical patients who receive same-day ambulatory care instead of hospital admission.

5.3 Deliverables and Outputs (Change Programmes and OIP)

To enable the intended improvement and meaningful progress against the outcome, Deliverables and outputs follow a simple logic with clear definitions of its purpose.

Change Programme: Each deliverable has one or more outputs that represent tangible work completed to progress the improvement.

Deliverables to drive and enable change

Deliverable (What we plan to commit): Implement a 7-day frailty triage and assessment model at the front door, supported by a multidisciplinary team (MDT), to assess all patients aged 75+ within 2 hours of arrival

Output (what we did) Tangible result or product:
- 7-day frailty triage model operational at front door
- MDT rota established to support daily frailty assessment
- 2-hour frailty assessment pathway implemented for aged 75+ patients

enables

Outcome (what changed) What's the benefit? Who's benefiting?: Fewer people with frailty and multi-morbidity medical patients are admitted to hospital unnecessarily

For OIP topics that are project-based and not suited to quantitative reporting

What is it?	What are we trying to achieve by 31st March'26	Are we on target?	If Complete/On Track, what actions can be taken to sustain this position? If Minor Delay/Significant Delay, what actions have been taken to recover from this position?	Exec Lead	Notes (insert hyperlinks to national frameworks)
Access to GPs & other Primary & Community Care Clinicians	Contribute to development of a new national quality framework and work to increase capacity and support recruitment and retention of GP workforce	Complete On Track Minor Delay Significant Delay			

For OIP topics that are data-driven and lend themselves to quantitative reporting

What is it?	What are we trying to achieve by 31st March'26	Are we on target?	If not, what actions have been taken to recover from this position?	Exec Lead	Notes (insert hyperlinks to national frameworks)
This is about 52 weeks	Insert KPI here No more than 12181 patients waiting more than 52 weeks	No	If yes, what actions can be taken to sustain this position? Insert justification here		

5.4 Revised Performance Criteria and Definitions (without Performance Wheel Criteria)

Each KPI will be accompanied by the performance criteria and status reporting of Deliverables below:

(A) RAG Ratings for the Performance Scorecards:

The ratings of the Key Performance Indicators within each category highlighted in the Performance Scorecards are based on the criteria below, unless otherwise stated:

Assessment Rating	Criteria
Red	Current performance is outwith the standard/target by more than 5%
Amber	Current performance is within 5% of the standard/target
Green	Current performance is meeting/exceeding the standard/target

(B) Each KPI also has a marker to indicate the direction of performance from the previous quarter, in relation to current target:

Marker	Description
🟢	Improvement in performance from previous quarter
🔴	Decline in performance from previous quarter
⚪	There has been no change between previous and current quarter

Trend graphs to show trend lines will be provided to support circle markers

(C) Performance status reporting of 2025/26 Deliverables:

Achievement of Milestones		Prognosis of delivering 2025/26 Deliverables by 31st March 2026
Yes	No	■ Complete ■ Significant Delay ■ Minor Delay ■ Postponed

6. Monitor, Review and Report

This stage ensures that performance is actively monitored, robustly reviewed and reported with clarity and accountability across the system. It supports strong governance by enabling assurance committees and the Board to evaluate progress, assess risks, and make informed decisions based on evidence.

6.1 Core questions driving Performance Assurance from Change Programmes to Board level

To ensure confidence in the Change Programme's ability to deliver meaningful change, three core questions underpin the design and review of Outcomes, KPIs, Deliverables and Outputs. This ensures that each performance components are robustly designed from the outset.

- Did it result in meaningful progress against the in-year outcomes?
- Are we seeing measurable change?
- Will the output deliver the intended improvement?

These questions form the feedback loop (represented by green arrows in the Performance Model) and are integral to the Performance Framework. A culture of critical reflection and continuous improvement can be embedded if applied consistently across all levels, from the Change Programmes to the Board. This supports the governance requirements of the Board and its Committees by ensuring that performance is actively interrogated and aligned to strategic intent.

The following sections summarise the core elements of NHS Grampian's internal performance management and assurance arrangements, aligned to revised Board and Scottish Government reporting requirements for FY2025/26. A copy of the full document can be found in Appendix 2.

6.2 Multi-level assurance reporting structure (Change Programmes and OIP):
Performance is actively monitored at three levels. Issues are escalated appropriately to enable early intervention and decision-making**:**
↓ **Change Programmes, OIP Leads via Directorate/Portfolio Level/HSCPs:** Operational leads and delivery teams monitor progress against performance with direct responsibility for escalation and early intervention.

↓ **Executive Level - Chief Executive Team (CET):** Formal performance review meetings (Operational and Strategic) are held every 6 weeks using structured question sets to interrogate data, highlight risk themes, and support strategic improvement. Strategic and Operational performance information are reviewed at these meetings.

↓ **Assurance Committees and Board:** Performance assurance is provided to the Board and its Assurance Committees through thematic and strategic reporting aligned to their remits via agreed Good Governance Indicators, Change Programmes and the OIP.

6.3 HAWD (How Are We Doing) Board Performance Report (Repurposed)
The repurposed HAWD report will be a main component of this framework, utilising all aspects of the enhanced performance model for overall format, design and presentation of performance information. The focus of the HAWD report will be the **Three Change Programmes and the OIP**, providing a holistic and thematic view on performance. To support this, the three-tier reporting structure will be retained to support the review of performance information. Voice of our Colleagues and the Voice of our Citizens should be retained to provide a balanced view of reporting. It is envisaged that the repurposed HAWD report could be utilised across **CET, Assurance Committees (PAFIC) and the Board.**

6.3.1 Core reporting products within the HAWD report includes:
➢ Voice of our Citizens.
➢ Voice of our Colleagues.
➢ Tier 1: Organisational Performance Summary across all Change Programmes and OIP.
➢ Tier 2: Performance Summary of individual Change Programme featuring:
  ▪ Outcomes narrative by 31st March 2026.

- Outcomes-focused KPIs presented in performance scorecards supported by sparkline chart on performance trends, trajectories, analysis.
- Deliverables and Key Outputs with quarterly milestone achievement and status, associated OIP alignment links.
- Tier 3: Performance Spotlights of individual Change Programmes will be a condensed version focusing on key risks, mitigations and recovery actions on adverse performance for Executive and Board discussion.
- Performance summary report format for the Operational Improvement Plan
- Overview of National Waiting Times Standards.

A draft version of the revised FY2025/26 HAWD report can be found in Appendix 3.

6.3.2 Reporting Cycle of the HAWD Report

- The HAWD report will be reported on a quarterly basis in FY2025/26 (i.e. Quarter 1, 2, 3 and 4) to the Board. This will also be a quarterly report utilising the same quarterly cycle to the Chief Executive Team at formal performance review meetings and to the Assurance Committees (PAFIC).
- Operational reviews take place at regular intervals with the Chief Executive Team.
- Additional thematic deep-dives are commissioned where appropriate.

6.3.3 Cross system performance information requests, reducing administrative burden, volume of performance reporting and duplication of effort.

- Through the framework and performance model, the process for requesting performance information will be streamlined, significantly reducing the administrative burden across the system.
- The reduction of our KPIs with realistic targets and Deliverables should reduce the volume of performance reporting.
- The repurposed HAWD report should be utilised as a single performance report across multiple reporting layers to reduce duplication of effort on the system.

7. Escalation and Resolution

Performance concerns or risks that cannot be resolved at Programme or Portfolio levels are escalated through structured routes:

- Escalation to CET for collective scrutiny and direction.
- Referral to relevant Assurance Committees for further oversight.
- Escalation to the Board where cross-system or strategic risk impacts require attention.

8. Process and Framework Review

A review of this framework and how it is operating will be undertaken by the Internal Audit function annually, which will be reported to the Audit & Risk Committee and PAFIC.