

| | |
|-------------------------------|--|
| Meeting: | NHS Grampian Board Meeting |
| Meeting date: | 14 August 2025 |
| Item Number: | 10 |
| Title: | Integrated Performance Assurance and Reporting Framework 2025/26 |
| Responsible Executive: | Alex Stephen, Director of Finance |
| Report Author: | Preston Gan, Head of Performance |

1 Purpose and recommendations

This is presented to the Committee for:

- Assurance
- Decision
- Endorsement

Recommendation(s)

The Board is asked to:

- **Endorsement**
 - Endorse the Good Governance Indicators to be reported to Board Committees and the revised How Are We Doing (HAWD) report structure, as the basis for a more prioritised and outcome-focused approach to delivery and performance.

This report relates to:

- Integrated Performance Assurance and Reporting Framework 2025/26.

This aligns to the following NHS Scotland quality ambition(s):

- Safe
- Effective
- Person Centred

This subject matter of this report is relevant to the mitigation of the following strategic risks (further information provided in the Risk section below)

- Inability to meet population demand for Planned Care
- Significant delays in the delivery of Unscheduled Care
- Inability to affectively maintain and invest in NHS Grampian's infrastructure
- Deviation from recognised service standards of practice and delivery
- Inability to achieve the aspirations set out in Plan for the Future due to financial resource constraints and inefficiencies
- Inability to reduce demand through citizen engagement

- Insufficient change and innovation to create a system which can meet demand and deliver on our strategic intent
- Deteriorating Workforce Engagement
- Worsening health in Grampian particularly in those who experience multiple disadvantages

2 Report summary

2.1 Situation

The Board was escalated to stage 4 of the escalation and support framework on 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. At the same time, the national landscape is shifting, with the Scottish Government's (SG) focus moving away from the Annual Delivery Plan (ADP) toward the Operational Improvement Plan (OIP), the emerging Service Renewal Framework, and the Population Health Plan.

In response to these pressures and reflecting recommendations from the external diagnostic review and internal governance expectations, NHS Grampian has redefined the core focus of its performance reporting for 2025/26. The Board and the Performance, Assurance, Finance and Infrastructure Committee (PAFIC) have endorsed a shift toward a more outcome-focused approach, emphasising the need for clearer articulation of in-year outcomes that are measurable, and the improvements they are intended to deliver supported by strengthened alignment between KPIs and Deliverables.

This year, assurance will centre on two key components: three Change Programmes (Planned Care, Value and Sustainability, and Unscheduled Care) and the OIP. These represent the organisation's strategic delivery priorities through which performance will be managed and assured, marking a deliberate shift away from previous ADP reporting approaches.

To meet these expectations, the Integrated Performance Assurance and Reporting Framework (IPARF) has been refocused and underpinned by an enhanced performance model. The updated IPARF will be reviewed in detail by PAFIC at its next meeting in September 2025 and brought to the Board for endorsement in October 2025. There will be an opportunity for all Board members to review and comment on the revised IPARF at the September Board seminar.

2.2 Background

The 2025/26 IPARF builds on the version endorsed by the Board and PAFIC in November 2023. Over the past year, the organisation has gained valuable insights into how performance reporting can more effectively support strategic delivery and assurance. This learning has informed the development of a refined Framework and model that place greater emphasis on clarity, alignment, and impact.

The revised approach reflects a shift towards sharper prioritisation and a more outcome-focused structure, designed to support meaningful performance assurance within the context of the 12-month cycle.

The end-of-year 2024/25 report presented an opportunity to evaluate and rethink how performance reporting for assurance in 2025/26 can be better positioned to evidence the effectiveness of our actions and meet the endorsed approach set by the Board and PAFIC.

2.3 Assessment

Building on the opportunity to reflect at the end of 2024/25, the 2025/26 IPARF and the enhanced performance model strengthens the performance framework by embedding a golden thread from

strategic priorities through to in-year outcomes, outcome-focused KPIs, SMART deliverables, and measurable outputs. The core output of the Framework is the repurposed How Are We Doing (HAWD) Board Performance Report (see Appendix 2 for the template). The development of this approach was undertaken in conjunction with the Chief Executive Team, respective Programme Leads and teams. The following improvements have been implemented as a result of this work:

- **Stronger strategic alignment and performance:** All Key Performance Indicators (KPIs) and deliverables are now directly mapped to clearly defined in-year outcomes, strengthening the link between strategic priorities and measurable improvement.
- **Sharper focus and streamlining:** The number of KPIs has been reduced from 38 to 15 and deliverables from 104 to 14 aligned to 12 outcomes for 2025/26, enabling clearer focus on what matters most and supporting more meaningful assurance.
- **More integrated reporting structure and targeted assurance:** The HAWD report has been repurposed to reflect the full structure of the enhanced performance model, allowing the Board to see how this is translated into measurable progress. Spotlight sections are revised to focus on key risks, mitigations, and recovery actions, shifting from generic narrative reporting.
- **Reduced burden on the system:** The reframed IPARF supports a more coordinated and efficient approach to performance reporting. System-wide requests for information will be streamlined, reducing administrative effort. Duplication is minimised as the HAWD report will act as a single source of assurance across multiple reporting layers.

To support the operationalisation of the Framework, the following appendices have been provided:

- **Appendix 1:** To support the shift in assurance responsibilities, each Board Committee has identified a set of Good Governance Indicators, co-developed with Executive Leads and Committee Chairs and Vice Chairs. These indicators provide focused oversight of governance and performance, helping Committees assess how effectively they are discharging their responsibilities. They reflect NHS Grampian's commitment to transparency, accountability, and continuous improvement.
- **Appendix 2:** A draft version of the repurposed 2025/26 HAWD Board Performance Report template.

In addition, performance reporting for assurance on the OIP will be fully integrated via the HAWD Report, superseding previous interim arrangements. OIP topics that are project-based will be tracked using a status update approach, while data-driven areas will be monitored using appropriate metrics and charts where appropriate. Both formats will provide assurance on delivery, impact, and recovery where needed.

Enhancing Board confidence in performance delivery

The Framework and model have been designed to embed a culture of critical reflection and continuous improvement across all levels from operational delivery teams through to the Board. A core set of assurance questions underpin the development and review of each outcome, KPI, deliverable and output. These are explicitly designed to ensure that every component contributes meaningfully to measurable improvement.

This ensures that performance information provided to the Board and Committees is not only strategically aligned but also tested for its intended impact. It reflects a step change from previous approaches by strengthening governance, increasing confidence in what is being delivered, and

providing clearer visibility of improvement and risk. The full details and methodology that reinforce this assurance approach are set out in the revised IPARF which will be reviewed by the Performance Assurance, Finance and Infrastructure Committee at its next meeting in September.

2.3.1 Quality / Patient Care

The Framework supports improvements in patient outcomes by embedding clear measures of delivery across the Change Programmes and OIP. These address key areas of access, flow, safety, and experience, with further assurance provided through spotlight reporting in the HAWD reporting structure. The Voice of our Citizens will be retained in the HAWD report.

2.3.2 Workforce

The model reduces unnecessary duplication of effort by simplifying reporting requirements and enhancing clarity. This allows teams to focus on delivering improvement and outcomes, rather than responding to overlapping or unclear reporting demands. Additionally, the Framework provides clear guidance to Programme Leads and operational teams, supporting the day to day delivery of both the Programmes and the OIP.

2.3.3 Financial

While not a financial Framework, the IPARF supports financial recovery and sustainability by aligning deliverables and outcomes to the OIP and Value & Sustainability (V&S) programme. This enables clearer monitoring of progress and impact across both financial and non-financial priorities.

2.3.4 Risk Assessment / Management

The Framework strengthens visibility and scrutiny of key risks through targeted spotlighting, performance conversations across multi assurance layers, and escalation mechanisms built into the HAWD reporting cycle.

2.3.5 Equality and Diversity, including health inequalities

The Framework embeds equality and diversity by aligning outcomes, deliverables, and outputs to reduce variation in access and experience. Programmes include targeted actions to address health inequalities and promote person-centred care. Spotlight templates also prompt reflection on how principles such as “Putting People First” and equity considerations will support progress toward outcomes.

2.3.6 Other impacts

The Framework and model will support a more performance-aware culture across the organisation by improving transparency, reducing burden, and making assurance processes more meaningful and accessible at all levels.

2.3.7 Communication, involvement, engagement and consultation

- All Programme Leads, System Leaders, Exec Leads for the Change Programmes are jointly involved in the design, development and agreement of Outcomes, KPIs, Deliverables and Outputs.
- Executive Leads and Chairs/Vice Chairs of Assurance Committees were involved in the consultation and agreement on the Good Governance Indicators.
- Involvement of System Leaders, Executive Leads, Chief Officers on providing updates to the Operational Improvement Plan (OIP).

- OIP, IPARF and HAWD Report Template presented and agreed at Chief Executive Team (CET) Strategic Performance Review Meeting on 29th July 2025.
- OIP presented to PAFIC on 30th July 2025.

2.3.8 Route to the Meeting

- OIP presented at pre-Board on 23rd July 2025.
- OIP, IPARF and HAWD Report Template presented and agreed at Chief Executive Team (CET) Strategic Performance Review Meeting on 29th July 2025.
- OIP presented to PAFIC on 30th July 2025.

2.4 Recommendation

The Board is asked to:

- **Endorsement:**
 - Endorse the Good Governance Indicators to be reported to Board Committees and the revised How Are We Doing (HAWD) report structure, as the basis for a more prioritised and outcome-focused approach to delivery and performance.

3 List of appendices

The following appendices are included with this report:

- Appendix 1: Good Governance Indicators per Assurance Committee.
- Appendix 2: Revised 2025/26 HAWD Report showing agreed Outcomes, KPIs, Deliverables and Outputs including the OIP (DRAFT).