Board Meeting
13.08.26
Open Session
Item 8.1.1

INTEGRATED PERFORMANCE MANAGEMENT, ASSURANCE AND REPORTING FRAMEWORK (IPARF)

Contents

1. Introduction *(Why do we need a Framework?)*

Purpose of the Framework

The Integrated Performance Management, Assurance and Reporting Framework (IPARF) sets out NHS Grampian's approach to managing, assuring and reporting performance during 2026/27. Underpinned by NHS Grampian's Performance Management and Assurance Model, it brings together strategic intent, delivery, performance measurement, assurance and governance within a single framework. It provides a clear line of sight between Strategic Priorities, actions, KPIs and governance arrangements, supporting informed decision-making, accountability and continuous improvement.

Whilst developed primarily to support the Board's Strategic Priority reporting and assurance requirements, the principles, methodology and performance model described within this framework provide a practical approach that may also inform service planning, improvement activity and local performance management arrangements across the organisation.

2. Principles underpinning Performance Management, Assurance and Reporting *(What principles guide our approach?)*

The framework is underpinned by five principles that guide the management, assurance and reporting of performance across NHS Grampian.

- **Principle 1: Assurance and Governance Integrity**

  Performance management, assurance and reporting must support robust assurance, effective scrutiny and informed decision-making.
- **Principle 2: Timeliness and Credibility**

  Performance information should be timely, proportionate and supported by credible and reliable evidence.
- **Principle 3: Performance Insight and Measurable Improvement**

  Performance management should demonstrate measurable improvement against Strategic Priorities through meaningful KPIs and clearly assess whether actions are contributing to improvement.
- **Principle 4: Line of Sight and Alignment**

  There must be a clear line of sight between Strategic Priorities, Actions, KPIs and governance arrangements for accountability and assurance, whilst recognising that improvement may be influenced by multiple factors.
- **Principle 5: Risk and Mitigation Integration**

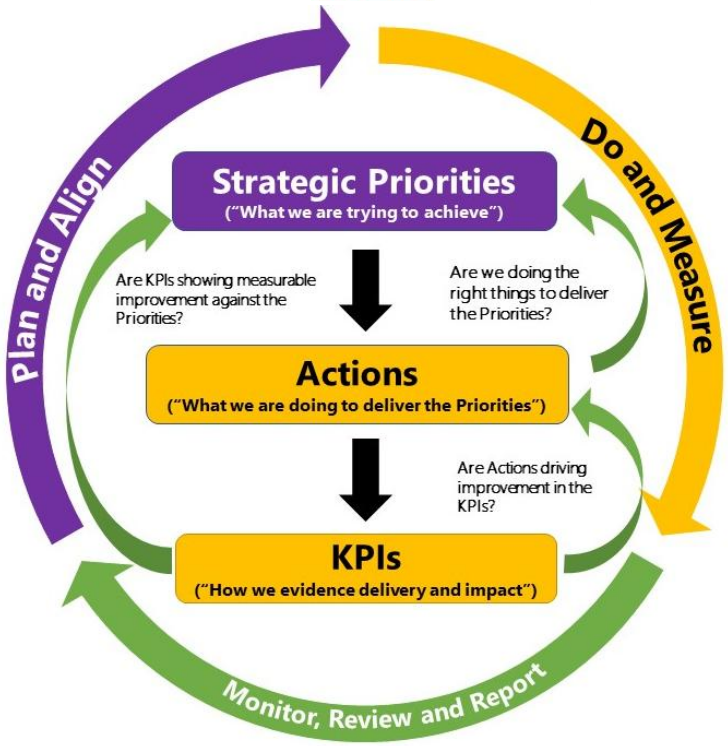
  Risks and mitigations must be considered alongside performance information to support a balanced understanding of delivery, improvement and assurance.

3. NHS Grampian Performance Management and Assurance Model *(How does the model work?)*

To operationalise the principles set out within this framework, NHS Grampian applies its established Performance Management and Assurance Model, which operates across three integrated segments: **Plan and Align, Do and Measure, and Monitor, Review and Report**.

At its simplest, the model is designed to answer five fundamental questions:

- Where are we now?
- Where do we want to get to?
- How will we get there?
- How will we know whether we are making progress?
- Are we achieving the intended improvement?



The model is underpinned by a simple performance logic:

- **Strategic Priorities** define what NHS Grampian is seeking to achieve.
- **Actions** describe what will be done to deliver improvement.
- **KPIs** provide the evidence used to determine whether improvement is being achieved.

Together, these components connect strategic intent, delivery activity and measurable improvement.

The purpose of the model is not simply to confirm completion of actions, but to determine whether those actions are contributing towards measurable improvement and achievement of the Strategic Priorities.

3.1 Understanding the Three Segments

The colour-coding within the model illustrates the relationship between the three integrated segments and the performance logic that sits at its core.

- **Plan and Align** focuses on understanding where we are now, where we want to get to and how we are going to get there. This includes defining the **Strategic Priorities** that NHS Grampian is seeking to achieve and ensuring that priorities, actions and KPIs remain aligned to strategic intent.
- **Do and Measure** focuses on delivering agreed **Actions** that support the Strategic Priorities and establishing meaningful **KPIs** to determine whether improvement is being achieved and intended outcomes are being realised.
- **Monitor, Review and Report** focuses on reviewing KPI performance and wider evidence to assess whether actions are having the intended effect, identify learning and improvement opportunities, and provide assurance through governance arrangements.

Together, the three segments create a continuous cycle of planning, delivery, measurement, review and learning. The feedback loops within the model support critical reflection and continuous improvement by ensuring that Strategic Priorities, actions and KPIs are regularly reviewed, challenged and refined over time.

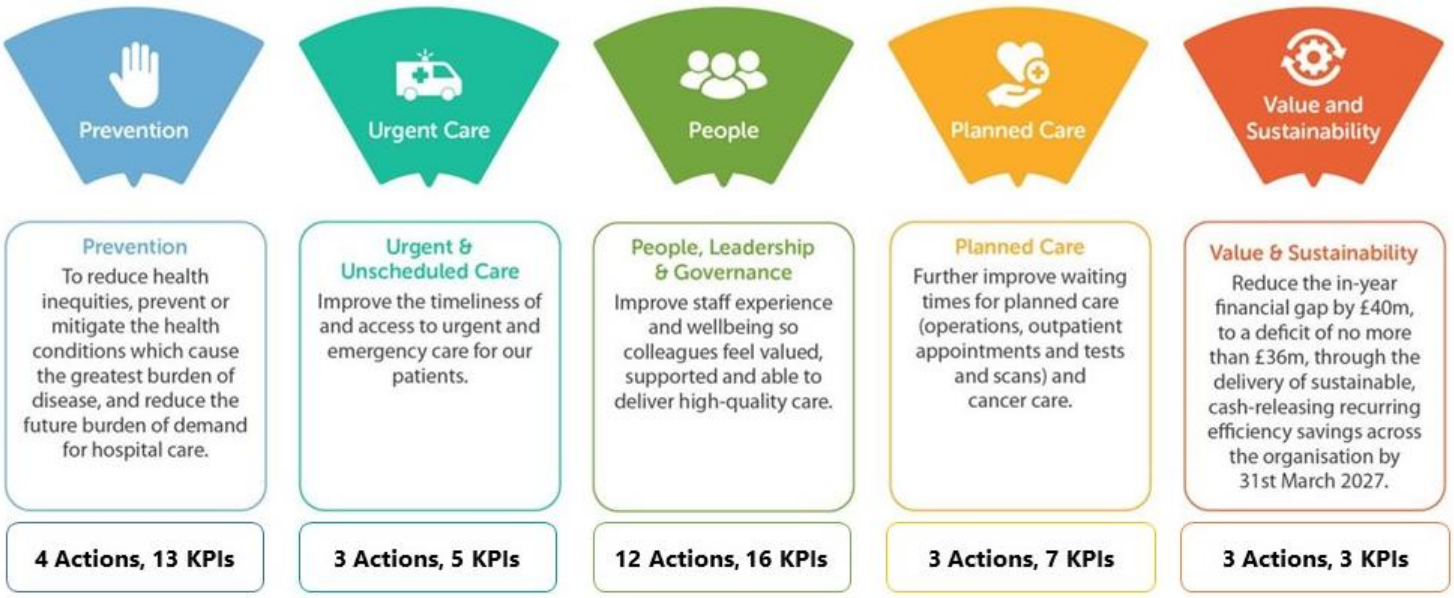
This is achieved through three core questions that sit at the heart of both performance management and performance assurance:

- **Are we doing the right things?**
- **Are actions driving improvement in KPIs?**
- **Are KPIs showing measurable improvement?**

Applied consistently, these questions ensure that performance information is used not only to assess progress, but also to provide assurance that the actions being taken are contributing towards the intended improvement and achievement of the Strategic Priorities.

4. Operationalising the Framework through the 2026/27 Strategic Priorities *(What must we do?)*

The Performance Management and Assurance Model is operationalised through NHS Grampian's Strategic Priorities. Each Strategic Priority is supported by actions, KPIs, risks and mitigations, providing a consistent basis for performance management, assurance and reporting.



For 2026/27, the framework is applied across five Strategic Priorities comprising 25 actions and 44 KPIs. Successful application of the framework requires a clear relationship between Strategic Priorities, actions and KPIs. Strategic Priorities define what NHS Grampian is seeking to achieve. Actions describe what will be done to deliver improvement. KPIs provide the evidence used to determine whether the intended improvement is being achieved. This relationship should be evident throughout the planning, delivery, review and assurance process.

4.1 Plan and Align

The Plan and Align phase establishes the foundation for delivery, performance management and assurance. It focuses on understanding the current position, identifying key challenges and priorities through different perspectives, defining the intended improvement, and determining how improvement will be achieved. For each Strategic Priority, Executive and Operational Leads should establish:

- that it is specific and realistic and capable of demonstrating improvement within the reporting period;
- the intended improvement or outcome to be achieved; together with the actions and KPIs required to evidence success;
- the principal risks, mitigations and dependencies that may affect delivery;
- clear ownership and accountability arrangements; and
- a clear line of sight between the Strategic Priority, the actions and KPIs

To support consistency, transparency and assurance, each KPI should be supported by a **KPI Specification Table** (or equivalent measurement plan). This should clearly define what success looks like, how the KPI will be measured, the data source, reporting frequency, baseline, target and ownership arrangements. The KPI Specification Table serves as the agreed measurement plan and playbook for each KPI, ensuring a shared understanding of how improvement will be measured, monitored and reported.

4.2 Do and Measure

The Do and Measure phase focuses on delivering agreed actions and developing the performance information required to evidence progress and improvement. It is through this phase that NHS Grampian implements the actions aligned to each Strategic Priority, establishes meaningful KPIs and gathers the

information needed to understand whether improvement is being achieved. Executive and Operational Leads should:

- implement and monitor agreed actions;
- develop and apply meaningful KPIs aligned to the Strategic Priority;
- establish baselines, targets and expected trajectories for improvement;
- gather, analyse and interpret performance information;
- utilise appropriate leading and lagging indicators where required; and
- use evidence to support decision-making, learning and continuous improvement.

Performance information should provide meaningful insight into both delivery and impact. KPIs should be carefully selected to demonstrate whether actions are contributing to the intended outcomes and whether measurable improvement is being achieved. Where appropriate, a combination of quantitative and qualitative measures, together with leading and lagging indicators, may be used to provide a balanced understanding of performance.

4.3 Monitor, Review and Report

The Monitor, Review and Report phase focuses on reviewing performance information, assessing whether intended improvements are being achieved, and obtaining assurance that actions remain effective, appropriate and aligned to the Strategic Priorities. Executive and Operational Leads should:

- review performance information and KPI trends;
- assess whether agreed actions and KPIs remain appropriate, effective and aligned to the intended improvement;
- consider risks, mitigations and dependencies alongside performance information;
- identify learning, improvement opportunities and corrective actions where required;
- apply the three core assurance questions within the Performance Management and Assurance Model; and
- report progress and seek assurance through established governance arrangements.

Performance review should consider Strategic Priorities, actions, KPIs, risks and mitigations collectively rather than in isolation. This ensures performance management and assurance remain focused on whether NHS Grampian is delivering the intended improvement and achieving the outcomes set out within its Strategic Priorities.

5. Performance Assessment and Assurance *(How is performance assessed?)*

The purpose of performance assessment and assurance is to determine whether NHS Grampian is delivering the intended improvements set out within its Strategic Priorities and whether sufficient confidence exists that actions are contributing towards measurable improvement. Performance should be assessed through consideration of KPI performance, direction of travel, action status, risks and mitigations, rather than any single element in isolation.

5.1 Performance Assessment Methodology

The assessment of performance against the Strategic Priorities is based on three core components:

- KPI Performance
- Direction of Travel
- Action Status

These components provide a balanced assessment of both delivery and improvement.

5.2 KPI Performance

KPI Performance assesses current performance against agreed targets using the following criteria:

RAG Ratings for Strategic Priorities:

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

5.3 Direction of Travel

Direction of travel provides additional context to current KPI performance by indicating whether performance is improving, declining or remaining unchanged over time. It needs to be read together with KPI Performance RAG Ratings to determine whether performance is moving in the desired direction, irrespective of current performance status. Quarter 1 compares against baseline where Quarter 2 to 4 will compare against previous quarters.

Marker	Description
	Performance is improving, and meeting or moving closer to target
	Performance is improving, but diverging from target
	Performance is declining, and diverging from target
	Performance remains unchanged
	Performance information unavailable

5.4 Action Status

Action status assesses progress against the agreed actions supporting delivery of the Strategic Priority.

Status of our 2026/27 Actions	
Delivered	Completed as planned
On Track	Progress consistent with planned trajectory
Off Track	Risk of not delivering as planned
In Development	Preparatory work underway; implementation scheduled to commence in a future reporting period.
Not Started	Not yet commenced

Action status provides assurance on whether the planned activities intended to deliver improvements are progressing as expected.

5.5 Forming an Overall Assessment

Assessment of performance should not rely on KPI performance, direction of travel or action status in isolation. Executive and Operational Leads should consider these elements collectively, together with relevant risks and mitigations, to provide an evidence-based assessment of progress against each Strategic Priority.

In forming an overall assessment, consideration should be given to:

- whether actions remain appropriate and are contributing towards measurable improvement;
- whether the intended improvement is being achieved;
- whether risks are being effectively managed; and
- the level of confidence in achieving the Strategic Priority.

This assessment should provide assurance on progress, identify areas requiring further attention and support informed decision-making through governance arrangements.

6. Governance and Internal Assurance Arrangements *(How is assurance obtained?)*

Effective performance management and assurance requires clear governance, defined accountability and regular review of performance information. NHS Grampian's internal assurance arrangements support the application of the Performance Management and Assurance Model by ensuring that Strategic Priorities, actions, KPIs, risks and mitigations are subject to appropriate scrutiny, challenge and oversight. This enables issues to be identified early, corrective action to be taken where required, and assurance to be obtained on progress towards the Strategic Priorities before onward reporting to the Board.

6.1 Internal Assurance Framework

Performance assurance is obtained through a structured governance process that supports review, challenge and decision-making at Operational, Executive, Assurance Committees and Board levels. The assurance chain for the 2026/27 Strategic Priorities operates through:

Operational and Directorate Review
Executive Lead Oversight
Executive Team Performance and Risk Review
Assurance Committees
NHS Grampian Board

Each level provides increasing scrutiny and assurance regarding the delivery of Strategic Priorities, achievement of improvement evidenced through KPIs, management of risks and effectiveness of mitigating actions.

6.2 Executive Team Performance and Risk Review

The Executive Team Performance and Risk Review Meeting provides the primary internal forum for reviewing performance and obtaining assurance against the Strategic Priorities. The meeting enables NHS Grampian to:

- review progress against Strategic Priorities, actions and KPIs;
- assess risks, mitigations and delivery challenges;
- apply the Performance Assessment and Assurance methodology;
- identify areas requiring intervention or support; and
- determine whether sufficient assurance exists prior to onward reporting through governance arrangements.

6.3 Board Assurance

The Board receives assurance through the agreed performance reporting arrangements and associated governance processes. The purpose of Board reporting is to:

- provide assurance on progress against Strategic Priorities;
- demonstrate measurable improvement evidenced through KPIs;
- highlight significant risks, challenges and mitigations;
- support informed decision-making; and
- enable the Board to discharge its governance and accountability responsibilities.

6.4 Performance Reporting Products

The framework supports a suite of reporting products designed to provide performance management information, assurance and governance oversight across NHS Grampian. The principal reporting product is the **HAWD (How Are We Doing) Board Performance Report**, which provides a structured overview of performance against NHS Grampian's Strategic Priorities and supports review through NHS Grampian's governance and assurance arrangements.

The HAWD report incorporates:

- Tier 1: Organisational Performance Summary;
- Tier 2: Strategic Priority Performance Reports; and
- National Waiting Times Standards

The report provides a consistent view of:

- Strategic Priorities;
- Agreed Actions;
- KPI Performance;
- Direction of Travel;
- Risks and Mitigations; and
- Executive Lead overall assessment of progress and assurance.

The HAWD report forms the primary mechanism through which performance information is reviewed, challenged and reported through NHS Grampian's internal governance and assurance arrangements.

6.5 Reporting Cycle

Performance information should be reviewed throughout the year to support timely decision-making, effective assurance and continuous improvement.

- The HAWD report will be reported to both the Executive Team and Board during 2026/27.
- Operational and Directorate reviews take place at regular intervals to support ongoing performance management, assurance and escalation where required.
- Additional thematic deep-dives are commissioned where appropriate.

7. Accountability, Roles and Responsibilities *(Who is accountable?)*

Performance management, assurance and reporting is a collective responsibility across NHS Grampian. Effective application of this framework requires clear accountability, ownership and oversight at all levels of the organisation.

7.1 NHS Grampian Board

The Board is accountable for ensuring appropriate arrangements are in place to manage performance, obtain assurance and support delivery of NHS Grampian's Strategic Priorities.

Responsibilities include:

- providing strategic direction and oversight;
- receiving assurance on progress against Strategic Priorities;
- reviewing significant risks, challenges and opportunities;
- holding the Chief Executive and Executive Team to account for delivery and improvement; and
- ensuring NHS Grampian maintains effective performance management, assurance and reporting arrangements.

7.2 Assurance Committees

The Board's Assurance Committees provide oversight, scrutiny and assurance within their respective remits and support the Board in discharging its governance, accountability and assurance responsibilities. Collectively, the Committees provide challenge and assurance regarding performance, risk, governance, quality, workforce and population health matters before onward reporting to the Board.

Responsibilities include:

- reviewing performance, risks, controls and assurance relevant to their delegated remit;
- seeking assurance regarding delivery of Strategic Priorities, programmes of work and associated improvement activity;
- providing constructive challenge regarding performance, delivery, risks and mitigating actions;
- identifying areas requiring further scrutiny, investigation or corrective action;
- escalating significant concerns, risks or opportunities to the Board where appropriate; and
- providing assurance to the Board through established governance and reporting arrangements.

The Performance Assurance, Finance and Infrastructure Committee (PAFIC), Staff Governance Committee, Clinical Governance Committee and Population Health Committee each contribute to NHS Grampian's overall assurance framework through consideration of matters within their respective remits.

7.3 Chief Executive and Executive Team

The Chief Executive and Executive Team are collectively accountable for the delivery of NHS Grampian's Strategic Priorities and the effective operation of this framework.

Responsibilities include:

- providing organisational leadership and direction;
- overseeing delivery of Strategic Priorities;
- reviewing organisational performance, risks and mitigations;
- ensuring appropriate corrective action is taken where required; and
- providing assurance to the Board through established governance arrangements.

7.4 Executive Leads

Executive Leads are accountable for delivery of their assigned Strategic Priorities and for ensuring that performance, risks and assurance arrangements remain effective within their area of responsibility.

Responsibilities include:

- ensuring Strategic Priorities, actions and KPIs remain aligned;
- maintaining oversight of performance, delivery and progress against agreed actions and KPIs;
- ensuring risks and mitigations are actively managed;
- providing assurance through governance arrangements; and
- leading improvement activity where performance is not on track.

7.5 Operational Leads

Operational Leads are responsible for the day-to-day delivery of actions supporting the Strategic Priorities.

Responsibilities include:

- implementing agreed actions and interventions;
- supporting the development and monitoring of KPIs;
- maintaining performance information and evidence;
- identifying risks, issues and opportunities;
- supporting performance review processes; and
- escalating concerns where delivery or performance is at risk.

7.6 Performance Team

The Performance Team provides organisational leadership, coordination and support for the development, implementation, operation and continuous improvement of the framework.

Responsibilities include:

- supporting performance management, assurance and reporting processes;
- facilitating performance review and governance arrangements;
- providing performance analysis, insight and independent challenge;
- supporting the development of KPI frameworks, performance methodologies and reporting arrangements;
- coordinating Board and governance reporting requirements; and
- maintaining and continuously improving the framework.

8. Escalation and Exception Reporting *(How are issues identified and managed?)*

Effective performance management and assurance requires the timely identification, escalation and resolution of performance concerns, delivery issues and emerging risks.

8.1 Escalation Triggers

Escalation should be considered where:

- KPI performance continues to deteriorate or remains significantly below target;
- agreed actions are off track or unlikely to be delivered as planned;
- risks are increasing and existing mitigations are insufficient;
- delivery issues are likely to affect achievement of a Strategic Priority; or
- additional organisational support, resource or intervention is required.

8.2 Escalation Process

Issues should be managed at the lowest appropriate level wherever possible. Where concerns cannot be resolved through normal management arrangements, they should be escalated through the established governance and assurance process. Depending on the nature and severity of the issue, escalation may include review through Executive Lead oversight arrangements, the Executive Team Performance and Risk Review, and the Board.

8.3 Exception Reporting

Exception reporting provides a mechanism for highlighting significant performance concerns, emerging risks or delivery issues requiring additional scrutiny or intervention outside routine reporting arrangements.

Exception reports should clearly describe:

- the issue being escalated;
- the impact on delivery or performance;
- the underlying causes and contributing factors;
- actions taken to date;
- proposed mitigating actions; and
- the support, decision or intervention required.

The purpose of exception reporting is to ensure that material issues are identified, understood and actively managed before they affect delivery of the Strategic Priorities.

9. Framework Review and Continuous Improvement *(How is the framework improved?)*

This framework will be reviewed annually to ensure it remains fit for purpose and continues to support effective performance management, assurance and reporting across NHS Grampian. The review will be

undertaken by the Internal Audit function and reported to the Audit & Risk Committee and the Performance Assurance, Finance and Infrastructure Committee (PAFIC).

The review will consider:

- the effectiveness of the framework in supporting performance management, assurance and reporting;
- feedback and learning from its practical application;
- changes to organisational priorities, governance or reporting requirements; and
- opportunities for improvement and refinement.

Any changes arising from the review process will be considered through the appropriate governance arrangements and incorporated into future versions of the framework.