

**TRUST BOARD**  
**29<sup>th</sup> July 2010**

<b>TITLE</b>	<b>Trust Performance Framework</b>
<b>EXECUTIVE SUMMARY</b>	<p>This document sets out the performance management framework at Ashford and St. Peter's Hospitals NHS Trust.</p> <p>The Trust has processes in place for managing performance at corporate and operational levels. The Framework describes the responsibilities of the Board and its sub-committees, particularly the Finance Committee and Trust Executive Committee (TEC) and the information to be received by each.</p> <p>The Framework also sets out in detail the arrangements for operational performance management, including the content of Directorate performance reports, attendance at meetings, the outputs of the meetings and reporting lines to the Board and its sub-committees.</p>
<b>BOARD ASSURANCE (Risk) / IMPLICATIONS</b>	Weak performance review would expose the Trust to major business and financial risks. An effective performance management framework supports the Trust in achieving its strategic objectives, will strengthen its position in the move to Foundation Trust status and support good financial management.
<b>STAKEHOLDER / PATIENT IMPACT AND VIEWS</b>	This Framework was approved by the TEC. When approved by the Trust Board it will be communicated widely via the TEC and individual Directorates. It will be widely available to staff via TrustNet and communicated to staff via the e-bulletin.
<b>EQUALITY AND DIVERSITY ISSUES</b>	None identified
<b>LEGAL ISSUES</b>	None identified
<b>The Board is asked to:</b>	Review the draft document and approve.
<b>Submitted by:</b>	Sue Robertson, Head of Business Development on behalf of Valerie Howell, Deputy Chief Executive
<b>Date:</b>	8 <sup>th</sup> July 2010
<b>Decision:</b>	For approval

## **Trust Performance Framework**

### **Draft for Trust Board**

**July 2010**

### **Executive Summary**

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The Framework also sets out in detail the arrangements for operational performance management, including the content of Directorate performance reports, attendance at meetings, the outputs of the meetings and reporting lines to the Board and its sub-committees.

This Framework will be approved by the Trust Board and communicated widely via the TEC and individual Directorates. It will be widely available to staff via TrustNet and communicated to staff via the e-bulletin.

## 1. Introduction

The Trust is subject to external performance management by a number of bodies:

- Care Quality Commission
- Department of Health, through the SHA Performance Framework
- Monitor's Compliance Framework (when an FT)
- PCTs, through contract standards.

The Trust has also set its own targets, related to the achievement of corporate objectives set out in the Integrated Business Plan and annual Business Plan.

This paper describes the framework through which the Trust is assured that appropriate performance management arrangements are in place corporately, through the Board and its sub-committees, and operationally, through the Directorate performance management processes. It also describes the links between corporate and operational performance management.

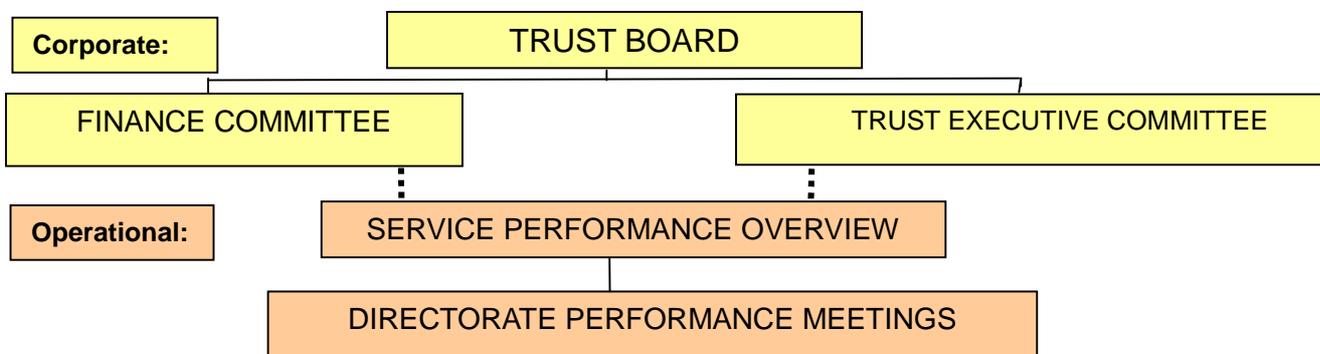
The Trust has processes for identifying poor performance and its causes, instigating corrective actions, and escalating where necessary to the Board or sub-committees, on an exception basis.

The performance framework is based on the following principles:

- Transparent – clear, pre-determined performance measures
- Consistent – a uniform approach across Directorates
- Proactive – thresholds for intervention that identify underperformance at an early stage so that it can be addressed swiftly
- Proportionate – interventions are related to level of risk
- Focused on recovery – actions taken to address the root causes of issues: local or system-wide

## 2. Corporate Performance Management Structure

The diagram below shows the Trust's corporate performance management structure, in which the Board is supported by two sub-committees: the Finance Committee and the Trust Executive Committee.



Key Members of the sub-committees are:

<b>Finance Committee</b>	<b>TEC</b>
Non-Executive Directors	Chief Executive
Director of Finance and Information	Deputy Chief Executive/Chief Operating Officer
Chief Operating Officer	Chief Nurse
Director of Workforce and Organisation Development	Medical Director
	Director of Workforce and Organisation Development
	Clinical Directors, Cancer lead Consultant

The key performance management information considered by the Board and the sub-committees is as follows:

<b>Board</b>	<b>TEC</b>	<b>Finance Committee</b>
Balanced scorecard	Balanced scorecard	Finance
Exception reports and key variances	Clinical quality and performance	Workforce
SLR		SLR

The Board will consider exception reports, presented to the Board by the appropriate Executive Director, with a root cause analysis and proposed actions, identifying which Directorates are responsible. The Board will consider any red-flagged performance and the outcome of its discussions will be minuted. Performance issues brought to the Board may have been raised from the operational performance meetings or from the sub-committees.

As part of the Board development programme, the Trust will schedule an annual workshop to review the adequacy and appropriateness of the finance and performance data being received by the Trust Board and the performance of the sub-committees.

### **3. Operational Performance management**

The process for operational performance management is based on formal performance review meetings held monthly or bi-monthly for each Clinical Directorate.

Non-clinical, corporate directorate performance will be reviewed quarterly.

#### **3.1 Frequency of Clinical Directorate Performance meetings**

Meeting will normally be held monthly. However, the Chief Operating Officer and other Executive Directors will assess the performance of each Directorate in terms of achievement of key indicators, including financial management and achievement of key performance indicators. If current performance indicates performance is being managed well by the Directorate, frequency of meetings may be reduced to bi-monthly.

These monthly/bi-monthly meetings are supplemented twice a year by formal half-year and year-end review meetings, chaired by the Chief Executive and attended by the Medical Director.

Dates of meetings will be scheduled at the start of each year. If cancellation of a planned performance meeting is unavoidable, a new date will be scheduled with the following month.

### **3.2 Attendance required at monthly/bi-monthly meetings**

Meetings are chaired by the Deputy Chief Executive. Other Executive Directors attending are the Directors of Finance and Information, Workforce and Organisational Development and Chief Nurse.

Clinical Directorate members attending are the Clinical Director, General Manager, Service Managers and Matrons, supported by their Directorate Accountant and HR Business Partner.

### **3.3 Content of meetings**

The following elements will be included in all meetings:

- patient experience/quality metrics
- achievement of national and locally-agreed targets
- clinical activity
- workforce metrics
- financial performance, including income, pay and non-pay expenditure, achievement of savings targets

Directorates will produce written performance reports, using the Trust's standard format (see Appendix 1), with papers and agendas circulated to attendees one week in advance of the meeting.

Reports will include a RAG-rated (red amber green) performance dashboard and a list of the action points agreed at the previous meeting.

Information for performance reports will be derived from the following sources:

- activity information, derived from PAS, access via the Information Services(IRIS) reports
- financial information, derived from Oracle SBS, supported by the Directorate Accountant, including financial forecasts and clear corrective actions, where required
- HR information, derived from ESR and supported by HR Business Partners

### **3.4 Outputs from Performance Meetings**

Action points will be clearly agreed during the performance meeting and formally documented at the time. Notes and action points will be circulated to all those normally attending the meeting.

In addition, Directorates will maintain an action log, tracking issues, action plans and current status, for review at subsequent performance meetings. (Appendix 2)

Where appropriate performance issues may be referred to the Monthly Service Performance overview meetings, chaired by the Chief Operating Officer, with all General Managers attending. The group will review operational performance issues, particular any requiring cross-Directorate interventions.

#### **4. Conclusion**

This framework defines the Trust's processes for corporate and organisational performance management.

Weak performance review would expose the Trust to major business and financial risks: risks to service management, achievement of national and local targets, financial management and delivering value for money. An effective performance management framework supports the Trust in achieving its strategic objectives, will strengthen its position in the move to Foundation Trust status and support good financial management.

#### **References:**

The NHS Performance Framework: implementation guidance – Department of Health, April 2010  
Performance Management Review Ashford and St Peter's Hospitals NHS Trust draft – KPMG, April 2010

## APPENDIX 1

### Format of monthly Directorate performance reports

Directorate Performance reports will include the following elements:

- Action points from last meeting
- Directorate action log (see Appendix 2)
- Performance dashboard – RAG rated

with a written report detailing performance (and any remedial action being taken) for each of the following:

#### 1. Patient Experience/Quality:

- 1.1 Patient surveys and feedback
- 1.2 Matrons' scorecard
- 1.3 Complaints
- 1.4 PALS feedback

#### 2. Performance against key targets

- 2.1 18 weeks
- 2.2 26 week/13 weeks
- 2.3 4 hour A&E
- 2.4 Cancer access
- 2.5 CQUIN Targets:
  - VTE
  - Patient Experience
  - EQ programme
  - electronic discharge summaries
  - alcohol A&E letters
  - smoking cessation referrals
  - Chlamydia screening
- 2.6 Directorate specific targets (eg fractured hip, cardiac thrombolysis)
- 2.7 PCT targets

#### 3. Activity

- 3.1 Monthly activity against plan
- 3.2 Market share

#### 4. Workforce and Organisational Development

- 4.1 Establishment
- 4.2 Staff in post
- 4.3 Vacancy rate
- 4.4 Sickness rate
- 4.5 Bank & agency usage (wte)
- 4.6 Turnover
- 4.7 Stability
- 4.8 Appraisal coverage
- 4.9 Staff satisfaction / engagement
- 4.10 Participation in Leadership Development Programmes
- 4.11 Qualified Nurses per bed (relevant directorates only)
- 4.12 Medical staff per bed (relevant directorates only)

**5. Finance**

- 5.1 Income
- 5.2 Pay expenditure, including agency/locum
- 5.3 Non-pay expenditure
- 5.4 CIP delivery.

**APPENDIX 2 – DIRECTORATE PERFORMANCE MEETING ACTION LOG**

<b>Line number</b>	<b>Date identified (meeting date)</b>	<b>Agenda item</b>	<b>Issue</b>	<b>Action</b>	<b>Owner</b>	<b>Update due (date)</b>	<b>Action update</b>	<b>Action status (Red - open, Green - closed)</b>