



Yorkshire Ambulance Service   
NHS Trust

*An Aspirant Foundation Trust*

## **Performance Management Strategy**

### **Introduction**

This Performance Management Strategy sets out the commitment by Yorkshire Ambulance Service NHS Trust to establish and maintain an effective system of performance management across the Trust.

The strategy is underpinned by a focus on outcomes for patients and the public, and a recognition that delivery of these outcomes is achieved through well aligned and effective processes and outputs.

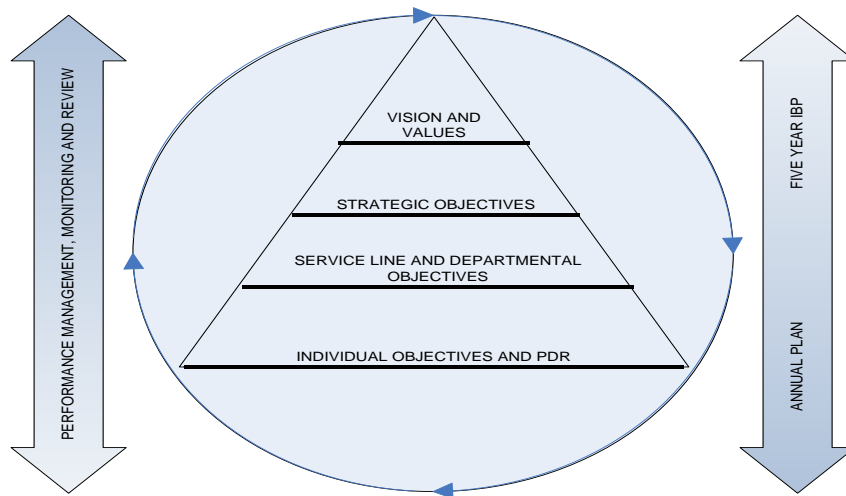
The Strategy has been developed to ensure that Yorkshire Ambulance Service NHS Trust (YAS) successfully delivers national standards for quality, performance, finance and patient experience as laid down in the NHS Performance Framework and local contractual targets agreed with commissioners.

The Performance Management Strategy also seeks to encompass achievement of broader strategic objectives contained within the Trust's Integrated Business Plan (IBP) and other key enabling strategies. It achieves this by providing a focus on effective and demonstrable delivery of the 'In Year' priorities documented within the Trust's Annual Plan, which underpin our broader aims and objectives across all areas of Trust activity (see figure 1).

The Strategy recognises the changes brought about by the Health and Social Care Act 2012 and in particular the move of commissioning responsibilities to Clinical Commissioning Groups (CCGs). This move has increased focus on local health economy priorities and patient needs which whilst welcome, will increase the number and complexity of performance measures and contractual standards. To successfully adapt to this dynamic and rapidly evolving environment, the Trust's performance management framework must move from a centralised to a more devolved model. Business units (clinical service lines) will be supported to develop strategies and plans within a corporate planning framework which ensures greater alignment of business units, support functions teams and individuals to the organisation's vision, strategy and operational plans.

The remainder of the Strategy sets out the performance environment we aim to create and describes the framework and approach we have put in place to support us in achieving our objectives. It will be developed over time to include changes to the Trust's areas of operation, plans, key performance indicators, and emerging plans for the implementation of Service Line Management and Service Line Reporting.

Figure 1 Yorkshire Ambulance Service Strategic Model/Business Planning Activities by Five Year and Annual Plan



### **Aims and Purpose of the Performance Management Strategy**

Performance management is defined by the Audit Commission as “taking action in response to actual performance to make outcomes for service users and the public better than they would otherwise be”<sup>1</sup>. In broad terms therefore, the purpose of the Performance Management Strategy relative to the Trust, is to ensure alignment between clinical and non clinical operational performance, activity, quality and finance, training and workforce plans to enable the Board and the Trust’s clinical and non clinical management and staff to:

- Assess performance against clear targets and goals
- Undertake exception based performance tracking
- Predict future performance and identify key actions
- Put in place effective review meeting structures
- Focus resources and improvement efforts in required areas

This strategy sets the principles for the Performance Management Framework, which in turn sets out the operating procedures and reporting structures through which the implementation of the strategy will be monitored. The Framework is a key mechanism for ensuring all aspects of the Trust’s activities deliver high quality, well managed, safe and effective services. It describes the governance, reporting and action planning that operates within the Trust and how clinical and corporate service directorates work together to ensure the Trust is able to clearly demonstrate that it is a high performing organisation.

The key purpose of the performance management strategy and framework, is:

- To ensure that the organisation has effective systems and processes in place to provide assurance to the Board and our stakeholders that the organisation is performing to the statutory and regulatory highest standards.
- Develop the business intelligence of the Trust to inform service improvement, productivity and efficiency increases and deliver cost reduction programmes, budget setting and service line reporting and business planning

<sup>1</sup> A Managers Guide to Performance Management (2<sup>nd</sup> Edition), The Audit Commission (2006)

- Support the delivery of strategic objectives as detailed within the Board Assurance Framework (BAF)
- Provide assurance that the Trust is achieving best value for money in its use of resources

### Principles of Performance Management

The following principles underpin the Trust's Performance Management Strategy:

- **Creating a performance culture:** these arrangements are intended to support the development of a culture of continuous performance improvement, delivered for the benefit of patients. This will be supported by clear objectives at all levels which drive a culture of high performance and accountability, supported by the Personal Development Review (PDR) process. At directorate and service-line level the Performance Management Framework should also be used as a driver for cultural change and engagement within areas.
- **Transparency:** The measures and evidence used to assess performance will be clear. Directorate and corporate teams will understand what is required; know how their performance is being assessed and what to expect if their performance falls below expected levels.
- **Delivery focus:** The performance management approach will be integrated, action oriented and focussed on delivering improved performance.
- **Proportionality and balance:** Performance management arrangements will seek to ensure that performance management interventions and actions are proportional to the scale of the performance risk and that a balance between challenge and support is maintained.
- **Accountability:** Performance management arrangements will ensure that all parties are clear where lines of accountability lie.
- **Empowerment and delegation:** higher performance will earn greater levels delegated authority as the Trust moves towards service line management, with greater levels of performance management intervention in under performing areas

### Underpinning Requirements

On becoming a Foundation Trust (FT), the Board will become responsible for assuring itself about the self-certifications required by Monitor and the IPR will play a central role in providing this assurance. The vision for Board performance reporting within an FT is of a single overarching dashboard comprising a combination of key relevant national priority indicators and regulatory requirements together with locally agreed quality requirements. Further dashboards may give a greater level of granularity. The Trust's performance management and reporting arrangements must be consistent with this and other requirements of Monitor's Compliance Framework.

In line with moving to FT status, the Trust is seeking to implement a Service Line Management (SLM) regime, in which service lines represent the NHS equivalent of business units, from which the Trust's services are delivered. This approach requires four key elements which form an integrated framework, within which clinical staff and managers can plan service activities, set objectives and targets, monitor their service's financial and operational activity and manage performance:

- **Clear organisational structure, objectives and accountabilities** - to ensure a good understanding of 'who does what' and 'how decisions are made'.
- **A strategic and annual planning process** - A bottom-up planning process that enables service line clinicians and managers to identify the opportunities and threats in their specialist area and work towards agreed objectives.
- **A performance management framework** - monitored through a cycle of performance review meetings at Trust, directorate, service line, team and individual level.

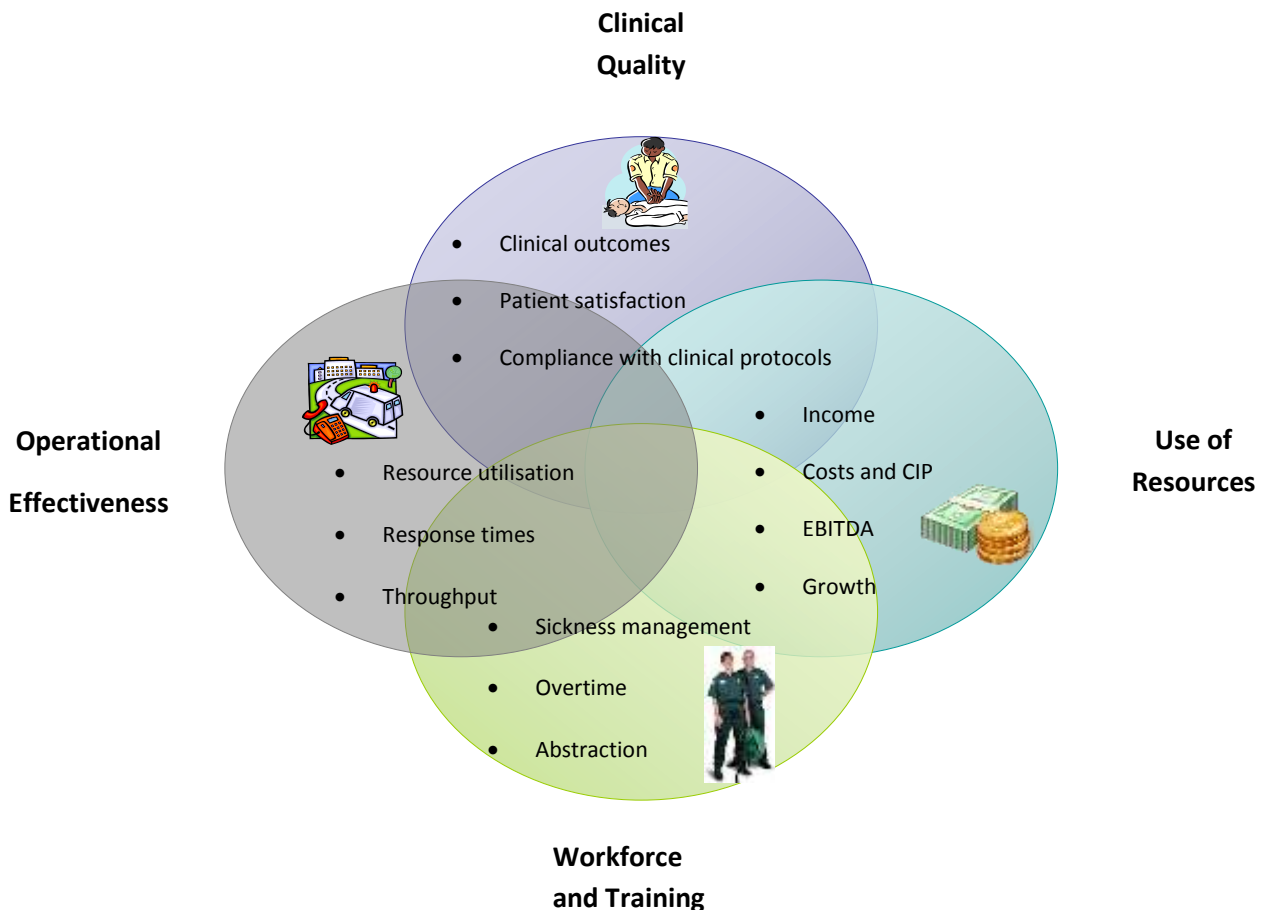
- **Performance information and Key Performance Indicators (KPIs)** – Regular and timely corporate, service line, team and individual performance information which builds to create a clear and consistent picture of financial and operational performance.

**Scope of the Performance Management Strategy**

The Performance Management Strategy seeks to make clear the link between use of resources and outcomes, in terms of clinical quality, operational effectiveness and financial performance and how information about our performance will be used throughout the organisation to inform and drive improvements in cost effectiveness, service quality and outcomes for patients and the public (see figure 2). It does not attempt to describe in detail the performance arrangements that are established in board committees or other meetings in the Trust, nor does it cover individual performance management arrangements within the Trust.

As well as reporting on financial and clinical outcomes, which reflect consequences of past actions (lag indicators), measures introduced as part of the Trust’s Performance Management Framework will include lead indicators of future performance such as delivery of strategic objectives and patient satisfaction.

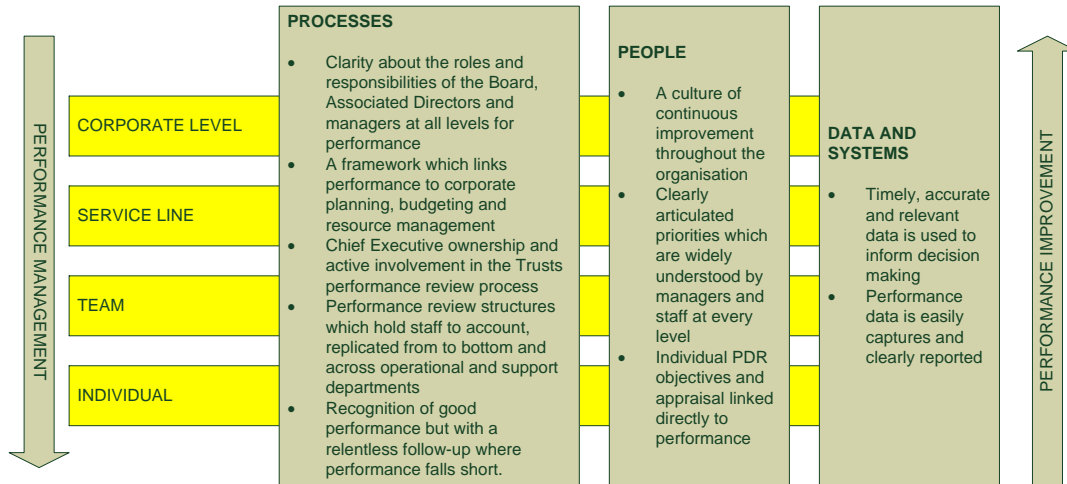
Figure 2



### Link to Annual Planning Framework

The Trust has recently adopted an Annual Planning Framework and is developing its IBP and plans for staff engagement. Together these plans provide an integrated, coherent and reinforcing framework which will ensure plans and their delivery are embedded throughout the organisation. An outline of the performance framework is shown in Figure 3 below.

Figure 3 – Business planning and performance framework



The Performance Management Strategy ensures that there is a ‘golden thread’ between the organisational strategy and objectives defined by the Board and the work of every individual employee. In order to achieve this, the Trust’s will:

- Translate its strategy as contained within the Integrated Business Plan into Operational Terms
- Align the organisation to the strategy through common themes and objectives across service lines and support functions
- Communicate the broader strategy and objectives throughout the organisation
- Introduce regular performance meetings between service leads and the Executive team to support open discussion and feedback

**Corporate Level:** This describes the arrangements put in place to manage delivery of corporate objectives as set out in the annual Business Plan. These arrangements include directorate business plans and objectives. Governance arrangements are implemented through the Board which receives a comprehensive Integrated Performance Report (IPR) each month;

**Service Line Level:** This describes the introduction and maintenance of a Trust wide, minimum data set of key performance indicators with pre-defined performance targets for each service line and support directorate. The performance management by senior management of key performance indicators supports delivery of national and local targets. Governance arrangements are through the Corporate Performance Review Group;

**Team Level:** This describes the introduction and maintenance of department level performance metrics with pre-defined performance targets. Governance arrangements are through the departmental heads;

**Individual Level:** Employees will be actively involved in performance delivery and improvement and every employee must have a clearly defined role, responsibilities and performance objectives and

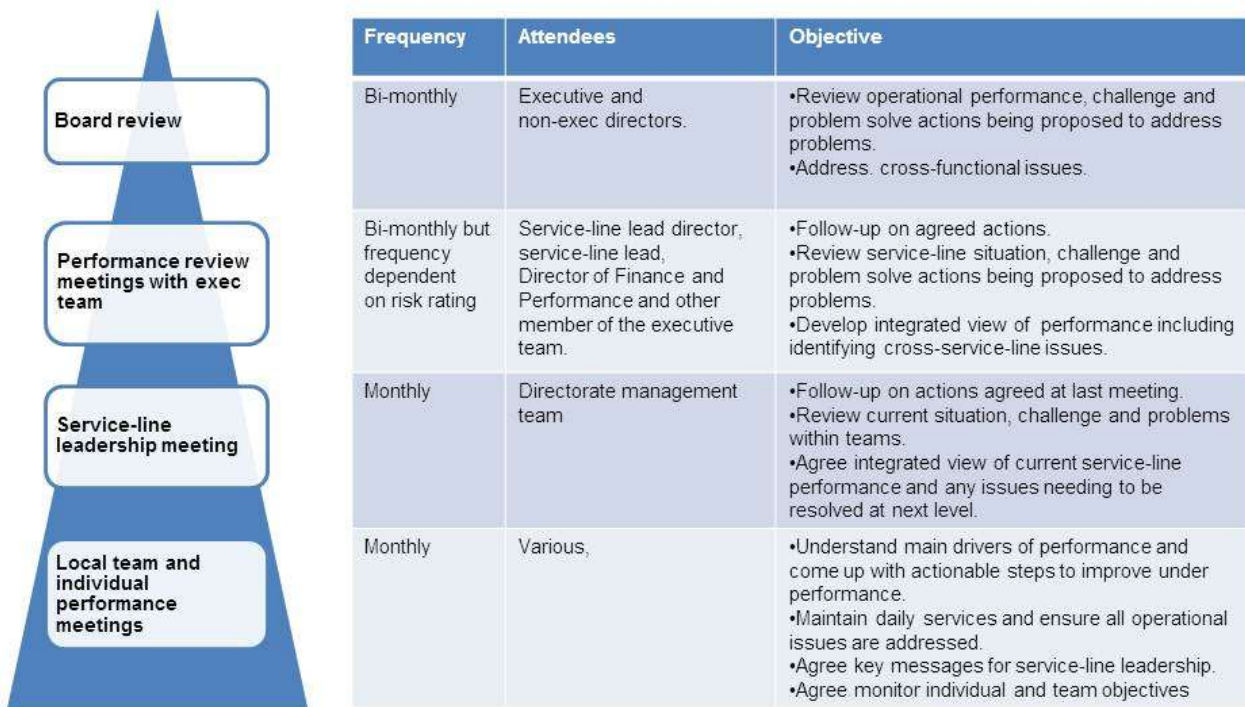
be clear about the accountability associated with their position. Governance arrangements are through line managers.

The close integration of these processes in Trust systems is key to ensuring that the organisation remains focused on delivery of the key goals and objectives which contribute to the vision for YAS services.

**Summary of Performance Management System**

The Performance Management Strategy relies on a hierarchy of performance management arrangements covering the Board to individuals & line managers (see **Appendix 1**). This is also represented diagrammatically below

**Figure 4: Hierarchy of Performance Management Arrangements**



**Roles and Responsibilities**

Whilst it is everyone’s job to manage performance, the Board must drive a culture of performance by providing a clear vision and Trust priorities, goals and objectives and by holding the executive to account for the delivery of strategy.

Effective performance management requires defined roles and responsibilities and clear ownership of outcome measures. A summary of these roles and responsibilities is as follows:

**Chief Executive**

- Overall statutory responsibility for patient safety, governance and performance management.
- Accountable to the Trust Board

The Board has delegated responsibility for Performance Management to the Director of Finance & Performance and to discharge this responsibility, the Director of Finance & Performance works with

the Senior Management Team to ensure effective performance management arrangements are in place across the Trust.

**Director of Finance & Performance**

Leads the development and implementation of the performance management arrangements and has delegated responsibility for preparing, implementing and updating the Performance Management Strategy;

- ensuring that robust systems are in place for the performance management of national, local and internal targets;
- preparing the Integrated Performance Report highlighting to the Board areas of “off plan” performance;
- ensuring that plans to address “off plan” performance are developed and implemented;
- ensuring that governance arrangements to support performance management are in place, robust and effective.

**Director of Workforce & Strategy**

Leads the development and implementation of the Individual Performance Review Process that aligns the contribution made by individual staff and departmental line managers to the Trust’s strategic goals as identified in the IBP and Annual Business Plan.

**Executive Directors and Associate Directors**

Responsible for driving forward the development and embedding performance management arrangements in their area of service/function, ensuring consistency of approach as defined by in the Performance Management Strategy and regularly contributing to and scrutinising the IPR.

**Business Intelligence and Management Information**

The Business Intelligence and Management Information teams provide the accurate and timeous analysis and interpretation of performance data for performance review and follow up purposes.

**All Staff**

All staff contribute towards performance improvement and management by being encouraged and supported to identify improvement opportunities and to take the required action. It is important that staff own the data on their activity, and understand how that translates to the corporate performance of the organisation.

**Milestones**

<b>Objective</b>	<b>Indicator/Measure</b>	<b>Target</b>
An action plan will be developed to ensure that the key stages of the strategy are developed	Action plan reflects the key steps set out in the strategy	Action plan in place by 30 <sup>th</sup> June 2012
Informatics systems are developed to facilitate score card compilation	Information system/process in place	Systems in place to collect corporate scorecard indicators by 1 <sup>st</sup> July 2012
All service line teams and departments will have individualised scorecards in place	Individual scorecards are in place	Individual scorecards are in place for 23 <sup>rd</sup> July 2012.
All Directors will ensure that performance review is a standing item at appropriate	Evidence that performance review is on standing committee agendas	All standing committees will have a scorecard process and discussions in place by

standing committees		1 <sup>st</sup> Sept 2012
All teams and departments will ensure that performance review is a standing item at operational meetings	Evidence that performance review is on operational group agendas	All operational groups will have a scorecard process and discussions in place by 1 <sup>st</sup> Sept 2012
Performance measure outcomes will be displayed in prominent areas (e.g. hand hygiene compliance in stations)	Performance data will be available in clinical areas, other departments and on the internet and easily accessible	Performance data shown in appropriate charts for interpretation will be available in August 2012 and on the internet and intranet by 1 <sup>st</sup> Sept 2012
The action plan will be reviewed as per the schedule set out in the strategy	Actions are set and monitored as per the schedule	All actions set are delivered within the agreed timescales 30 <sup>th</sup> Sept 2012
KPIs will be reviewed annually and the action plan updated	KPI plan is approved and measured via SMG	31 <sup>st</sup> Mar 2013

### Supporting Documents

The Trust has considered and applied published guidance in developing performance metrics for Service Line, Team and Individual levels 2, 3 and 4. The supporting documents used include:

- NHS Performance Framework;
- Monitor Compliance Framework;
- Monitor Service Line Management Toolkit
- The Operating Framework for the NHS in England;
- Yorkshire Ambulance Service NHS Trust Governance Handbook
- Resourcing Escalatory Action Plan (REAP);



## Appendix 1: Performance Management Arrangements

Committee	Membership	Reporting Documents
<b>Level 1: YAS Trust Board</b>		
<b>Trust Board</b>	Full Board	Integrated Performance Report (IPR) Other Board sub-Committee supporting information (e.g. compliance from Quality Committee or Board assurance from Audit Committee)
<b>Finance and Investment Committee</b>	Non-Executive Directors, CEO and Director of Finance and Performance	In year financial performance variance analysis Working capital KPI's and cashflow Progress against Cost Improvement Plan
<b>Trust Executive Group (TEG)</b>	Executive Directors and Director of Corporate Affairs	Review of IPR, Workforce Performance Dashboard and BAF Assurance regarding Cost Improvement Plan, CQUINs and performance
<b>Senior Management Group (SMG)</b>	CEO, Executive Directors and Associate Directors	Directorate review of IPR Presentation on key performance information, including detailed information and actions to deliver on key business targets Scrutiny and assurance regarding risks and adequacy of actions
<b>Performance Management Group</b>	Directorate Management Teams with Director of Finance and Performance and other members of TEG	Performance Management Framework Reports from thematic groups Scrutiny and assurance regarding risks and adequacy of actions
↕		
<b>Level 2: Directorate Management</b>		
<b>Directorate Performance Reviews</b>	Lead Executives, Directorate Management Team DFM and HR Business Partner	Detailed Performance Management Framework for Directorate Directorate commentary Other issues by exception
↕		
<b>Level 3: Service Line / Functional</b>		
<b>Functional and departmental review process</b>	Directorate Director, Directorate Management Team, Service Lead	Individual dashboards, locally held performance information, Risk assessment and mitigation
↕		
<b>Level 4: Team / Individual</b>		
<b>Team reviews</b>	Specialty Dir., HR and Finance Managers, Service Lead with Locality Director or equivalent	Station and team level KPIs, budget review and other specific governance indicators. Risk assessment and mitigation
<b>Individual performance management arrangements</b>	Individual and line manager	Agreed objectives Appraisal and PDR documentation

## **Appendix 2: IPR Framework**

The IPR is designed to incorporate:

### **Alignment to strategic objectives**

The revised dashboards and sections will be grouped by Trust strategic objective, making the links between the metrics and the strategic objectives clear and transparent.

### **Predictive performance, incorporating tracking and sensitivity analysis**

Board reporting will include sensitivity analysis of performance against the Monitor Compliance Framework and DH Performance Framework. Predictive performance on relevant metrics will also routinely reported in the IPR, including response times, type of response and incident volumes. This will incorporate where applicable sensitivity analysis on best, most likely, and worst case scenarios and in the context of FT development will increasingly feed Board self-assessments of compliance and risk.

### **Strong clinical and quality focus**

Quality indicators will routinely included in the IPR, including measures of patient experience. This area will continue to be developed further as more quality metrics become available in line with the Quality Strategy.

### **Focused on the most critical issues and based on exception reporting**

The IPR focuses narrative on the critical issues facing the Trust and describes these in an executive summary. Individual Executives draw out the vital issues when presenting to the Board. Where required, additional indicators are added to Board reporting or raised up for scrutiny at a higher level on the principle of exception reporting.

## **Appendix 3. Performance Management Group – Outline Terms of Reference and Key Performance Reports**

### **1. Purpose of meetings**

To enable the Executive Directors to hold the service Divisions to account for delivery of key performance indicators and measures and to share and explore issues associated with delivering service improvement in the context of the business plan. The meetings are also designed to ensure best practice is recognised and shared throughout the organisation. Action notes from the meeting will form the overarching Trust performance management action plan to support service improvement throughout the Trust.

The Performance Management Group will be chaired by the Director of Finance and Performance and attended by members of the executive team.

The Business Development team manage the meetings and act as secretariat. Dashboards to inform the meeting will be produced by the Information Team.

### **2. Membership**

Executive Director of Finance and Performance (Chair)

Executive Director of Standards and Compliance

Executive Director of Operations (or deputy)

Executive Director of Workforce and Strategy / Deputy Chief Executive (or deputy)

Commercial Director

Service Line / Function lead as appropriate

Associate Director for Quality

Associate Director for Risk and Safety

Management Information Manager

Head of Business Development (secretariat)

### **3. Frequency**

Meetings take place bi-monthly. The frequency of each Service Line's attendance will be determined based on an assessment of performance, business plan delivery and risk. Corporate Directorates will also be invited to attend on a periodic basis.

### **4. Information and Reporting**

The PMG receives a summary dashboard report, which includes detailed KPI's, analysis of trends and exception reporting on key targets not being achieved and an overview on performance and

predictive performance against the Monitor Compliance Framework and DH Performance Framework.

The committee can require particular management teams to attend where concerns about performance remain unresolved. It would be expected that these issues would first be escalated through the accountable Executives.

**Papers and briefings on particular performance issues as required**

PMG receives more detailed briefings and written updates on request on other performance issues.

The Board will also receive finance and performance exception reports including action plans to correct adverse performance as part of the Part 2 agenda.

## **Appendix 4: Performance Assurance Framework: Categories of performance and consequences**

The consequences of the different ratings for relevant Divisions are:

- **Performing:** 'Earned freedoms' classification. Quarterly performance reviews (performance continues to be measured monthly).
- **Performance Under Review:** Monthly performance management reviews.
- **Underperforming/ Failing:** Weekly & monthly performance management reviews.

### **Earned freedoms and service line management**

Directors will hold the primary responsibility for delivery within each Directorate and Service Line, supported by the Service Line Lead.

Directorate and Service Lines which are 'Performing' have earned freedoms through:

- Less regular and intensive performance management
- Freedom to manage its own internal recruitment and operate within normal delegated financial authorities
- Priority for service development and capital funding.

With the ability to relate income to activity, the Trust intends to develop the concept of earned freedoms further to develop service line management within the organisation as set out in the Service Line Management Implementation Plan.

In terms of service line management generally, some progress has been made in ensuring that income is more directly related to service lines and individual budgets are locally owned both from an income and expenditure perspective. This direction of travel will continue and be further strengthened.

**Appendix 5: Performance Dashboard draft Template (attached)**