

5. Local and national accountability

Findings

- The current presentation of the data was reported as overly complex and inaccessible for the public (and indeed, some professionals) and the contextual information required for interpretation of the data is not available.
- The type of measures included in the PAF may not be meaningful or appropriate to the public's needs.

Conclusions

While this study has answered a number of interesting questions, it raises many new and related ones. Of key importance is whether the PAF is influencing performance and in what ways. This question can be tackled using qualitative and quantitative methods. Over time, quantitative methods will become more

- The PAF meets its objective of local accountability in a limited way and indirectly through the publication of the NHS Boards Accountability Review letters.

Implications

- The local accountability objective needs to be re-examined in terms of its credibility and, if shortcomings are confirmed, new means need to be established to increase local accountability.

instrumental as longitudinal data sets become available.

This study has played a key role in developing an understanding of the NHS senior management's experiences and perceptions of the Performance Assessment Framework in Scotland. The findings are important for future policy development and also for helping to set a future research agenda in this area of the NHS.

¹ Herbert DT and Thomas CJ. School Performance, league tables and social geography. *Applied Geography*, 18, 3, 199-223, 1998.

² Audit Commission. *The Comprehensive Performance Assessment Framework for Single Tier and County Councils*, London, 2002.

³ Walsh K. The rise of regulation in the NHS. *British Medical Journal*, 324, 967-970, April 2002.

⁴ Nutley S and Smith PC. League tables for performance improvement in health care. *Journal of Health Services Research and Policy*, 3, 1, 50-57, 1998.

⁵ Scottish Executive Health Department. *Our National Health. A plan for action, a plan for change*. December 2000.

For further details about this study see:

The executive summary and full text of the report can be downloaded from:

<http://www.scotland.gov.uk/library5/health/pafr-00.asp>

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HERU Briefing Paper

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Briefing paper for the NHS

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THE PERFORMANCE ASSESSMENT FRAMEWORK: EXPERIENCES AND PERCEPTIONS OF NHS SCOTLAND

Background

A new Performance Assessment Framework (PAF) was introduced in NHS Scotland in October 2001 and used in the annual NHS Board Accountability Reviews in 2002, 2003 and currently 2004. Scotland is far from alone in designing a Performance Assessment Framework to monitor and improve the performance of its health care system. Other governments around the world have introduced similar systems, notably in England, but also in the USA and Canada. Their use is also apparent in other sectors in the UK through school league tables, and through the introduction of the Comprehensive Performance Assessment of Local Authorities in England^{1,2}. The variety of settings in which performance assessment frameworks are used is indicative of the fact that they are not necessarily synonymous with a centrally planned health care

This briefing paper is based on work performed in collaboration with the Department of Management Studies at the University of Aberdeen

• This paper summarises the results of an evaluation Performance Assessment Framework (PAF) in the NHS in Scotland

• Key findings relate to the development and implementation of PAF; its role in the NHS Board Accountability Reviews; the choice of indicators; incentives and motivation in the system; PAF and leadership; and its role in addressing public accountability

Key Messages

system. A PAF is essentially a form of information and regulation which can be used within a market or non-market-based sector³.

As one would expect, given this variation in system setting, the production of such performance information is associated with a number of possible objectives⁴:

- 1 To secure or enhance accountability to funders and other stakeholders.
- 2 To identify areas of poor or under-performance and centres of excellence.
- 3 To help patients and purchasers of health care

choose a provider.

4 To enable providers to focus on areas requiring improvement.

5 To provide epidemiological and other public data.

The Scottish PAF has all of these at the heart of its objectives with the exception of the third, which is more applicable to market-orientated system health care systems such as those of England and the USA. The Scottish PAF is also distinguishable from other systems by the lack of explicit financial or non-financial rewards and penalties attached to the performance assessment framework and the absence of published performance league tables.

Specifically, the Scottish PAF was assigned three objectives outlined in ***Our National Health***⁵:

- (1) 'Support and encourage sustained improvement in the performance of NHS Scotland by focussing on key measures in relation to health priorities.'
- (2) 'Reinforce and support the role of the 15 NHS Boards in managing the performance of their local NHS systems.'
- (3) 'Enable NHS Scotland to account systematically for its performance both locally and through the Scottish Executive to the Scottish Parliament and to the people of Scotland.'

The system is based on an annual production and assessment of data. The seven areas of performance covered by the data are: health improvement and

reducing inequalities; fair access to health care services; clinical governance and effectiveness of healthcare; patients' experience, including service quality; involving public and communities; staff governance and; organisational and financial performance and efficiency

The Information and Statistics Division of the Scottish Executive provide the 15 NHS Boards with PAF data in February of each year. The data can be divided into quantitative data and qualitative data in the form of assessments. The quantitative data is presented showing comparisons with previous years and with other NHS Boards. Boards then have an opportunity to review and discuss this information prior to an updated version of the data being published at the end of May. The data are used to inform the NHS Board Accountability Reviews, which take place for each Board during the following June and July.

The study reported here examines the success with which the Scottish PAF appears to be meeting its three objectives. A key element determining how and whether the PAF affects the behaviour of decision-makers within the organisations and subsequently NHS Scotland performance is the perception of the PAF and the signals it generates. Thus it is important to determine what these perceptions and understandings are. It is necessary to capture these views in order to appreciate fully the impact of the PAF within the NHS in Scotland and to appraise its salience and power as a performance tool.

range of staff. The five case study sites were chosen to provide a sample that reflected both the range of Health Board 'types' in Scotland and geographical spread. The study used a semi-structured interview schedule based around a series of questions relating to the development and implementation of the PAF, the Accountability Review, the choice of indicators, and the incentives in the system relating to the PAF. In all, 54 interviews were undertaken. These were audio-taped, transcribed, and anonymised prior to analysis by the research team.

Methods

To elicit the experiences and perceptions of senior health professionals, three groups of stakeholders were interviewed. These were from NHS Boards, organisations within Boards and from the Scottish Executive Health Department. The same 'core' interview schedule was used for each group. This study covers the results for the first two groups. Each NHS Board was represented in the initial sample by an interview with every Board Chief Executive and a further five Boards were selected as depth case study sites where interviews were conducted with a wider

Key findings and implications

1. General acceptability of performance assessment frameworks

Findings

- There was support for the use of performance assessment generally in the public sector.
- Support for the Scottish PAF *per se* was strengthened by the absence of league tables and its importance as a stimulus for discussion at the Accountability Reviews.

Implications

- In order to retain the high commitment of NHS Scotland, it is important to avoid the pitfalls of other similar systems, such as league tables and strong financial incentives.

2. The indicators

Findings

- Responses were mixed with respect to the scope and sensitivity of the indicators. Overall support was voiced but with clear reservations around some indicators.
- General concern was raised with respect to the overload from the data collection and assessments and the risk that PAF might become an end in itself.
- There were differing views as to whether all indicators required improvement or were there to provide context against which other indicators can be viewed.
- Evidence of tension between the weights given to waiting times and financial performance indicators and those relating to health and equity emerged from the data. The challenge of capturing qualitative data was raised repeatedly as was the PAF bias toward measuring only those aspects that could be easily enumerated.

Implications

- Refinement should continue to be undertaken in consultation with the NHS. Focus should be on improving what is currently there without adding to its volume. Greater clarity is required as to why some indicators are included in the PAF, especially those relating to health and inequality, and the differences in weight attached to the indicators should be made explicit.

3. Accountability, motivation and managerial performance

Findings

- The integration of the PAF into the Accountability Reviews and the transparency and inclusiveness of that process and the associated dialogue was welcomed.
- All levels of staff interviewed felt that a key reward was the self-knowledge and external acknowledgement that they were helping to provide a good health service.
- There are no explicit incentives or rewards for the Boards associated with doing well on the PAF. The vulnerability of the NHS Board Chief Executive posts is seen as an incentive to perform well on the PAF.
- Some Boards linked the PAF with performance related pay (PRP). The role of PRP as a means of recognition of good work appeared to be as important as the financial incentive *per se*.
- The Accountability Review letter was a key mechanism of feed back and recognition of good work and was valued by the NHS Boards.

Implications

- The climate of trust and open dialogue should be preserved.
- If rewards are attached to good performance, they should be designed with regard to their symbolism as well as any financial aspect.

4. PAF and leadership

Findings

- Different models of implementation are employed throughout Scotland and there seems to be no one single model for success though clear local, as well as national leadership, was important.
- NHS Boards which integrate the PAF into their management systems appear to find the process less burdensome.
- The respondents linked strong and effective leadership to effective implementation of the PAF.

Implications

- Mechanisms for the dissemination of good practice should be introduced.