BSO PERFORMANCE MANAGEMENT FRAMEWORK

July 2026

BUSINESS SERVICES ORGANISATION

Performance Management Framework	
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Section 1: Introduction to BSO Performance Management Framework

1.1 Introduction

The Business Services Organisation (BSO) is a Non-Departmental Arm's Length Body of the Department of Health, established under the Health and Social Care (Reform) Act (Northern Ireland) 2009. The relationship between BSO and the Department of Health is supported by a Partnership Agreement, which sets out the respective roles, responsibilities and assurance arrangements between both organisations *[see Appendix 1].*

The Board of Business Services Organisation (BSO) has responsibility to provide effective leadership and strategic direction to the organisation and to ensure that the policies and priorities set by the Minister for the Department of Health (DoH) are implemented.

The Corporate Plan sets out the organisation's vision, strategic priorities and corporate objectives. The Corporate Plan is supported by the Annual Business Plan, service area business plans and individual objectives. These arrangements ensure that corporate objectives are translated into clear operational activity across the organisation.

1.2 Purpose

The purpose of the Performance Management Framework is to set out the performance management cycle to enable BSO staff to discharge their roles and responsibilities to ensure effective performance against our Corporate Plan and objectives. The framework brings together:

- Organisational structures
- Performance roles and responsibilities
- Planning and processes
- Performance reporting and outputs
- How performance management informs risk management and assurance in support of delivering objectives

1.3 Principles

The BSO Performance Management Framework is underpinned by eight key principles:

- **Integrated**: embedded in all organisational activities
- **Structured:** based on a consistent methodology
- **Customised:** proportionate and tailored to BSO's context and objectives
- **Inclusive**: engages stakeholders in performance planning and review

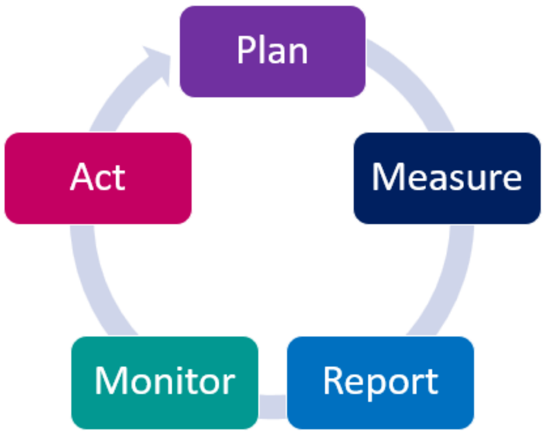
- **Dynamic**: responsive to internal and external changes
- **Evidence-based**: informed by accurate and timely data
- **Human-centred**: supports staff development and wellbeing
- **Improvement-focused**: focused on driving action, improvement and learning

1.4 Scope

The Performance Management Framework applies to all levels of the Business Services Organisation, including the Board, Executive Leadership Team, Directorates, Service Areas and individual staff. It covers the planning, delivery, monitoring, reporting and escalation of performance against corporate, annual and service-level objectives, and applies to all services delivered by BSO on behalf of the Department of Health and customer organisations.

The framework supports organisational-wide consistency in performance management and operates alongside, and is aligned to, BSO's Integrated Governance and Assurance Framework and Risk Management Strategy *[see Appendix 1]*

The Performance Management Framework operates as a continuous, integrated cycle that ensures clear alignment between strategic priorities, service delivery and performance oversight. The cycle enables the organisation to plan effectively, deliver against agreed objectives, monitor progress, and take timely action to support improvement.



A separate, structured implementation plan will support implementation of the Performance Management Framework. *Please refer to Appendix 1 for the Implementation Plan.*

1.5 Definitions

Terminology	Definition
Corporate Objective	Corporate Objectives are agreed-upon goals that BSO aims to achieve over the Corporate Plan period (usually three years).
Service Level Agreement	A Service Level Agreement is an agreed document between BSO and a customer organisation that defines the services to be delivered, associated costs, key performance indicators, and roles and responsibilities.
Key Performance Indicator	A Key Performance Indicator is a measurable indicator used to assess performance against agreed targets, particularly in relation to service delivery and outcomes set out in Service Level Agreements.
SMART Objectives	SMART Objectives are objectives that are Specific, Measurable, Achievable, Relevant and Time bound, ensuring clarity of delivery and enabling consistent and meaningful performance measurement.
RAG Rating	A RAG Rating (Red, Amber, Green) provides a clear visual indicator of performance against agreed targets, highlighting whether performance is on track, at risk or off track.
BRAGG Rating	A BRAGG (Blue, Red, Amber, Green, Grey) Rating is used to track progress against actions within business plans, indicating whether delivery is complete, on track, at risk or not on track or agreed to be delivered at a later date, supported by clear rationale.
Escalation	Escalation is the process of raising performance-related issues through the defined escalation procedure, where they cannot be resolved at the level at which they are identified, enabling oversight and intervention at the appropriate level.
Performance-related issue	A performance-related issue arises where progress against objectives, service delivery or KPIs is off track, deteriorating or likely to impact delivery, requiring assessment, action or escalation.

Section 2: Strategic Context

2.1 Strategic Context

The overarching policy and strategic framework for all government departments in Northern Ireland is the Programme for Government (PfG) 2024-2027 “Our Plan: Doing What Matters Most” which outlines the Northern Ireland Executive’s priorities for making a real difference to the lives of people in Northern Ireland. The PfG sets clear priorities which enables and informs government departments in targeting funds. The Department of Health (DoH) takes its lead from the PfG in developing its strategic objectives, setting priorities, budgets and targets *[see Appendix 3]*.

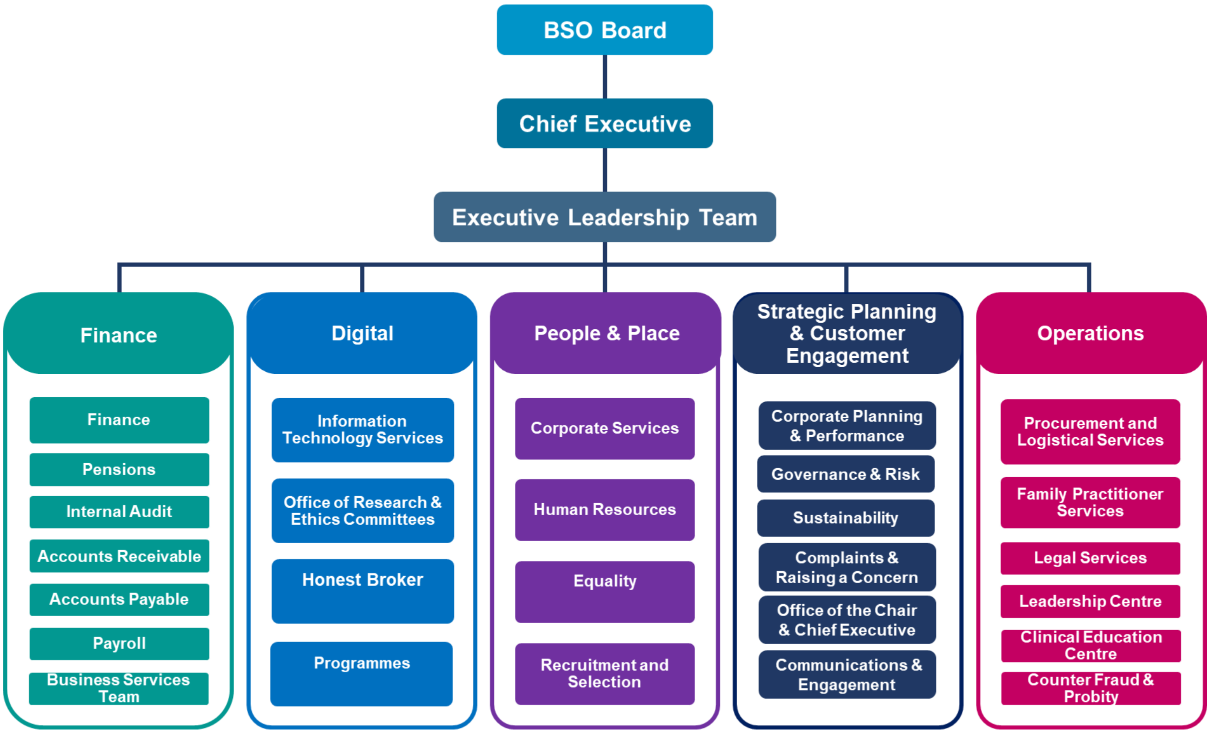
BSO as a Non-Departmental Public Arms-Length Body (ALB) of the DoH has a range of statutory duties and functions assigned to it by the DoH. It provides a broad range of business support functions and specialist professional services to the Health and Social Care System in Northern Ireland. These services are provided through a series of Service Level Agreements (SLAs), approximately 209 in total across 18 organisations of the Health and Social Care System in Northern Ireland. The majority of BSO funding is provided through these SLAs.

Within this wider policy context, BSO sets out its strategic direction and priorities in line with DoH priorities within its Corporate Plan, which establishes the organisation’s corporate objectives over the planning period. These objectives drive organisational planning, performance management and the allocation of resources across the BSO.

2.2 BSO Organisational Structure

Against this strategic backdrop, BSO employs an organisational structure to support the identification, delivery, monitoring and review of its Corporate Plan. The organisational structure includes:

- Board, Chairperson and its Committees
- Chief Executive
- Executive Leadership Team
- Directorates and Service Areas



2.3 Corporate Responsibility

The **BSO Board and its sub-committees** has a corporate responsibility for ensuring the organisation fulfils the aims and objectives set by the Department of Health, overseeing organisational performance and ensuring the effective stewardship of public resources. It operates in accordance with the BSO Standing Orders, which set out the framework for decision-making, delegation and the conduct of business *[see Appendix 3]*. BSO's corporate objectives are established through the corporate planning process and approved by the Board. These objectives reflect the organisation's role within the Health and Social Care system and Department of Health priorities *[see Appendix 2]*.

The **Chair** is accountable to the Minister for Health and is responsible for leading the Board and ensuring its effectiveness in discharging its responsibilities. The Chair has particular responsibility for ensuring that the Board provides strategic leadership, maintains effective oversight of organisational performance and ensures that BSO delivers the objectives set by the Department of Health.

The **Chief Executive** is designated as Accounting Officer by the Department of Health and is accountable to the Board for the leadership and management of the organisation. The Chief Executive has overall responsibility for ensuring that the organisation operates effectively and delivers the corporate objectives set by the Board.

The **Executive Leadership Team** comprises the five Directors, who collectively support the Chief Executive in the leadership and management of the organisation as a whole, and in delivering the corporate objectives set by the Board.

Directors are also individually accountable to the Chief Executive and the Executive Leadership Team for the leadership and operational delivery of their Directorate, and for delivering specific organisational objectives within their areas of responsibility.

BSO Performance Management Cycle: Plan

Section 3: BSO Corporate Planning Cycle

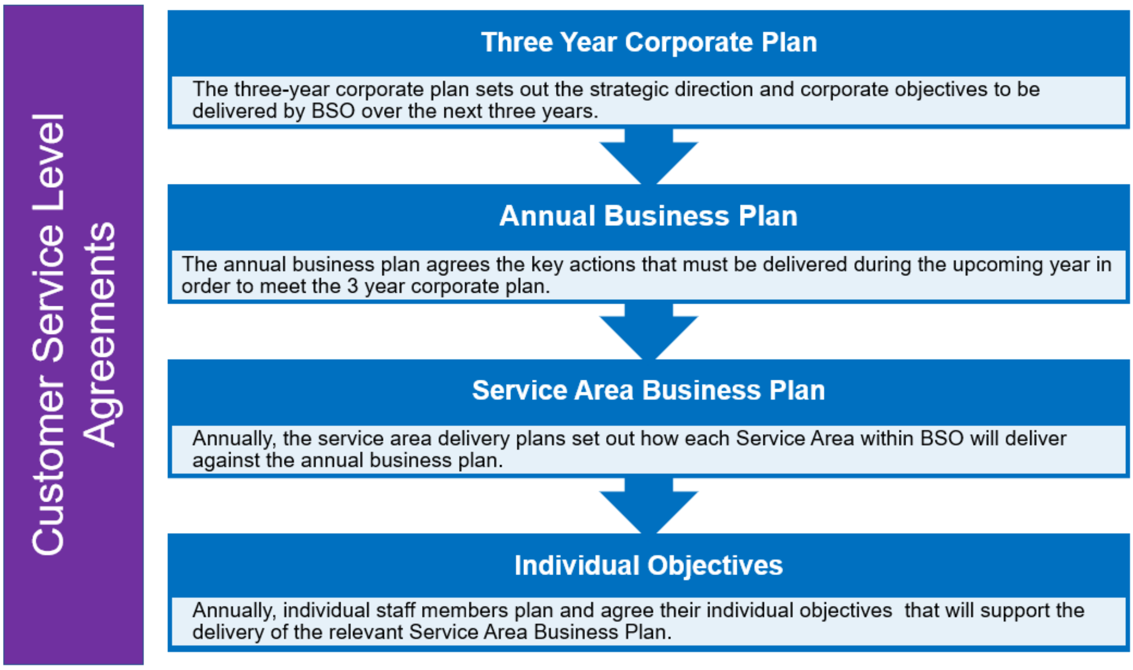
3.1 Introduction

In order to discharge its corporate responsibilities and fulfil its aims and objectives set by the Department of Health, the BSO employs a Corporate Planning cycle, underpinned by policy and strategic context.

Policy and Strategic Context for BSO Corporate Planning

The BSO Corporate Planning cycle operates on a three-yearly basis, and includes the following key planning mechanisms and outputs:

- Corporate Plan
- Annual Business Plan
- Service Area Business Plan
- Individual Objectives
- Customer Service Level Agreements



3.2 Corporate Plan

The **Corporate Plan** sets out BSO's long-term strategic direction and priorities on a three-yearly basis and establishes the organisation's objectives over the planning period. These objectives drive organisational planning, performance management and the allocation of resources across the organisation *[see Appendix 2 for templates]*.

The BSO Board and Chief Executive are accountable to the Department of Health for the provision and delivery of the Corporate Plan. As such, the Corporate Plan is submitted by the BSO Board and the Chief Executive to the Department of Health for approval on a three-yearly basis, and is published on the BSO website.

The Director of Strategic Planning & Customer Engagement is responsible for the strategic planning function, and is accountable to the Chief Executive for oversight of the delivery of the Corporate Plan.

All staff are responsible for delivering against the Corporate Plan within their role.

The Corporate Plan aims to:

- Enable the Board to establish a clear strategic direction to the Department of Health and the public
- Establish a clear strategic direction for the BSO that reflects the Department of Health's priorities
- Clearly articulate BSO's vision and values
- Explain the corporate objectives that BSO aims to achieve in the next three years
- Reflect the views of our customer organisations and staff

- Describe how we will monitor our progress against the plan

3.3 Annual Business Plan

The **Annual Business Plan** sets out how the Corporate Plan will be delivered annually and sets out priorities with clear ownership, actions and measurements, with progress against priorities reported to ELT and Board on a quarterly basis *[see Appendix 3 for templates]*.

The BSO Board and Chief Executive are accountable to the Department of Health for the provision of the Annual Business Plan. As such, the Annual Business Plan is submitted by the BSO Board and the Chief Executive to the Department of Health on an annual basis for approval, and is published on the BSO website.

The Director of Strategic Planning & Customer Engagement is responsible for the strategic planning function, and is accountable to the Chief Executive for the development of the Annual Business Plan.

The BSO Annual Business Plan aims:

- To set out the organisation's key priorities, objectives and actions for the year in support of the BSO Corporate Strategy.
- To translate the Corporate Objectives into clear, time-bound annual actions that can be delivered across BSO.
- To provide clarity on what will be delivered during the year, how it will be delivered, and who is accountable for delivery.
- To ensure organisational activity is aligned to the corporate objectives.
- To support effective decision-making by identifying areas of financial focus, efficiency, investment and performance improvement.
- To provide a structured framework for monitoring, measuring and reporting progress against agreed objectives throughout the year.
- To enable regular performance oversight by the Executive Leadership Team, BSO Board and Department of Health through defined reporting arrangements.
- To support transparency, accountability and assurance in the delivery of services, value for money and strategic outcomes.

Please refer to Appendix 3 for templates.

3.4 Service Area Business Plan

The **Service Area Business Plans** set out how each Service Area will support delivery against the Annual Business Plan, translating the objectives into clear operational activities. The Service Area's progress against priorities is monitored by the Director *[see Appendix 3 for templates]*.

Assistant Directors and Heads of Service from each Service Area are responsible for the provision of the Service Area Business Plan. The Director is responsible for the approval and monitoring of delivery of the Service Area Business Plans within their Directorate.

Each Service Area Business Plan must be submitted to the Corporate Planning and Performance team for central storage.

Service Area Business Plans aim to:

- translate the priorities and objectives of the BSO Corporate Plan and Annual Business Plan into clear, deliverable service-level objectives.
- set out what each Service Area will deliver during the year, how it will be delivered, and who is responsible for delivery.
- ensure Service Area objectives are aligned to BSO Corporate Objectives and are supported by SMART measures and, where appropriate, reflective Key Performance Indicators.
- provide a structured framework for monitoring, measuring and reporting service-level performance throughout the year.
- support consistent governance, assurance and accountability through defined reporting and escalation arrangements.
- enable reflection on past performance, recognition of achievements, and identification of key areas of focus for the year ahead.
- engage Directors, Assistant Directors, Heads of Service and staff in planning how their Service Areas will contribute to organisational priorities.
- provide visibility to Directors and ELT of progress against agreed objectives, contributing to assurance on the delivery of services

Please refer to Appendix 3 for templates.

3.5 Individual Objectives

Individual objectives are set by individual staff members across BSO's service areas on an annual basis. This process provides an opportunity for staff to consider how individual objectives can support our wider Corporate Objectives. This element of the performance planning process is embedded in the existing staff appraisal process and helps employees understand their specific role and responsibilities in relation to our Corporate Objectives.

Individual objectives are managed through the existing Staff Appraisal Scheme and associated documentation *[see the Human Resources Customer Portal for more information].* The individual and their line manager are jointly responsible for the setting and monitoring of individual objectives.

This Framework does not alter existing appraisal policies, procedures or terms and conditions. References to individual objectives are included to illustrate alignment between organisational objectives and existing appraisal arrangements.

3.6 Customer Service Level Agreements

Alongside our annual planning processes, each Service Area engages annually with customer organisations to agree **Customer Service Level Agreements** that set out the services to be delivered during the upcoming year *[see Appendix 3 for templates].*

The Heads of Service/ Assistant Director for each Service Area is responsible for the drafting and agreement of Service Level Agreements with customer organisations, and is responsible for the monitoring of delivery against the SLAs.

The Corporate Planning and Performance team is responsible for the coordination and review of SLAs, and provides guidance, support and templates to Service Areas across BSO.

Each Service Level Agreement must be submitted to the Corporate Planning and Performance team.

Customer Service Level Agreements should:

- Clearly describe the services to be provided to the customer
- Specify the costs associated with the services to be provided
- Articulate well-defined KPIs that will be measured and reported to ensure the delivery of a quality service
- Define the roles and responsibilities associated with its delivery, including any inter-dependencies
- Identify the SLA Contract Manager on behalf of the BSO and customer organisation
- Define effective communication channels; and
- Document problem resolution and escalation processes.

Please refer to Appendix 3 for templates and guidance.

BSO Performance Management Cycle: Measure

Section 4: Measurement

4.1 Introduction

Measurement is a core element of the BSO Performance Management Framework and provides the foundation for understanding whether objectives are being achieved and services are being delivered as intended. Effective measurement supports accountability, enables timely decision-making, and underpins assurance at Directorate, Organisational and Board level.

The purpose of measurement within BSO is to provide reliable and meaningful information to support operational management, organisational oversight and strategic decision-making at all levels of the organisation. Different performance measures may serve different purposes, including monitoring service delivery, assessing progress against objectives, providing reporting to customers, and supporting Board oversight of organisational performance.

BSO's approach to measurement ensures that performance expectations are clearly defined, progress can be tracked consistently, and outcomes can be assessed in a structured and transparent manner.

Performance Measurement is conducted through the collection, collation and analysis of data that informs the reporting provided to stakeholders, both internally and externally. Performance information should be considered alongside relevant internal and external factors that may influence delivery, ensuring that performance is assessed within the appropriate operational and strategic context.

4.2 Link between Objectives and Measurement

All performance measurement within BSO is anchored to clearly articulate our progress against objectives set through:

- The Corporate Plan,
- The Annual Business Plan,
- Service Area Business Plans,
- Individual Objectives, and
- Customer Service Level Agreements.

Objectives are required to articulate not only *what* is to be delivered, but *how success will be measured*. This ensures that performance monitoring is meaningful and that progress against objectives can be assessed objectively over time.

4.3 Types of Performance Measures

Performance across BSO is measured using a combination of:

- **Objective-based measures**, tracking delivery of actions and milestones within business plans.
- **Key Performance Indicators (KPIs)**, measuring service delivery and outcomes, particularly within Service Level Agreements.
- **Status indicators**, such as RAG and BRAGG ratings, to provide a clear view of progress.
- **Trend analysis**, enabling performance to be monitored over time rather than at a single point.
- **Qualitative narrative**, providing context, rationale and explanation where performance is off track, or where internal or external dependencies or influencing factors may exist.

Different measures may be used for different purposes and audiences and in different combinations to provide a balanced view of performance in context, incorporating delivery, outcomes, dependencies and emerging risks.

Please refer to Appendix 4 for measurement tools and templates.

4.4 SMART Objectives and KPIs

To support consistency and clarity, BSO applies a **SMART** approach to objective setting and performance measurement. Objectives and associated Key Performance Indicators (KPIs) are expected to be:

- **Specific** – clearly defining what is to be achieved and who is responsible.
- **Measurable** – supported by indicators or data that demonstrate progress or achievement.
- **Achievable** – realistic given available resources, capacity and dependencies.
- **Relevant** – aligned to corporate priorities, service delivery and organisational objectives.
- **Time-bound** – with clear timeframes and milestones for delivery.

This approach ensures that objectives are deliverable and that performance can be measured in a way that is proportionate, meaningful and evidence-based.

Please refer to Appendix 4 for measurement tools and templates.

4.5 Baseline, Targets and Benchmarking

Where appropriate, performance measures are set against a baseline position and agreed targets. This supports:

- Clear assessment of improvement over time,
- Benchmarking of BSO services against industry standards,
- Identification of variance or deterioration in performance, and
- Evidence-based discussions at Directorate, ELT and Board level.

Performance data is supported by appropriate evidence and narrative to ensure that reported status reflects actual delivery and underlying context, rather than reliance on status alone. Narrative commentary should be used, where appropriate, to explain material factors affecting performance, including customer dependencies, workforce pressures, system-wide challenges, resource constraints or other external influences outside a service area's direct control.

4.6 Measurement Matrix

The measurement matrix below provides a consolidated overview of how various performance measures are used to inform performance reporting across the organisation.

Report	Purpose	Type of measure(s)	Rationale
Annual Service Level Review Paper	This report provides the Board with an overview of service delivery performance and customer feedback arising from the annual Service Level Agreement (SLA) review process.	• Qualitative narrative • Trend analysis	Qualitative narrative provides context, rationale and explanation for customer feedback about BSO performance, and trend analysis provides monitoring of this performance and feedback over time.
Quarterly Performance against Business Plan	The Quarterly Performance Against Business Plan report provides the Board with an update on progress against the objectives agreed in the Annual Business Plan.	• Objective-based measures • Status Indicators (BRAGG status) • Qualitative narrative	Objective-based measures provide a clear indicator of delivery against milestones, and a BRAGG status is provided to clearly indicate progress. Qualitative narrative provides context, rationale and explanation for the status indicated.
Quarterly Board Performance Dashboard	The Quarterly Board Performance Dashboard report provides the Board with an update on performance against agreed KPIs.	• Key Performance Indicators (KPIs) • Status Indicators (RAG status) • Trend analysis • Qualitative narrative	KPIs measure service delivery, with RAG statuses provided to clearly indicate performance against agreed thresholds. Trend analysis and qualitative narrative provide better insights about performance.
Monthly Corporate Scorecard	The Corporate Scorecard provides the Executive Leadership Team with a regular overview of organisational performance.	• Key Performance Indicators (KPIs) • Status Indicators (RAG status) • Qualitative narrative	KPIs measure service delivery, with RAG statuses provided to clearly indicate performance against agreed thresholds. Qualitative narrative provide better insights about performance.
Quarterly Performance Against Service Area Business Plan	The Quarterly Performance Against Service Area Business Plan report provides Directors with an update on progress against the objectives and actions agreed within individual Service Area Business Plans.	• Objective-based measures • Status Indicators (BRAGG status) • Qualitative narrative	Objective-based measures provide a clear indicator of delivery against milestones, and a BRAGG status is provided to clearly indicate progress. Qualitative narrative provides context, rationale and explanation for the status indicated.
Monthly Customer Report	Monthly customer reports support transparent and accountable performance of BSO services.	• Key Performance Indicators (KPIs) • Status Indicators (RAG status) • Qualitative narrative	KPIs measure service delivery, with RAG statuses provided to clearly indicate performance against agreed thresholds. Qualitative narrative provide better insights about performance.

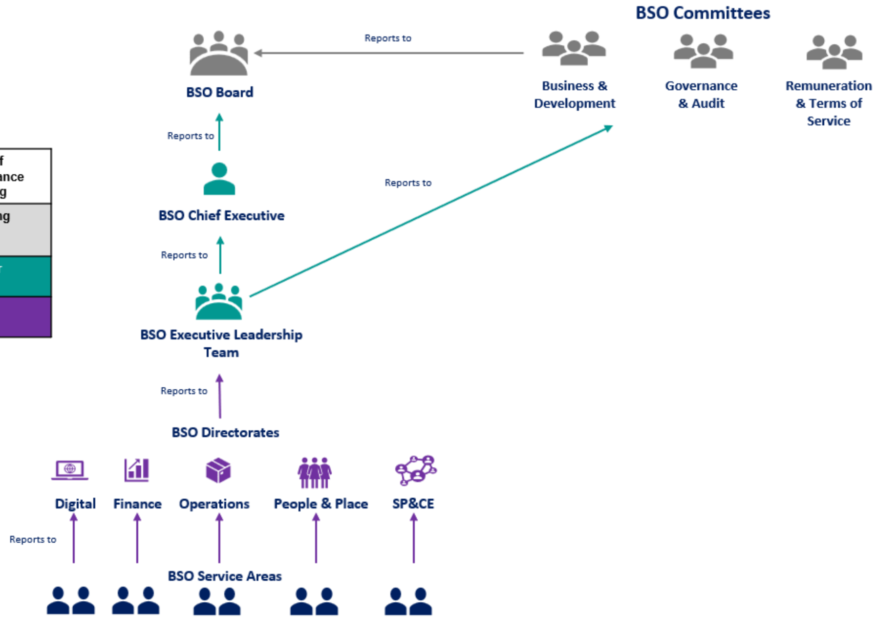
BSO Performance Management Cycle: Report & Monitor

Section 5: Reporting and Monitoring of Performance

5.1 Introduction

A robust and consistent approach to the monitoring and measurement of performance is essential to ensuring accountability across BSO's performance management structure. By clearly defining what success looks like at each level, BSO can monitor progress, take corrective action where necessary, and report transparently to stakeholders. This framework supports performance oversight and informed decision-making at all levels of the organisation.

Reporting Level	Layers of Performance Reporting
Oversight	Governing Body
Organisational	2nd Layer
Directorate/ Service Area	1st Layer



5.2 Board Reporting

At the oversight level, the **Board** is responsible for setting the corporate objectives of the organisation, and overseeing BSO's performance against them. This is supported by the Board committees where appropriate. In order to do this, the Board and/or its committees are provided with the following reports:

1. Quarterly Performance Against Business Plan
2. Quarterly Board Performance Dashboard
3. Annual Service Level Agreement Review Paper

5.2.1 Quarterly Performance Against Business Plan

The Quarterly Performance Against Business Plan report provides the Board with an update on progress against the objectives agreed in the Annual Business Plan.

The Quarterly Performance Against Business Plan report is prepared by the Corporate Planning and Performance team in collaboration with action owners/ Directors. The report is submitted to ELT and Board on a quarterly basis.

The Quarterly Performance Against Business Plan report aims to:

- Provide assurance of progress against agreed objectives.
- Provide a BRAGG status against each action on a quarterly basis, to establish whether delivery is on track, at risk or complete.
- Strengthen accountability by clearly linking actions to responsible owners.
- Provide a clear rationale for progress, delays or changes to delivery, enabling performance to be understood in context.

Please refer to Appendix 5 for templates.

5.2.2 Quarterly Board Performance Dashboard

The Quarterly Board Performance Dashboard report provides the Board with an update on performance against agreed Corporate KPIs.

The Quarterly Board Performance Dashboard is prepared by the Corporate Planning and Performance team in collaboration with Heads of Service/Directors. The report is submitted to ELT and Board on a quarterly basis.

The Quarterly Board Performance Dashboard:

- Enables the Board to oversee the performance of core service delivery against agreed KPIs on a quarterly basis
- Provides a RAG status and highlights trends across the annual reporting period to provide assurance
- Provides a clear rationale for under and over-performance, enabling performance to be understood in context.
- Identifies areas of sustained high performance and provides assurance to the Board on organisational effectiveness.

5.2.3 Annual Service Level Agreement Review Paper

The Annual Service Level Agreement Review Paper provides the Board with an overview of service delivery performance and customer feedback arising from the annual Service Level Agreement (SLA) review process with BSO customer organisations, conducted by the Directors of SP&CE and Finance.

The Annual Service Level Agreement Review Paper is prepared by the Corporate Planning and Performance team and led by the SP&CE Director. The paper is reviewed by ELT and the Business and Development Committee before being submitted to the Board on an annual basis.

The Annual Service Level Agreement Review Paper aims to:

- Provide assurance to the Board on BSO service delivery to customers.
- Present consolidated feedback and key themes arising from the SLA Review meetings, including both areas of strength and opportunities for improvement.
- Strengthen accountability by linking customer feedback to agreed actions and responsible owners.
- Support informed oversight and continuous improvement by providing a clear rationale for identified issues, agreed responses and planned improvements to service delivery.

5.3 Executive Leadership Team Reporting

At the organisational level, the Executive Leadership Team supports the Chief Executive in the leadership and management of the organisation and in delivering the corporate objectives set by the Board. In order to do this, the Executive Leadership Team are provided with the following reports:

1. Quarterly Performance Against Business Plan (described above)
2. Quarterly Board Performance Dashboard (described above)
3. Annual Service Level Agreement Review Paper (described above)
4. Corporate Scorecard

5.3.1 Corporate Scorecard

The Corporate Scorecard provides the Executive Leadership Team with a regular overview of organisational performance against Corporate Key Performance Indicators (KPIs), enabling timely monitoring of service delivery by BSO.

The Corporate Scorecard is prepared by the Corporate Planning and Performance team and led by the SP&CE Director. The scorecard is submitted to the Executive Leadership Team on a monthly basis to support ongoing performance oversight and management.

The Corporate Scorecard:

- Enables the Executive Leadership Team to monitor delivery and performance against agreed Corporate KPIs on a monthly basis.
- Provides a RAG status and highlights performance trends across the reporting year to support timely decision-making and corrective action.

- Supports informed performance discussions by providing qualitative commentary to explain areas where performance is below target and outline mitigating actions.
- Identifies areas of sustained high performance and supports the systematic sharing of learning, good practice and innovation across BSO to drive organisational improvement.

5.4 Directorate Reporting

At the Directorate Level, Directors are responsible for the leadership of their Directorate, and the delivery of organisational objectives within their areas of responsibility.

In order to do this, the Director is provided with the following report:

1. Quarterly Performance Against Service Area Business Plan

5.4.1 Quarterly Performance Against Service Area Business Plan

The Quarterly Performance Against Service Area Business Plan report provides Directors with an update on progress against the objectives and actions agreed within individual Service Area Business Plans.

The Quarterly Performance Against Service Area Business Plan report is prepared by Service Areas and led by Assistant Directors/ Heads of Service. The report is reviewed at Directorate level and is produced on a quarterly basis to inform organisational performance oversight.

The Quarterly Performance Against Service Area Business Plan report:

- Provides assurance on progress against objectives and actions set out in approved Service Area Business Plans.
- Provides a BRAGG status against each action on a quarterly basis, to establish whether delivery is on track, at risk or complete.
- Strengthens accountability by clearly linking actions to responsible Service Area owners and Directors.
- Provides a clear rationale for progress, delays or changes to delivery, enabling performance to be understood in context and informing escalation or support where required.

Please refer to Appendix 5 for tools and templates.

5.5 Customer Reporting

Our customers are provided with regular performance reports to support transparent and accountable performance of BSO services.

The customer reports provide a regular update on a selection of BSO's performance against the KPIs as set out in the agreed SLAs for services delivered during the reporting period.

The customer reports are prepared by the Corporate Planning and Performance team in collaboration with Service Areas. The report is issued to customers on a monthly basis to support transparency, performance oversight and ongoing service management.

The monthly customer reports:

- Provide clear and timely information on performance against agreed SLA KPIs for each service delivered.
- Present a RAG rating for each KPI, showing performance by month and year to date.
- Support understanding of performance by providing explanatory commentary where KPIs do not meet the agreed target.
- Enable constructive dialogue with customers and support early identification of issues requiring management attention.

5.6 Reporting Matrix

The reporting matrix below provides a consolidated overview of the key reports outlined within this section, summarising their frequency and intended audience across each level of the organisation. For the purposes of performance reporting within BSO:

	Directorate			Organisational	Oversight		Audience	
	AD/ Head of Service	Director	SP&CE	ELT/ Chief Executive	BaCD	Board	Customer Org	Dept of Health
Annual Service Level Review Paper			Lead	Approve	Review	Review		
Quarterly Performance against Business Plan	Contribute	Approve	Lead	Approve		Review		Receive
Quarterly Board Performance Dashboard	Contribute	Approve	Lead	Approve	Review	Review		
Monthly Corporate Scorecard	Contribute	Approve	Lead	Approve				
Quarterly Performance Against Service Area Business Plan	Contribute	Approve						
Monthly Customer Report	Contribute		Lead				Receive	

For the purposes of performance reporting within BSO, the following definitions apply:

- **Contribute**: provides information and input to support the development of the report.
- **Lead**: coordinates and prepares the report for submission.
- **Approve**: provides formal sign-off and is accountable for the accuracy of the report.
- **Review/ Receive**: receives and reviews the report for assurance, oversight and decision-making purposes

BSO Performance Management Cycle: Act

Section 6: Escalation and Improvement

6.1 Introduction

Performance management is only effective when the planning, measuring, reporting and review of performance leads to person(s) acting on that information. All staff have a responsibility to act, by either:

- Escalating performance-related issues
- Identifying actions to be taken to improve performance

6.2 Escalation

Effective performance management within BSO relies on timely identification, escalation and management of performance-related issues. Clear escalation arrangements ensure accountability, enable early intervention, and support informed decision-making at the appropriate level.

Performance issues may arise where progress against objectives, service delivery or Key Performance Indicators (KPIs) is off track, deteriorating or likely to impact delivery.

6.2.1 Performance escalation vs Risk escalation

It is important to note that performance management and escalation does not replace risk management. Performance management and escalation is governed through the Performance Management Framework, and risk management and escalation are governed through the Risk Management Strategy.

Although these are separate processes, effective performance management can provide evidence or indicators to trigger, challenge or refine risk identification, assessment and mitigations. Conversely, effective risk management can inform or predict performance issues.

6.2.2 Escalation Principles

Across BSO, escalation of performance issues is guided by the following principles:

- **Early identification** of emerging issues through routine monitoring and reporting.
- **Proportionate escalation** based on impact, likelihood and risk appetite.
- **Clear accountability** for ownership, mitigation and reporting.
- **Transparency** to support effective oversight and assurance.
- **Timeliness**, ensuring sufficient opportunity for corrective action.

6.2.3 Identifying Performance Issues

Performance issues may be identified through:

- Routine monitoring of performance against business plans and KPIs.
- Review of management reports, dashboards and scorecards.
- Review of KPI design and data quality, ensuring indicators remain accurate, reliable and aligned to intended outcomes.
- Customer feedback, SLA monitoring and review meetings.
- Audit findings, assurance activity or management reviews.

Examples of performance issues include persistent underperformance, emerging trends of declining performance, or issues affecting the achievement of objectives.

Performance management processes support the identification of delivery issues and underperformance. They may also indicate emerging risks or provide context to existing risks. Where this is the case, risks should be formally assessed, updated, and managed in line with the BSO Risk Management Strategy.

6.2.4 Assessing and Escalating Performance Issues

Once identified, performance issues should be assessed with reference to:

- Severity (how far or close to target it is)
- Impact on objectives, service delivery or organisational performance.
- The likelihood of the issue continuing or escalating.
- Relevant performance trends

Performance issues should be escalated where:

- They cannot be resolved at the level at which they are identified.
- There is continued or repeated under-performance.
- They affect, or may affect, multiple service areas or the wider organisation.
- Director-level or Executive Leadership Team intervention is required.
- There are significant regulatory, financial, reputational or delivery implications.

6.2.5 Recording, Reporting and Monitoring

Escalated performance issues must be:

- Clearly recorded, with defined ownership and resolution actions in place.
- Reported through appropriate governance and performance reporting routes.
- Actively monitored, with progress against actions reviewed regularly.
- Updated as circumstances change, ensuring performance information remains current and accurate.

6.2.6 Escalation Routes

Escalation operates across three levels:

- **Directorate level**, where performance issues are managed and escalated within Directorates.
- **Organisational level**, where ELT reviews, challenges and determines required actions.
- **Oversight level**, where the Board receives assurance on significant performance issues.

Through these arrangements, BSO ensures that performance issues are visible, managed at the appropriate level, and subject to effective oversight, supporting delivery of corporate objectives and continuous improvement.

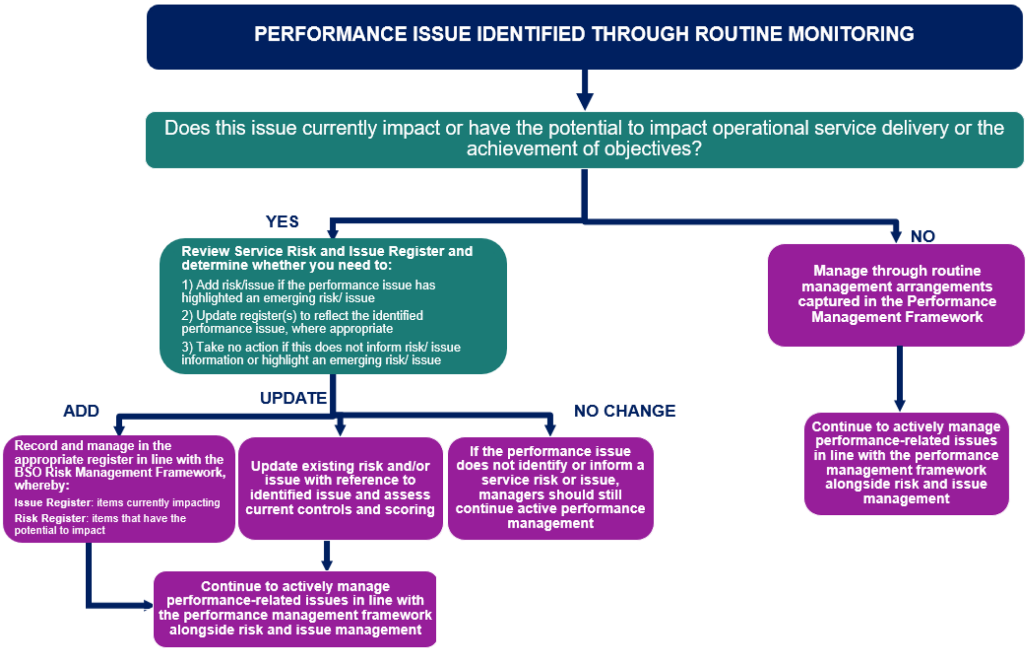
Please refer to Appendix 6 for tools and guidance.

6.2.7 How performance-related issues inform risk management

Performance management and risk management are distinct but complementary processes which together support effective service delivery and organisational oversight. While performance management focuses on monitoring delivery against agreed objectives and targets, risk management provides a structured approach to identifying, assessing and managing uncertainty which may impact delivery. Considered together, these processes provide a more complete view of service performance, delivery confidence and organisational assurance.

Through routine performance monitoring, Heads of Service, Assistant Directors and service managers may identify performance-related issues, emerging pressures or delivery concerns which could affect the achievement of objectives or indicate increased operational risk. Where appropriate, these matters should be considered through the relevant processes in line with the organisation's Risk Management Strategy.

The diagram below outlines how performance-related issues should be assessed to determine whether they require escalation through risk and issue management processes, or whether they can be managed through the performance improvement arrangements outlined in this framework.



6.3 Improvement

Reflecting and improving is therefore a critical step in the Performance Management Framework. Reflecting on our performance is a key step in celebrating success, learning from failure and re-focus for the future. This includes regularly reviewing the effectiveness, accuracy and relevance of Key Performance Indicators (KPIs) to ensure they remain fit for purpose and support informed decision-making.

Performance management information should therefore be proactively used to:

- Identify underperformance or highlight potential emerging risks
- Identify where KPIs are not accurate, reliable or aligned to intended outcomes.
- Inform corrective action, escalation or additional support.
- Support learning, reflection and continuous improvement.
- Strengthen accountability and ownership for delivery.

6.3.1 Approach to Reflection and Improvement

Effective performance management within the Business Services Organisation (BSO) is rooted in reflecting on our past performance, and making plans to improve our future delivery**.**

Reflection is essential in order to:

- **Learn and adapt:** Identify what worked well and what needs to change
- **Ensure KPIs remain fit for purpose:** Routinely review KPIs to confirm they are meaningful, clearly defined, measurable, and accurately reflect service performance and organisational priorities.
- **Continuously improve**: Use insights to refine processes, KPIs and service delivery, ensuring measures remain relevant and evidence-based.
- **Drive accountability**: Demonstrate responsiveness to customer feedback
- **Embed a culture of excellence and continuous improvement** by embedding "Excellence" as a core value

This approach is embedded across the **three levels**:

- Directorate
- Organisational
- Oversight

At each level of the organisation, BSO has a standardised approach to reflecting on our performance, and re-focusing on making improvements for the future. This can be broken down into the following three questions:

1. **Where are we now?**

This is an opportunity to reflect on past performance and celebrate success and identify areas for improvement.

2. **What does success look like at the end of the next period?**

This is an opportunity to identify goals or end-state for the next period of time, whether that is monthly, quarterly or annually.

3. **What do we need to stop/ start or continue to achieve this?**

This is an opportunity to identify:

- Activities that should be discontinued in order to achieve our goals or improve our performance
- Activities that we should start delivering in order to achieve our goals or improve our performance
- Activities that we are currently delivering that support our goals or improve our performance

Following the completion of this exercise, the team should agree a SMART action plan using the objective setting guidance that:

- Specifies actions and milestones
- Assigns clear ownership and accountability
- Measures improvement over time

Please refer to Appendix 6 for tools and templates.

Section 7: Roles and Responsibilities

7.1 Introduction

Clear roles and responsibilities are essential to the effective management of performance across the organisation. This section outlines the key responsibilities of these roles in relation to the management of performance across the organisation:

7.2 Role of BSO Chairperson

The Chair is accountable to the Minister for Health and is responsible for leading the Board and ensuring its effectiveness in discharging its responsibilities.

In relation to performance management, the Chairperson:

- Leads the Board in the effective oversight of organisational performance and delivery.
- Ensures organisational performance and risks to the achievement of objectives are considered routinely and systematically by the Board.
- Promotes constructive challenge and informed decision-making at Board level.
- Supports effective relationships with the Department of Health and wider stakeholders.

7.3 Role of BSO Board

The Board has corporate responsibility for ensuring that the BSO fulfils its statutory functions and achieves the objectives set by the Department of Health. It provides strategic leadership and direction, and is responsible for overseeing organisational performance and the effective use of resources. The Board is supported by a number of committees which assist the Board in discharging its responsibilities and obtaining assurance within their respective areas.

In relation to performance management, the Board:

- Sets the strategic direction and approves BSO's corporate objectives.
- Oversees organisational performance against agreed objectives, plans and priorities.
- Gains assurance from performance reports on delivery and outcomes.

- Ensures effective governance, risk management and internal control arrangements are in place.
- Seeks assurance that risks to performance are being identified, managed and escalated appropriately.

7.4 Role of BaDC

The Business and Development Committee (BaDC) is the primary sub-committee of the BSO Board, with responsibility for reviewing and scrutinising performance and improvement data across the BSO on behalf of the Board. The committee's role is established in its Terms of Reference *[see Appendix 7]*

In relation to performance management, the BaDC:

- Reviews organisational performance, including delivery against service level agreements and strategic priorities.
- Considers customer feedback, complaints and learning arising from incidents and reviews.
- Monitors the progress of major change and improvement programmes.
- Considers information governance and management arrangements where relevant to organisational performance and risk.

7.5 Role of the Chief Executive

The Chief Executive is designated as Accounting Officer by the Department of Health and is accountable to the Board for the leadership and management of the organisation. As Accounting Officer, the Chief Executive is responsible for the stewardship of public funds and for ensuring propriety, regularity and value for money in the use of resources.

The Chief Executive has overall responsibility for ensuring that the organisation operates effectively and delivers the corporate objectives set by the Board.

In relation to performance management, the Chief Executive:

- Is accountable to the Board for the effective delivery of corporate objectives.
- Ensures that appropriate performance management arrangements operate across BSO.
- Provides leadership on organisational performance, governance, risk and assurance.
- Ensures the Board receives reliable, timely and evidence-based assurance on performance.

- Oversees compliance with statutory, regulatory and Department of Health requirements.

7.6 Role of the Executive Leadership Team (ELT)

The Executive Leadership Team (ELT) is accountable to the Chief Executive for the effective leadership and management of the organisation and for delivering the corporate objectives set by the Board.

In relation to performance management, ELT collectively:

- Are accountable for translating corporate objectives into delivery.
- Oversee organisational performance against the Corporate Plan and Annual Business Plan.
- Review performance reports, trends, risks and emerging issues.
- Ensures appropriate corrective action and support where performance is off track.
- Provides scrutiny, challenge and validation of performance information prior to Board reporting.
- Supports escalation of significant performance issues through governance structures.

7.7 Role of Directors

Directors are individually accountable to the Chief Executive and Executive Leadership Team for the leadership and performance of their directorates, and for delivering organisational objectives within their areas of responsibility.

In relation to performance management, individually, Directors:

- Are accountable for performance and delivery within their Directorates.
- Oversee and monitor delivery against Service Area Business Plans
- Oversee and monitor the development and delivery of Service Level Agreements
- Monitor performance against the Annual Business Plan
- Monitor delivery against key performance indicators and ensure that appropriate action is taken where required
- Ensure risks and issues impacting delivery are identified and managed.
- Provide formal assurance on performance within their areas of responsibility.

7.8 Role of the Director of Strategic Planning and Customer Engagement

The Director of Strategic Planning and Customer Engagement provides strategic leadership for corporate planning, performance management and governance arrangements across BSO, ensuring that these operate in a coordinated and integrated manner to support the delivery of organisational objectives.

In relation to performance management, the Director of Strategic Planning and Customer Engagement:

- Leads the development of corporate planning and performance frameworks, ensuring alignment to strategic priorities and Department of Health expectations.
- Provides organisational oversight of corporate performance, ensuring that reporting is robust, timely and supports effective scrutiny and challenge.
- Ensures that the Board receives clear, reliable and integrated assurance on performance and delivery of corporate objectives.
- Supports effective engagement with customers and stakeholders to inform performance improvement.

7.9 Role of Assistant Directors/ Heads of Service

Assistant Directors/ Heads of Service are responsible for managing performance within their Service Area, and are accountable to their relevant Director.

In relation to performance management, Heads of Service/ Assistant Directors:

- Are responsible for the day-to-day delivery of Service Area Business Plans.
- Monitor service-level performance, milestones and KPIs against SLAs.
- Identify, assess and manage service-level risks and issues.
- Escalate performance issues in line with agreed escalation routes.
- Implement corrective actions to support delivery and improvement

7.10 Role of Internal Audit

Internal Audit provides independent and objective assurance to the Board and the Governance and Audit Committee on the effectiveness of governance, risk management and internal control arrangements.

Internal Audit does not provide a performance management function, however, in fulfilling their role, internal audit:

- Provides independent and objective assurance on governance, risk management and internal control.
- Reviews the effectiveness of performance management and assurance arrangements.
- Reports findings and recommendations to the Governance and Audit Committee.
- Provides an annual opinion to support Board assurance and the Governance Statement.

7.11 Role of the Corporate Planning and Performance team

The Corporate Planning and Performance team, within the SP&CE Directorate, is the organisation's subject matter expert for performance and improvement, supporting the effective operation, reporting and continuous improvement of these arrangements across BSO.

In relation to performance management, the Corporate Planning and Performance team:

- Coordinates the development, maintenance and application of the Performance Management Framework, ensuring alignment with the Integrated Governance and Assurance Framework.
- Leads and supports corporate and annual planning processes, including the Corporate Plan, Annual Business Plan and related guidance, templates and timelines.
- Provides central coordination of organisational performance reporting, ensuring consistency, quality and timeliness of submissions to ELT, Board and Committees.
- Provides central coordination, guidance and support for Services Areas to develop, deliver and agree Service Level Agreements with customer organisations.
- Produces and manages key performance reports, including the Quarterly Performance Against Business Plan, Quarterly Board Performance Dashboard, Monthly Corporate Scorecard and Annual Service Level Agreement Review Paper.
- Supports Directors, Assistant Directors and Heads of Service in reporting progress against objectives, actions and KPIs, including the use of BRAGG and RAG status.

- Provides quality assurance and challenge on performance updates to ensure accuracy, clarity and fitness for purpose prior to escalation or Board reporting.
- Supports the identification, escalation and tracking of performance-related issues and dependencies through agreed governance routes.
- Facilitates performance discussions, reviews and reflection activities to support learning, corrective action and continuous improvement.
- Coordinates customer performance processes, including SLA monitoring, performance reporting and analysis of customer feedback.
- Acts as a central point of expertise on performance management, providing advice and guidance across the organisation.

Section 8: Relationship between Performance, Objectives, Risk and Assurance

8.1 Summary

Performance management provides structured information on delivery, enabling the identification of underperformance, emerging issues and trends

Risk management provides a process for identifying, assessing and managing uncertainty that may impact the delivery of objectives. Where performance information highlights potential risks, these should be formally assessed and managed in accordance with the Risk Management Strategy *[see Appendix 8].*

Effective governance requires a clear line of sight between:

- objectives (what the organisation is seeking to achieve),
- performance (how delivery against those objectives is progressing), and
- risk (what may impact the achievement of those objectives).

BSO's Corporate Objectives provide the basis for organisational planning and performance management.

Controls and mitigating actions are implemented to manage identified risks. Sources of assurance are then used to provide evidence that these controls are operating effectively and that risks are being appropriately managed.

Assurance is reported through management and governance structures, including the Executive Leadership Team and Board Committees, enabling the Board to maintain oversight of the delivery of corporate objectives and the management of associated risks. The corporate risk register aligns corporate risks to corporate objectives, ensuring that risks are considered in the context of organisational priorities.

This structured approach enables the organisation to assess whether sufficient assurance exists in relation to key risks and to identify areas where assurance may be limited or require strengthening.

The relationship between objectives, risk and assurance is illustrated below.

8.2 BSO Integrated Governance & Assurance Framework

The BSO Integrated Governance & Assurance Framework provides the overarching structure for governance and assurance across the organisation *[see Appendix 8]*.

The Integrated Governance and Assurance Framework sets out:

- organisational structures
- accountabilities
- risk management processes
- sources of assurance;
- a clear view of how the organisation is managed and overseen.
- reporting and escalation routes
- how assurance is generated and consolidated.

The Performance Management Framework operates within this overarching structure and focuses on monitoring delivery against objectives. Performance information generated through this framework informs governance and assurance processes.

The Governance forums established through the Integrated Governance and Assurance Framework provide oversight, challenge and direction in relation to performance. This alignment ensures a coherent and integrated approach to governance, while maintaining clear distinctions between performance management and risk management processes.

Section 9: How this framework will be reviewed and updated

This framework will be formally reviewed on an annual basis to ensure it remains fit for purpose and aligned to BSO's corporate objectives, governance requirements and statutory obligations.

In addition, the framework will be subject to ongoing monitoring and periodic update to reflect changes in organisational priorities, performance management practices, reporting requirements or external guidance.

The Performance and Improvement Manager is responsible for co-ordinating the review process, including engagement with relevant stakeholders and the incorporation of feedback and learning.

Updated versions will be presented through the appropriate governance structures for approval.

Section 10: Appendices

Appendix 1: Introduction to Performance Management Framework	
BSO DoH Partnership Agreement	[Link]
BSO Risk Management Strategy	[Link]
Integrated Governance and Assurance Framework	[Link]
Performance Management Framework Implementation Plan	[Link]
Appendix 2: Strategic Context	
Programme for Government 2024-2027 'Our Plan: Doing What Matters Most'	[Link]
BSO Standing Orders and Standing Financial Instructions (SFIs)	[Link]
Appendix 3: BSO Corporate Planning Cycle	
Annual Business Plan Template	[Link]
Service Area Business Plan Template and Guidance	[Link]
Customer Service Level Agreement Template and Guidance (not finalised)	[Link]
Appendix 4: Measurement	
SMART Objectives Toolkit (not finalised)	[Link]
Objective-based measures Toolkit (not finalised)	[Link]
Appendix 5: Monitoring and Reporting of Performance	
Quarterly Performance Against Business Plan template	[Link]
Quarterly Performance Against Service Area Business Plan template	[Link]
Senior Management Meeting template	[Link]
Appendix 6: Escalation and Improvement	
Escalation guidance (not finalised)	[Link]
Guidance to reflection and improvement (not finalised)	[Link]
Appendix 7: Performance Management: Roles and Responsibilities	
Business and Development Committee Terms of Reference	[Link]
Appendix 8: Relationship between Performance, Objectives, Risk and Assurance	
BSO Risk Management Strategy	[Link]
Integrated Governance and Assurance Framework	[Link]