Performance Monitoring

Purpose
To agree the format and content for performance monitoring reports to be received by Council.

Recommendations

The Council is asked to comment on:

i. the format and content of the suggested performance monitoring report

1.0 Introduction

1.1. Reporting of operational activity, difficulties and achievement is an essential component of the governance and assurance framework which the Council has agreed.

1.2. The report by Stephen Thornycroft on the legacy of fitness to practise cases inherited by the Council has highlighted the need to monitor performance on a sound, consistent, regular and transparent basis. Developing reliable data on such activities and presenting them in an informative way is key to effective monitoring. If reliable data are not collected and critically appraised in the right way, at the right time,

• it is not possible for management reliably to identify the causes of operational problems and confidently to put in place the right interventions to address them
• it is difficult to measure the impact of whatever improvement steps are taken
• it is difficult to predict future operational challenges and therefore resource planning is not as reliable as it should be
• the Council’s capacity to ensure that its strategy is being delivered, and its objectives being met, by scrutinising the performance of the organisation, is severely hampered.

1.3. Over the summer, an informal group comprising a number of managers and Council members took part in a series of workshops to inform our work on the development of GPhC performance measures. A number of key themes emerged.

1.4. One was a shared commitment to work towards a set of performance measures which will give a balanced picture of the impact, effectiveness and efficiency of the organisation’s work across the board, recognising that there is no single measure (such as shareholder value, in a commercial context) which encapsulates the organisation’s success.

1.5. Another key theme of that preliminary work was that there are levels of information which are appropriately reviewed regularly by the executive team and other levels and information which should be regularly reported to the Council. This is consistent with the Council’s governance policy.

1.6. Equally, the Council should not be content with “high level” information only. One key safeguard in the system has to be that the Council has enough of the right information to enable it to identify an issue which it wishes to scrutinise in more detail; the governing body needs enough information to be confident that it will be in a position to identify an operational issue of strategic importance which the management may not have highlighted. This is one of the key learning points for regulatory Councils from the work that the Council for Healthcare Regulatory Excellence published in its review of the General Social Care Council’s conduct function.¹

1.7. For these reasons, the approach which emerged from the performance measures workshops, on which this paper builds, involves a conscious and positive choice not to propose “key performance indicators”. This does not preclude the option of identifying targets for improvement in particular areas.

1.8. It is with this sort of thinking in mind, and with a concern about the dangers of using averages as performance indicators, that the Council for Healthcare Regulatory Excellence has avoided specifying timeliness targets for dealing with casework, and has not developed or published quantitative benchmarks against which the performance of the regulators can be compared. CHRE has announced an intention to carry out a project to explore the scope for identifying common data sets, which we are keen to participate in.

¹ Report and Recommendations to the Secretary of State for Health on the Conduct Function of the General Social Care Council, CHRE, September 2009
1.9. However well defined and well thought-through, the risk with key performance indicators, for a new organisation which needs to take a balanced view of all aspects of its work, is that agreed indicators are likely to be privileged over other considerations, to the detriment of the balanced view.

1.10. The approach which is being developed and proposed seeks to address these issues by presenting sets of information to the Council which show what is happening, over time, with the key regulatory processes.

1.11. The attached Appendix 2 is a draft of how we envisage the Performance Monitoring report will look and what it typically will cover. At this stage it is suggested that monitoring would concentrate on four essential areas.

- Fitness to practise;
- Renewal of registrations;
- New entries to the register;
- Financial statements.

1.12. The format is based on an accounting model, which once fully developed and familiar should provide a consistent and reliable overview of the workload and activity within the key regulatory processes. These accounts of activity need to be supplemented by accessible graphical representation of key data sets, which we have begun to model in Appendix 2, in relation to fitness to practise. These will need to be developed to enable trends to be identified and analysed. Appendix 1 gives more information about the thinking behind Appendix 2.

2.0 **Equality and diversity implications**

2.1. The Council has statutory duties and policy objectives in relation to equality and diversity. The need to ensure that the balanced picture of performance includes useful and appropriate measures in relation to this area of performance was identified during the informal workshops on performance measurement, as was the scale of the challenge we face in meeting that need. The priority area of focus in this first phase of work with the live systems is the Council’s core regulatory work with a direct public safety and professional standards impact.

3.0 **Communications implications**

3.1. Delivering effective and efficient regulation is of interest to both patients and registrants. The ongoing development of performance measures needs to take account of the information needs of a number of stakeholders, whom we propose to engage on these issues.
4.0 **Resource implications**

4.1. There are not considered to be any resource implications arising from the provision of this paper itself. However drawing attention to delays or inadequate resource allocations to the various parts of the regulatory process could highlight the need to invest additional resources in the future. Such allocation of resources will be addressed through the business planning and budgeting process. The other key resource area which the paper highlights as needing attention is the information resource.

5.0 **Risk implications**

5.1. Failure to monitor performance could pose a risk to the reputation of the GPhC, if as a result unacceptable delays occur in the Council discharging its regulatory responsibilities.

5.2. The key internal risks in this area are around the legacy management information systems which currently do not meet the likely reporting needs of the organisation at all levels.

**Recommendations**

The Council is asked to agree:

i. Agree the format and content of the suggested performance monitoring reports

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Appendix 1

Performance Monitoring

The Council has laid out in its Vision and Strategy statement that in its first two years’ of operation it will focus on:-

- Delivering effective regulation
- Establishing ourselves
- Develop our future programme

Although progress on all three of these areas is required during these initial years, the Council will want to be reassured that it is delivering effective regulation as this first and foremost underpins the GPhC’s purpose to protect and promote the health and safety of patients, to develop safe and effective practice and to develop trust and confidence in pharmacy. It will also want reassurance that it has the necessary resources to continue to deliver effective regulation.

To give Council the reassurance it needs, it is important that we develop performance monitoring reports that cover the essential metrics of regulatory activity and which are produced regularly and of a consistent quality.

To assist in the development of such performance monitoring measure we have considered the initial essential areas which should be reported on and came to the conclusion they should focus on the following:

- Our fitness to practice process
- Our registration process and
- Our finances

The attached draft report seeks to show what such a reporting pack would look like and the information it would contain. It is accepted and understood that these three areas are not by any means a comprehensive review of all the GPhC’s activities and will of course change over time as we accumulate more data and seek to develop more
sophisticated reporting metrics. Other areas such as pre registration and CPD are important and will be reported on in future.

For the moment we think the attached report addresses the initial essentials on which regular performance monitoring is necessary and desirable. It therefore comprises the following sections.

**Fitness to Practise**
Based on the work done by Stephen Thorneycroft this report summarises the level of activity occurring within the FTP process and puts illustrative figures to the cases within each stage of the process. By tracking such measures over a period of time we will be able to see what progress is being made and where in the process problems may exist. The use of visual summaries of the information by way of graphs helps to give an overview of activity for both the whole process and within specific sections of the process. The attached report uses illustrative figure only but because they are based on Stephens report can be regarded as a good guide to the current levels of activity and cases in the system.

The graphs show the age profile of cases at the pre investigations stage and at the investigating committee stage.

**Registration**
The reports on registration are in two parts, the renewal exercise and the registration of new entries to the registration. We feel that there is value in splitting these reports. The renewal process is currently an annual process which requires a great deal of effort and allocation of resources. Such a concentrated activity therefore runs great reputational risks with registrants if we fail to plan or adequately resource this activity. In the future with the introduction of the rolling register this will become a regular activity which will occur throughout the year. That will require investment in systems development so as to, as far as possible automate the process.

Initial registration is again a fairly regular process but as illustrated in the attached report is subject to periodic surges due to external factors, in the case at the moment it is because of the recent surge in applications from pharmacy technicians associated
with the transfer of regulatory responsibility to the GPhC. We can expect a similar surge as we approach the deadline for mandatory registration in the summer of next year. The reputational risks associated with not handling these activities successfully, requires them to be reported on regularly.

Financial Statements
Council will want reassurance that it has the necessary resources to continue to deliver effective regulation. The attached income and expenditure, and balance sheets statements are in a format that Council is familiar with. Hopefully the continued reporting in this format will provide reassurance on the financial sustainability that will be needed to ensure the GPhC continues to be able to deliver effective regulation.
Appendix 2

Performance Monitoring

Contents

1. Fitness to Practise
2. Registration Renewal
3. New Registrations
4. Financial Statements

N.B There are 2 spreadsheets that need to be referred to as part of this appendix. Each tab on the bottom of spreadsheet 1 refers to a performance management report. Spreadsheet 2 is the income and expenditure, and balance sheets of the Council.