

TITLE OF PROJECT

Integrated Care Records Service - National Application Service Provider

OGC Gateway review: Gateway 3 – Investment Decision

Status of report: Final

Senior Responsible Owner: <Text Redacted>

Review Date: September 15 – 19, 2003

Review team:

<Text Redacted>



Office of Government Commerce

Background

1. The aims of the Integrated Care Record Service Programme (ICRS) are to give:
 - patients a modern IT-enabled NHS, which will directly impact on the care they receive;
 - frontline NHS staff access to safe, fast modern IT to support them in their work; and
 - managers, researchers and other professionals not involved in direct patient care access to high quality, confidential information.
2. Delivery will take place in three phases, by the end of 2004, 2006 and 2010 respectively.
3. Phase One will allow doctors to book outpatient appointments on line, send emails and browse the internet and view information relating to their patients. The latter will include laboratory and radiology results and some clinical correspondence, for instance GP referral letters. Phase One will offer simple functionality and make best use of existing and interim systems.
4. Phase Two will give doctors and health professionals access to a more detailed patient record, which will include specialist results, the GP prescribing record, and hospital discharge summaries. These services will be supported by telemedicine and digital imaging. Phase Two will also computerise all referral, requests and orders and all hospitals will have Picture Archiving and Communication Systems (PACS) support in place.
5. Phase Three will incorporate the advanced features necessary to fully integrate care across both health and social services. This will include decision support software, screening, community wide prescribing and clinical documentation, to include assessment and care planning
6. The ICRS programme together with the infrastructure programme, e-Bookings and the Electronic Transfer of Prescriptions comprise the National Programme for IT (NPfIT). The driving force for the programme is the policy paper "Delivering 21st Century IT Support for the NHS", which focuses on a patient centric approach. Ultimately, ICRS will replace the myriad of computer systems currently in use in the NHS with national applications supported by robust standards.
7. This is a Gateway 3 review carried out in respect of the prospective investment decision on the National Application Service Provider element (NASP) of the overall ICRS programme. Other elements include the Local Service Provider (LSP) projects which will follow NASP and address the local needs of Strategic Health Authorities. The final stages leading to award of the NASP contract have been subject to late change (date of Best and Final Offers (BAFOs) deferred) and therefore the review is being conducted some weeks before the final award of contract and before the BAFOs have been received. As a result, we have a number of recommendations below, which are targeted for completion by award of contract as well as some for completion before the next Gateway review. The absence of BAFO information has made it difficult to be certain about affordability and Value for Money but we are clear that these issues will be fully addressed by the Department in conjunction with the Treasury before award of contract.

8. The Gateway 1 report was delivered in October 2002, the Gateway 2.5 report on June 6, 2003. The latter made a number of recommendations, the responses to which we have reviewed. All have been either resolved or have work in hand to resolve them. The position of Foundation Hospitals in relation to the ICRS programme is now the subject of discussions between the relevant stakeholders. We understand that as the detailed preparations for Foundation Hospitals are made, the need for them to integrate with ICRS requirements will be made clear. We note that this is incorporated within the relevant issue/ risk register to ensure it is resolved in due course.

Purpose and conduct

9. The purpose of this review is described in Appendix A.
10. The Gateway 3 review was carried out from September 15 to September 19 in London and Leeds. The team consisted of <Text Redacted>. Those interviewed are listed in Appendix B at the back of the report. The review team would like to thank everyone involved for their support and openness, which contributed to the Review Team's understanding of the Project and the outcome of this review. We are particularly grateful for the help and support of <Text Redacted> and his colleagues for organising a demanding interview schedule, and their rapid responses to our various requests.

Conclusion

11. The Review Team finds that:
- There is strong Ministerial and top management commitment to the success of the ICRS programme
 - The NASP project has been aggressively managed to very tight timescales, reflecting commendable commitment by all
 - Project risks have been managed actively and systematically
 - Funds are available to the NASP project for the next stage
 - The technical 'buildability' of bidders' solutions have been tested
 - Arrangements for clinical involvement in the programme have been strengthened
 - The project business case awaits population with costs following receipt of final offers
 - Activity and resource plans for the next stage are at an early stage of development
 - Roles and responsibilities for the next phase remain to be clarified in some areas
 - Change management in the next stage will be a major challenge as the NASP and other elements are taken forward
12. Exemplars of good practice used are:
- Testing the technical feasibility of bidders' solutions before award
 - The strategic approach to balancing local and national contracts
 - The multilayered approach to programme/ project governance to ensure effective control across the national programme
13. Status of Project is **AMBER**

Summary of recommendations

14. The Review Team finds that the following recommendations are;

Critical before award of contract:

- i. A formal check should be made to ensure that all post award roles, responsibilities, activities and resources are clearly identified for the next phase. This should include the relationship between central and local teams, and between the NPfIT group and the NHS IA.
- ii. The presence of fully specified management/ monitoring arrangements in respect of service performance, change control, benefits management and contract management should be confirmed.

Critical before the next review;

- iii. The completion of the process of business case approval with the Treasury is used to provide the Department of Health with an opportunity to content itself regarding our pre-award recommendations.
- iv. The relevant resources in the Modernisation Agency should become more closely integrated with those in the NASP/LSP projects to ensure effective management of change.
- v. A systematic approach to the capture of lessons learned from early implementation experience is formalised within implementation planning
- vi. Opportunities to re-affirm top level commitment to the ICRS programme should be considered at regular intervals, starting with the upcoming award of the NASP contract.
- vii. Funding for LSP projects should be clarified before the relevant Gate 3 reviews

Potential for success

15. The National Programme remains a vital element in the Government's strategy for modernising the National Health Service. The ICRS programme, within which the National Application Service Provider (NASP) project sits, is clearly seen by all those involved as a mission critical project. The programme has strong Ministerial support and the responsible Minister meets regularly with the Director General for the National Programme to review progress.

16. There is confidence among all stakeholders, including Clinical and Department of Health representatives, that the solution described in the Output Based Specification (OBS), will meet the business need. The OBS is comprehensive and as such has provided a sound basis for detailed negotiations, which continue at the present time. Useful clarification has flowed from this, and there continues to be every prospect that the business needs will be met in full.

17. In recent years the NHS has been subject to a series of major programmes of business change and these continue. Within the ICRS programme generally and the NASP project specifically, we would have expected to see a major change management programme incorporated as a part of this project and initially we saw its absence as a potential weakness. We support the recent appointment of a National Implementation Director and Regional Implementation Directors to drive the change agenda in this respect, and we are encouraged by the assurances we have received from the

Modernisation Agency about the integration of change management arising from the ICRS programme with other elements of the NHS change. To ensure that the MA is fully engaged, we recommend that the MA be invited to produce a proposal for detailed involvement, that MA staff be engaged in the RID teams, and that a direct link be made between the relevant MA staff and the NASP project team.

In addition, we note the emerging idea for a systematic approach to the capture of lessons learned from early implementation experience in order that best practices in utilising the new tools may be evolved and shared across the NHS estate. We recommend that this approach is formalised within implementation planning.

18 The pressures associated with the maintenance of a tight and demanding procurement timetable have until very recently precluded significant attention to the planning of resources and organisational changes in the project necessary to move from award of contract into development and implementation. Activities in this area are under way and completion of the planning process in the remaining weeks before contract award is feasible, but we are not able to confirm that readiness in all respects in this report. We recommend therefore that immediately prior to the award of the contract (now expected around the middle of November) a formal check is made to ensure that all post award roles, responsibilities, activities and resources are clearly identified for the next phase. This should include the relationship between central and local teams, and between the NPfIT group and the NHS IA, and provide confidence that all key posts required have been filled with appropriately skilled personnel.

19. We have noted and been strongly encouraged by the work done over the last few months to establish proof of technical concepts, so as to test the technical capability of bidders' possible solutions. We believe this will contribute significantly to the assurance with which the rollout of the NASP and LSP infrastructure may be undertaken in due course.

Review of current phase

20. This is a major, complex procurement project, running to a very tight timetable. This phase is being brought to conclusion, broadly on time and under budget. Both bid teams have expressed themselves content with the way a demanding procurement has been managed. This outcome reflects commendable commitment from all concerned and tight, effective management of the process. The methodology appears suitable and the expected documentation is in place. Quality management has been applied to all project products and some late changes in scope were incorporated without detriment to the timetable.

21. We noted the concern expressed at Gate 2.5 regarding ongoing clinical input into the project. We are satisfied that the processes which have led to the current preparedness for the contract award have taken account of the views of stakeholders. Arrangements are in place for a wider degree of involvement with clinicians and other stakeholders as the project moves into development and implementation. We have been impressed with the work done in the creation of the National Clinical Advisory Board, which will reinforce the work of the Information Standards Board and other previous arrangements for clinical involvement. In addition, we have noted research work in hand in conjunction with the Consumers Association to establish patient views of the ICRS proposals and to inform issues such as the prioritisation and phasing of implementation.

22. We have also noted that much has been done to establish buy-in amongst NHS management. Leadership provided by the NHS Chief Executive, together with the creation of key roles such as the Cluster Senior Responsible Owners and the Regional Implementation Directors, have placed the area of stakeholder management on a sound footing. However, there is still much to do, particularly at more junior levels and it is vital that the senior leadership is continuously reinforced through appropriate events and communications. The award of the NASP contract may provide an opportunity in this respect. We recommend accordingly.

Business Case

23. The original business case covered the whole ICRS programme. In the period since then a separate business case has been developed in respect of the NASP project, as one of the six business cases that will be required in relation to all elements of NASP/LSP (the other five being for each of the local clusters). The approach has involved the development of a framework consistent with OGC guidance and key stakeholders, e.g. in Treasury, have been kept informed. On receipt of final offers, the NASP business case will be populated and formally submitted.

24. The NASP project is an enabling project with few direct benefits. The benefits that do accrue will be contained in the individual projects such as E-booking and in the local projects. In relation to the upcoming LSP projects, the intention of the Modernisation Agency to develop a comprehensive framework to ensure benefits achieved from the ICRS programme are tracked and collated is welcomed.

25. Substantial funding has been secured centrally, which, on the basis of the indicative prices received appears adequate at least to deal with the national spine. This will be finally confirmed when final offers are received. Appropriate funding has been allocated to the Modernisation Agency to enable the development of core tools and capability for the change management programme, but other funding in relation to the LSP projects remains to be confirmed. This will need to be clarified before the relevant LSP Gate 3 reviews. We recommend accordingly.

Risk management

26. The risk management process is comprehensive and of high quality, with a systematic approach to monitoring and managing risks and issues. Risk and issue logs are up to date and actively reviewed on a weekly basis. The use of a traffic light scheme for the most important risks helps senior management to see the overall picture at a glance.

Readiness for next phase – readiness for service

27. Effective working relationships have been established between the project teams and the bid teams. Working through the proof of solution testing has extended those relationships to technical team members on both sides.

28. Alongside the useful working level relationships, we have noted comprehensive arrangements for a multi-layered approach to the formal governance of the ICRS programme. The NHS is a huge enterprise and effective governance of a major IT enabled change programme will be an enormous challenge. The use of senior programme/ project boards at national, cluster and SHA levels together with the

allocation of key personal responsibilities for SRO and programme/ project manager roles at those levels should ensure an effective and decisive control environment.

29. Resources through the procurement phase have been tight. It is vital that key roles and responsibilities for the next phase, including the NASP SRO, be clarified and documented before the award of contract so that progress can be made immediately afterwards. We have already recommended that clarity of roles and responsibilities is established before the award of contract.

30. Fully specified management/monitoring arrangements in respect of service performance, change control, benefits management and contract management are not yet in place. Again we recommend that a full check is made that those arrangements are in place at award of contract.

31. The project team has produced a draft implementation strategy, which provides the framework for detailed planning leading to acceptance and post implementation support in due course. Risk management mechanisms are being employed by both bidders, and there are reasonable prospects for a smooth transition to joint plans post the award of the contract. In addition, a comprehensive communication strategy is in the final stages of preparation prior to wide consultation with key stakeholders. An effective communications strategy will be vital to the avoidance of unhelpful media attention, particularly in sensitive areas such as record access control and we support plans for a proactive approach.

32. The completion of the process of business case approval with the Treasury (immediately prior to contract award) will provide the Department of Health with an opportunity to content itself regarding our pre-award recommendations. We so recommend.

33. The next OGC Gateway review for NASP is expected in June 2004.

Purpose of Gateway 3: Investment decision

- Confirm the business case and benefits plan now that the bid information has been confirmed.
- Check that all the necessary statutory and procedural requirements were followed throughout the procurement process.
- Confirm that the recommended contract decision, if properly executed within a standard lawful agreement, is likely to deliver the specified outputs/outcomes on time, within budget and will provide value for money.
- Ensure that management controls are in place to manage the project through to completion.
- Ensure there is continuing support for the project.
- Confirm that the approved procurement strategy has been followed.
- Confirm that the development and implementation plans of both the client and the supplier or partner are sound and achievable.
- Check that the business has prepared for the development (where there are new processes), implementation, transition and operation of new services/facilities.
- Confirm that there are plans for risk management issue management and change management (technical and business) and that these plans are shared with suppliers.
- Confirm that the technical implications, such as 'buildability' for construction projects and (for IT-related projects) impact of e-government frameworks such as e-GIF, e-business and external infrastructure have been addressed.

ICRS NASP OGC GATEWAY 3 REVIEW
LIST OF INTERVIEWEES
15th September – 19th September

<Text Redacted>

* = Interview conducted by telephone