

TITLE OF PROJECT

Integrated Care Records Service – Picture Archiving and Communications System (PACS)

OGC Gateway review: Gateway 3 – Investment Decision

Status of report: Final

Senior Responsible Owner: <text redacted>

Review Date: September 23 – 26, 2003

Review team:

<Text redacted>



Office of Government Commerce

Background

1. The aims of the Integrated Care Record Service Programme (ICRS) of which PACS is a part 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 Picture Archiving and Communications System (PACS) of the overall ICRS programme. Other elements include the National Application Service Provider (NASP) and Local Service Provider (LSP) projects. PACS is not a separate procurement but part of the LSP procurements which themselves are the subject of separate Gateway reviews. These procurements have been delayed and this review has therefore been carried out before the Best and Final Offers (BAFOs) have been received. The absence of BAFO information or even indicative prices has made it difficult to address some of the key areas expected of a Gate 3 review or 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 PACS project was established in April 2003. It has not been the subject of earlier Gateway reviews but the overall economic case for national investment in acute Trusts is inherited from the ICRS Business Case which has been through a Gate 2 review

Purpose and conduct

9. The purpose of this review is described in Appendix A.

The Gateway 3 review was carried out from September 23 to September 26 in London and Leeds. The team consisted <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> <text redacted> for organising a demanding interview schedule, and their rapid responses to our various requests.

Conclusion

11. The Review Team finds that:

- The specific funding for the PACS requirement must be resolved before contract award.
- The clinicians have expressed enthusiasm and support for early implementation of PACS.
- Project risks are being managed actively and systematically
- Arrangements for clinical involvement in the project are being strengthened
- The project Business Case awaits further development and 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 PACS and other elements are taken forward

12. Exemplars of good practice used are:

- Good comprehensive documentation
- The proposed approach to readiness checks we feel is sound
- The levels of enthusiasm demonstrated across the project and within the stakeholder community.

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. We recommend that the question of specific funding for PACS be resolved before contract award.
- ii. We recommend that the National Programme Board review the current organisation of PACS to ensure that there is the strongest practical focus on implementation.
- iii. We recommend that the Full Business Case should include an agreed definition of when the business benefits and savings will accrue.
- iv. We recommend that before contract award the National Programme Board satisfy itself that the selected LSP suppliers and their subcontractors have sufficient capacity to deliver and support PACS to the required timetable.
- v. We recommend that a review of resources, roles, responsibilities and accountabilities take place to ensure that there is complete clarity in readiness for the implementation phase.

Critical before the next review;

- vi. We recommend that if practical every opportunity is taken to commence the early implementation of PACS.
- vii. We recommend that a process is put in place to ensure the experience gained through earlier PACS implementations is captured, disseminated and used accordingly.
- viii. We recommend that the Project specifically, and the National Programme in general satisfies itself that it has the necessary contingency and mitigation strategies in place to deal with long-term unplanned absences of key personnel.
- ix. We recommend that the National Programme, in conjunction with the Modernisation Agency and with the involvement of the Trusts themselves, produce a clearly articulated set of guidance and instructions to enable Trust CEOs to fulfil their obligations in relation to business change, training and benefits realisation.
- x. We recommend that the Communications Strategy and associated plans be significantly enhanced to ensure that all key stakeholders are kept fully advised of developments during the implementation phase.

Potential for success

15. The National Programme remains a vital element in the Government's strategy for modernising the National Health Service. The PACS project which is part of the

ICRS Programme, is clearly seen by all those involved as a highly desirable project which will deliver early business benefit and credibility to the National Programme. The National Programme has strong Ministerial and top-level support within the Department and this has been echoed within the PACS Project by all those interviewed.

16. There is universal acceptance that the stated benefits are both real and realisable, although there is a question mark over timing.
17. There is confidence among the 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, has taken some account of lessons learnt and as such has provided a sound basis for detailed negotiations, which continue at the present time.
18. A substantial amount of money (£2.3 billion) has been allocated to the NPfIT Programme. Because the negotiations for all the ICRS contracts are taking longer than planned, firm prices are not yet available. This means that the NPfIT Programme cannot yet make a judgement on what it can afford and therefore does not feel able to allocate specific funds to PACS at the present time. Some funds have been allocated to the SHAs this financial year (£15.1 million) as a pump priming exercise and funds for the Project Team are also secure.
19. Because of this uncertainty, bidders are being invited to quote for PACS as an 'additional' service with prices in bands depending on take up. This in effect makes PACS a catalogue item with no firm commitment as to the level of take-up. This may not result in optimum pricing but it does deal, contractually, with the present uncertainty about funding. No firm commitment will be made by Trusts until secure funding is in place.
20. We understand that the proposed central funding approach as outlined in the current version of the Business Case (which is to fund centrally the affordability gap between cost and savings) requires, in the context of NPfIT a relatively modest amount of money. Given the enthusiasm for PACS amongst clinicians, and the potential for a quick win with the consequent boost for NPfIT credibility, it would be a great pity if central funding for PACS could not be found.

We recommend that the question of specific funding for PACS be resolved before contract award.

21. We believe that the concept of a Phase 0, that is, the rollout of PACS to those Trusts in an advanced stage of readiness in advance of Phase 1 of the LSP, which we understand is scheduled for June 2004, is an excellent idea. It will provide good visibility and credibility for the LSP and NPfIT, potentially relieve pressure on supplier capacity, and will also help clinicians who are very keen to receive the service.

We recommend that if practical every opportunity is taken to commence the early implementation of PACS.

22. PACS is not a new technology and has already been implemented over 30 Trusts. It is important that the experience and lessons learned from those implementations are disseminated to those responsible for implementation. The Project Board brings a wealth of experience in this area some of which has been fed in to the OBS but it is less clear whether the experiences gained at the practical level are being captured and shared.

We recommend that a process is put in place to ensure the experience gained through earlier PACS implementations is captured, disseminated and used accordingly.

Review of current phase

23. PACS has been a separate project since April 2003. The original project manager left during the late summer and though we understand a substantive Project Manager has been appointed he/ she will not take up post until November. The current acting Project Manager and the Senior Management Team have been in post for a matter of weeks only. We have, nevertheless, been impressed with the speed with which the Team have got to grips with the Project and by the quality of the documentation they have produced, albeit much of it still work-in-progress. We have also been pleased to note the extent to which the challenges of the next Phase have been recognised by the Project Team.

24. The current arrangements for a separate project have succeeded in raising awareness of PACS, have provided a focus on requirements, and have helped develop good stakeholder and clinician support. However, as the process now moves from procurement and contract award to implementation the focus of activity moves from the Centre to the Cluster and there may be more effective options available for the implementation phase.

We recommend that the National Programme Board review the current organisation of PACS to ensure that there is the strongest practical focus on implementation.

25. In anticipation of helping to achieve fast and effective implementation, the first two clusters have been carrying out some preparatory work as a first stage in a series of Readiness Checks which will cover:

- Clinical readiness (including process change)
- Technical infrastructure readiness
- Interface/ modality readiness.

It is believed that this approach is good practice for initial implementation planning.

Business Case

26. 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 PACS project. More work needs to be done to develop a Full Business Case, particularly in respect of detailed financial information which cannot be fed in until the Best and Final Offer is received. We also heard differing opinions as to how quickly PACS can generate both cash and non-cash savings.

We recommend that the Full Business Case should include an agreed definition of when the business benefits and savings will accrue.

Risk management

27. The Project adopts a systematic approach to the management of risks and issues. The Project governance arrangements are clearly articulated and the Programme Board has now been appointed and has met for the first time. The technical members of the Programme Board believe that it will be an effective forum and the Project Team has welcomed their input.
28. We have been impressed with the energy, enthusiasm and commitment of the project team and the National Programme in general. We do however have a concern about the ability of people to work for long periods at this intensity. It is also apparent that the National Programme does rely on a number of key individuals, all of whom are under similar pressure.

We recommend that the Project specifically, and the National Programme in general satisfies itself that it has the necessary contingency and mitigation strategies in place to deal with long-term unplanned absences of key personnel.

Readiness for next phase – readiness for service

29. We have noted that the PACS Procurement is part of the LSP procurement and therefore the PACS Team is not directly responsible for the procurement process. They have, however, been involved in the preparation of OBS 115 and in the negotiation stage. In particular have been able to raise the awareness of the LSP bidders about the PACS requirement. Concern has been expressed by many of those interviewed about the capacity of the PACS market to deliver the requirement nationally within the planned timescales. The PACS Team and the LSP negotiating team are very aware of this issue and we are satisfied that this is being actively managed.

We recommend that before contract award the National Programme Board satisfy itself that the selected LSP suppliers and their subcontractors have sufficient capacity to deliver and support PACS to the required timetable.

30. We have noted a very strong focus on getting to contract award but the priority will soon turn to implementation. A number of concerns have been expressed about how clear the various strands for implementation are, how they will effectively be brought together, and whether the appropriate resources will be in place. The Trusts accept responsibility for delivering and driving out the benefits; the RIDs appear to accept that they have a key part to play in contract management; the MA will be influential in helping to devise the new business processes. Complete clarity around all of these key activities does not yet seem to be in place.

We recommend that a review of resources, roles, responsibilities and accountabilities take place to ensure that there is complete clarity in readiness for the implementation phase.

31. Although not the direct responsibility of the project, the National Programme has a clear responsibility along with the MA to help and assist the Trusts in preparing and achieving the necessary business change, and in benefits realisation.

We recommend that the National Programme, in conjunction with the MA and with the involvement of the Trusts themselves, produce a clearly articulated set of guidance and instructions to enable Trust CEOs to fulfil their obligations in relation to business change, training and benefits realisation.

32. We note that there is an initial Communications Strategy in place. We also sense that because of the enthusiasm amongst the stakeholders for PACS, there is a feeling that the product largely sells itself. However, we feel that the need for more detailed communication, managing of expectation and marketing successes will rapidly increase.

We recommend that the Communications Strategy and associated plans be significantly enhanced to ensure that all key stakeholders are kept fully advised of developments during the implementation phase.

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.

PACS GATEWAY 3 REVIEW
LIST OF INTERVIEWEES
23rd September – 26th September

<Text redacted>