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OGC Gateway™ Process

Review 5: Operations review & benefits realisation

Version number: Final

Date of issue to SRO: 20/9/2007

SRO: <name redacted>

Department: Department for Health

Agency or NDPB: Connecting for Health

OGC Gateway™ Review dates: 17/9/2007 to 20/9/2007

OGC Gateway™ Review Team Leader:
<name redacted>

OGC Gateway™ Review Team Members:
<name redacted>
<name redacted>

Background

The aims of the project:

The National Network for the NHS (N3) provides IT infrastructure, network services and broadband connectivity to meet the needs of the National Programme now and into the future. It provides support for NHS Care Records Service, Choose and Book, Electronic Transmission of Prescriptions, Picture Archiving and Communication Systems and GP IT Support Programmes.

It links all NHS sites in England, enabling data to be exchanged reliably and securely. It has since been extended to Scotland. N3 provides continuity of service from the previous NHSNet and satisfies the current and future wide area networking requirements of the National Programme.

The driving force for the project:

The original driving force for the project was a requirement to update the NHS Network infrastructure in support of some key government initiatives including implementing the NHS Plan through the Information strategy for the NHS 'Information for Health', the E-Government initiative and the Broadband Aggregation Project. Growing complexity of applications of the technology of the network to an increasing user community has begun with the current deployment of Voice over IP. More recently, the increased emphasis on Community of Interest Networks (CoINs) has strengthened the role of the network in supporting local trusts and their applications.

The procurement/delivery status:

The network is now effectively fully deployed. The initial target of 18,000 connections has been met and day to day service management is now the responsibility of CfH Service Management. The original project team continues to work, funded to develop further exploitation of the capabilities of the network. Interviewees welcomed this latter activity, which is crucial to the exploitation of the investment in the new network and delivery of benefits.

Current position regarding OGC Gateway™ Reviews:

A Gate 3 Review was carried out in January 2004 before award of contract to N3SP, a BT business unit established for the purpose, producing a RAG assessment of Green. A Gate 4 Review took place in August 2005, with an overall RAG assessment of Amber.

Purposes and conduct of the OGC Gateway™ Review

Purposes of the OGC Gateway™ Review

The primary purposes of an OGC Gateway Review 5 - Operations review & benefits realisation, are to assess whether the anticipated benefits are being delivered and that the ongoing contractual arrangements meet the business need.

Appendix A gives the full purposes statement for an OGC Gateway Review 5.

Conduct of the OGC Gateway™ Review

This OGC Gateway Review 5 was carried out from 17th September 2007 to 20th September 2007 at NHS premises in Leeds and London. The team members are listed on the front cover.

The people interviewed are listed in Appendix B.

Appendix D shows a list of documents reviewed.

The Review Team appreciated the help and support offered by all members of CfH, NHS and N3SP staff with whom they came into contact. Our particular thanks are due to <name redacted> and <name redacted> for the efficiency with which administrative arrangements were set up and delivered.

Conclusion

The Review Team finds that the project has achieved significant success. There is a growing realisation within CfH and the NHS user community that the continuing exploitation work offers the opportunity to move N3 from a utility that supports national applications to a significant enabler of beneficial change and progress in the national delivery of healthcare.

The reinvigoration of the user group, its strong leadership and the revised focus of its meetings to enable it to contribute to fault resolution and service development were very positive features.

A summary of recommendations can be found in Appendix C.

OGC Gateway RAG Status

The overall OGC Gateway RAG status is Amber - as defined below.

Red – To achieve success the project should take action immediately.

Amber – The project should go forward with actions on recommendations to be carried out before the next OGC Gateway Review of the project or an earlier specified date/key decision point (See section 6 for an enlarged discussion of “key decision point”).

Green – The project is on target to succeed but may benefit from the uptake of recommendations.

The Review Team found that the previous recommendations had received proper attention and had been implemented to a satisfactory degree.

A summary of recommendations, progress and status from the previous OGC Gateway Review can be found in Appendix E.

The Review Team has seen evidence that the Accounting Officer has been assured regarding the ‘common causes of failure’ and the skills/experience track record for the SRO and Programme/Project Manager have been examined.

Findings and recommendations

1: Review of operating phase

The contract seems to be robust. Despite much work on the underlying requirement, only some 15 minor Change Control Notices have been applied.

Interviewees expressed the view that partnership with N3SP is now effective after a difficult initial period. This is evident from the partnering practices in service delivery.

The limited interviews with suppliers of national applications and their customers suggested that the network is fulfilling well its intended role of providing infrastructure for the national applications.

Some concerns were expressed about bandwidth provision and resilience for high volume applications and to GPs. Evidence that these issues are logged and that appropriate action is under way was forthcoming in interviews.

Users expressed consistent disappointment with help desk and fault resolution services across CfH, although the N3SP help desk was generally well viewed. There is a clear need for these services to be reviewed, clarified and strengthened and for improvements to be signalled clearly to the user community at all levels – local, PCT, SHA and nationally.

Recommendation: CfH Service Management should review, clarify and strengthen arrangements for user support, help desk provision and fault resolution, then ensure that improvements designed should be publicised to the user community effectively. (Amber)

It was not obvious to the Review Team from the evidence presented when the continuing activities of the exploitation group were formally considered and approved. The success of the project to date and the welcome received across the user community for these activities suggest a need to introduce more clarity and a higher profile for them. This topic will be addressed more fully in sections 5 and 6.

The Service Management Team reviews invoices for other services, but not charging for N3.

Recommendation: Consider effectiveness of working relationship between service management team, CfH finance and N3 in managing N3SP charges. (Green)

2: Business Case and benefits management

There are certain aspects of the network services and exploitation where unconstrained user choice can lead to sub-optimisation in achieving overall value for money. Specific examples quoted were membership of CoINs communities and the use of VoIP from N3SP. Consideration should be given to making the use of key elements of the network services mandatory.

Recommendation: Review CfH's ability to influence the freedom of choice of SHAs and other Trusts to ensure that recognition of the need for local autonomy in meeting local and regional business needs does not unnecessarily increase network expenditure for the NHS as a whole. (Amber)

3: Plans for ongoing improvements in value for money

As user requirements have evolved, N3SP claim that its ability to supply certain services to PCTs and other local communities may become inhibited by the scope of the OJEC notice. This will need to be borne in mind as the future of the network and the services provided is considered.

N3SP management told the Review Team that the contract was bid on the basis of a service team of some 90-100 staff, whereas N3SP employs around 400 staff. The costs of these staff form part of the continuing financial negotiations between CfH and N3SP. The Review Team could identify from evidence presented in interviews a workforce of between 130 and 150 N3SP staff carrying out service management roles, while the rest seemed to be engaged in marketing, sales and sales support activities. It was not obvious that the extra 250 or so staff were properly chargeable to the N3SP costs.

Implementing further CoINs was offered by many interviewees as a route to cost avoidance and reduction. There exists the possibility of implementing a further 70 CoINs, but this will take about four years with current resources and procedures. If the process could be improved, there should be significant cost reductions within the N3 programme.

Recommendation: Review the CoINs implementation process to ensure that high value implementation can be completed early and more quickly than at present. (Amber)

4: Plans for ongoing improvements in performance and innovation

N3SP claim to have a highly specific technology road map, showing areas for improvement, resources required, timetables for development/implementation and their potential impact on health care delivery. CfH staff seemed less positive about the road map. The two parties need to collaborate to finalise and implement the road map and communicate it to all stakeholders. Implementation of this technology road map is the core of future development of the network.

Recommendation: Finalise Road Map for Technology and its future impact as part of the revision of the business case for N3. (Amber)

The National Local Ownership programme (NLOP) has required the greater involvement of SHA management in areas formerly the exclusive domain of CfH. The Review Team saw evidence of activity intended to engage SHAs in a more strategic and involved manner, which is welcome. The point was made several times that no two SHAs will develop in the same way. Involving them will require sensitivity to their individual situations and needs. Nonetheless, the aim should remain to drive towards coherence across the service as a whole.

The revision of the National Allocation Algorithm that regulates both capacity provision and financial support to sites was described as being in hand. It was evident that a revision will be widely welcomed and that SHA management will need to be involved in developing and applying it.

The Review Team was given to understand that reference to Acceptable Usage is to be included in this revision, identifying the statement of compliance (SOC) and its guidelines with respect to Acceptable Use Policies.

5: Review of organisational learning and maturity targets

The N3 programme has many lessons to offer to other public sector colleagues and it is likely that they could also learn from them. The Review Team welcomed the CfH active participation such activities as the Cabinet Office collaboration programmes concerning networking.

Interviewees spoke of the need to revise the business case in the coming twelve months. This process will also offer the opportunity to document the lessons learned from the N3 development to the benefit both of NHS colleagues and other elements of the public sector.

The expression “430 warring tribes” was used by several interviewees in characterising the highly autonomous NHS federal culture. The present state of the N3 programme offers CfH a significant opportunity to increase the levels of cooperation and harmony within the Service.

The planned use of local pilots for exploitation projects (initially VOIP) with national deployment via N3SP customer engagement staff was an exemplar of good practice in incremental implementation of new business capabilities.

6: Readiness for the future – Plans for future service provision

The work of the former N3 project has now divided into two work streams. The first – ongoing service management – is the responsibility of the service management team. It is seen by interviewees as largely satisfactory, although some review of financial process and a major improvement in user support are recommended.

The second work stream is the continuing responsibility of the N3 team and concentrates on intelligent exploitation of the installed network. The Review Team understands that the intention of the CfH management is to see the work of the team as a continuation of the project, and to require the team to re-state the N3 business case by end 2008, while carrying on with the development work which is its main responsibility.

The Review Team has observations on the current situation and plans, as well as a recommendation about how the work of the N3 team should go forward to support the strategic aims of CfH. Our observations are:

1. There is excessive dependence on one or two key members of the N3 team, particularly its leader. The Review Team heard consistently remarks to the effect of: "If it all goes wrong, I turn to <name redacted> and he gets it fixed." CfH management should give consideration to spreading the workload more evenly for the reduction of risk and dependence on individuals
2. As the plans for the longer term exploitation of the network mature, succession planning for the structure of the team and significant roles within it will become increasingly critical.
3. Some of the key posts in the N3 team are occupied by contractors. CfH management should consider whether the balance of contractors and permanent staff within the team is appropriate.
4. CfH management should support and provide resources for the developing collaboration amongst the N3 team and Trust staff.

Recommendation: The structure, staffing and roles within the N3 team must be reviewed, recognising the team's observations as part of the development of the new business case and plan. (Amber)

The Review Team's recommendation about future strategic direction of the N3 exploitation programme is as follows:

1. The implementation of the network is widely seen as a success.
2. The NLOP programme gives SHAs a strategic, national role that they have an evident appetite to fulfil.
3. There exist, in N3SP, the N3 team, CfH more broadly and in the user community a multiplicity of creative ideas for further use of the network.

4. The N3 implementation programme critical first phase – the replacement of NHSNet - is effectively complete, given the 2006 commercial settlement and the transfer of operational responsibility to CfH service management.
5. There is an opportunity, and a clear need, to promote the network and network enabled applications as essential stepping stones towards the transformation of the delivery of health care.
6. The Review Team concluded that there is a compelling argument for taking the reconsideration of the business case, the greater involvement of SHA management and the promotion of more innovative use of the network together.

Recommendation: The Review Team recommends that:

- **The Review Team understand that plans exist to re-state and re-evaluate the business case for N3. The Review Team strongly supports this intention and recommends that it should be initiated as soon as possible.**
- **The plans to re-evaluate the business case should be broadened to include the user community via SHAs in the development of the commercial case and ideas for exploitation**
- **That the economic case be re-evaluated covering the ten year timeframe ending in 2014(the original contract period plus the available extension periods), rather than the original seven year timeframe of the basic contract, which would end in 2011**
- **That the resulting proposals should concentrate on network, exploitation and associated change management, rather than simply infrastructure provision**
- **That the resulting proposals should be seen as a coherent programme, building on the success achieved in the N3 programme, with an increasing emphasis on the benefits to be achieved from the use of a CoINs based architecture**
- **That the resulting programme proposals should be subject to a further Gate review within the next twelve months. Given the increasing distinction between operational and development activities, it is possible that separate reviews of both areas of activity might be needed.(Amber)**
- **The next OGC Gateway™ Review is expected in the second or third quarter of 2009 after the business case and plans for future network exploitation have been completed. The Review Team recommends a Gate review on the revised plans for exploitation, including possibly separate reviews of the operational and development areas of activity.**

APPENDIX A

Purposes of OGC Gateway™ Review 5: Operations review & benefits realisation

- Assess whether the Business Case justification for the project at OGC Gateway Review 3: Investment decision was realistic.
- Confirm that there is still a business need for the investment
- Assess whether the benefits anticipated at this stage are actually being delivered.
- Assess the effectiveness of the ongoing contract management processes.
- Confirm that the client side continues to have the necessary resources to manage the contract successfully.
- Confirm continuity of key personnel involved in contract management/'intelligent customer' roles.
- Where changes have been agreed, check that they do not compromise the original delivery strategy.
- Assess the ongoing requirement for the contract to meet business need. Ensure that if circumstances have changed, the service delivery and contract are adapting to the new situation. Changing circumstances could affect: partner management; relationship management; service management; change management; contract management; benefits management; performance management.
- Check that there is ongoing contract development to improve value for money.
- Confirm that there are plans to manage the contract to its conclusion.
- Where applicable, confirm the validity of exit strategy and arrangements for re-competition.

APPENDIX B

Interviewees

Name	Role
<name redacted>	N3 SRO Group programme director
<name redacted>	N3 Programme Director
<name redacted>	User Group Chair
<name redacted>	N3 Technical Team Manager
<name redacted>	N3 Commercial/Contract Manager
<name redacted>	CfH Service Level Manager
<name redacted>	CfH Service Introduction Team
<name redacted>	N3SP CEO
<name redacted>	Voice Services project manager
<name redacted>	N3SP service director
<name redacted>	N3SP CoIN deployment manager
<name redacted>	Programme Lead – ICT infrastructure, NW SHA
<name redacted>	Deputy CIO and Director, Strategic IM&T East Midlands
<name redacted>	Head, Informatics, Health Informatics Services Leicestershire
<name redacted>	Development Team Manager – Choose & Book Programme
<name redacted>	CfH Chief Operating Officer
<name redacted>	N3 Connecting for London VOIP Project Manager
<name redacted>	GP Brent teaching PCT and NHS CfH Clinical representative
<name redacted>	Interim Group Programme Director CfH Service Management

APPENDIX C

Summary of recommendations

Red – Take action immediately.

Amber – Take action within an agreed timeline.

Green – Take action as required.

		Status
Ref. No.	Recommendation	R/A/G
1.	Service Management should review, clarify and strengthen arrangements for user support, help desk provision and fault resolution, then ensure that improvements designed should be publicised to the user community effectively. (Amber)	A
2.	Consider effectiveness of working relationship between service management team, CfH finance and N3 in managing N3SP charges. (Green)	G
3.	Review CfH's ability to influence the freedom of choice of SHAs and other Trusts to ensure that recognition of the need for local autonomy in meeting local and regional business needs does not unnecessarily increase network expenditure for the NHS as a whole. (Amber)	A
4.	Review the CoINs implementation process to ensure that high value implementation can be completed early and more quickly than at present. (Amber)	A
5.	Finalise Road Map for Technology and its future impact as part of the revision of the business case for N3. (Amber)	A
6.	The structure, staffing and roles within the N3 team must be reviewed, recognising the team's observations as part of the development of the new business case and plan. (Amber)	A
7.	Recommendation: The Review Team recommends that: <ul style="list-style-type: none">– The Review Team understand that plans exist to re-state and re-evaluate the business case for N3. The Review Team strongly supports this intention and recommends that it should be initiated as soon as possible.– The plans to re-evaluate the business case should be broadened to include the user community via SHAs in the development of the commercial case and ideas for exploitation– That the economic case be re-evaluated covering the ten year timeframe ending in 2014(the original contract period plus the available extension periods), rather than the original seven year timeframe of the basic contract,	A

	<p>which would end in 2011</p> <ul style="list-style-type: none"> – That the resulting proposals should concentrate on network, exploitation and associated change management, rather than simply infrastructure provision – That the resulting proposals should be seen as a coherent programme, building on the success achieved in the N3 programme, with an increasing emphasis on the benefits to be achieved from the use of a CoINs based architecture <p>That the resulting programme proposals should be subject to a further Gate review within the next twelve months. Given the increasing distinction between operational and development activities, it is possible that separate reviews of both areas of activity might be needed.(Amber)</p>	
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Add or delete rows as required.

NB: Full RAG definitions can be found in the 'OGC Gateway RAG status' section.

APPENDIX D

Documents reviewed

The list below indicates the documents consulted over the course of this OGC Gateway Review.

N3 Benefits Realisation Plan
Operational Service Group minutes
Project Board Minutes
Sub Board minutes
User group minutes
Governance diagram
Risk Register
Customer Satisfaction Wave 6 results
Monthly reports July and August 2007
Gate 4 report
N3 Web site and links
Certification by NHS CEO of analysis of common causes of failure

[Add or remove rows as appropriate.](#)

APPENDIX E

Recommendations from previous OGC Gateway™ Review

Index	Description	Status
1.	The review team recommend that a permanent appointment of an SRO should be made as soon as possible.	The process to identify a replacement SRO with <name redacted> is already active. <name redacted> will confirm the priority. UPDATE Feb 06: N3 is now largely deployed and outstanding activities would not benefit from an external SRO, therefore current arrangements for <name redacted> to act as SRO for N3 will continue.
2.	The review team recommend that a document showing the project stakeholders be prepared, together with a plan for managing relations with them.	N3SP produced a full Communications Strategy and Plan, which includes full stakeholder engagement plans. This has been accepted by NHS CFH following review and a further, updated strategy is expected for the start of the new contract year.
3.	The review team recommend that the necessary effort to identify, clarify and resolve the outstanding commercial issues be dedicated to that purpose once the N3SP position becomes clear.	Commercial Issues meetings are ongoing and have been occurring weekly since August 05 (except holiday period). Settlement 2 was completed Sept 06.
4.	The review team recommends that work be put in hand to enable payment of the uncontested portions of existing and future invoices.	Agreement of the Finance Director to progress the issue has been obtained. During September 05 there has been some movement on invoicing issues with £8.8 million settled and nearly £12 million fully agreed. Over £20 million has been invoiced by the end of October 05. There is now an increased focus on discussing PDNs in a more timely fashion. Invoices have been submitted covering up to the end of November 05.
5.	Additional services such as building blocks to support locally funded COINS where they are agreed as offering VFM for the public purse should be brought clearly within the N3 scope of work.	Work continues on the Customised Services CCN (started in July 2005) to support COINS etc. CCN was approved during November 05 (subject to final drafting), action to be closed once the products are available to order. CCN (#414) was finally signed 10/02/06.

6.	<p>The review team recommend that clear plans be developed by N3SP for upgrading COINS network provision as an adjunct to the N3 programme, with additional locally provided funding as needed being sought from the relevant Trusts and COINS partners.</p>	<p>N3SP have been requested to support the Monthly COIN Progress report with a set of clear Project Plans. These are still being developed and should be available by late March. Plans are being produced by N3SP, however these are not submitted routinely to CFH but are available on request. Update Sept 07: A team is in place focussing on COIN deployments who have been responsible for engaging with potential customers as well as developing the de[ployment templates, including plans, agreements, payment regimes, etc. Plans are now a part of the memorandum of understanding document (MoU) signed by the COIN.</p>
7.	<p>The Review Team recommend that the authority to ban classes of traffic that are seen to inhibit the ability of the network to meet the business needs of the Health Service be established within NHS CFH</p>	<p>This action may be outside of the scope of N3 responsibility. Situation to be investigated further within NHS CFH. For the average Health Professional internet access via the hospital network is a key requirement. It is unclear whether N3 has the authority to make such recommendations or if responsibility lies with DH. However as part of Settlement 2 (resolution of commercial issues), an enhanced Internet service will be made available which will allow full monitoring of internet usage as a pre requisite to any further control activity which may be agreed. Agreement includes a comprehensive rebuild of the internet gateway by the end of the year (06).</p>
8.	<p>The Review Team recommends that the current plan to define the terms of the transfer of operational responsibility for management of the installed base to Service Management be extended to cover planning for the further targets, tasks and resources of the N3 team.</p>	<p>This work is being delivered in two separate workstreams. A PID has been drafted for workstream 1 by NHS CFH Service Management and is being now agreed. Workstream 2, regarding the N3 team will not be commenced until second quarter 2006. The agreed transfer date to CFH Service Management was June, but is currently being reassessed in line with the N3SP slip in ITIL accreditation timescales. Full transfer of Service Management was completed during November 2006.</p>