

21 August 2017

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**By email**

Dear [REDACTED]

### **Request under the Freedom of Information Act 2000 (the “FOI Act”)**

I refer to your email of **24 July 2017** in which you requested information under the FOI Act from NHS Improvement. Since 1 April 2016, Monitor and the NHS Trust Development Authority “NHS TDA” are operating as an integrated organisation known as NHS Improvement. For the purposes of this decision, NHS Improvement means both Monitor and the NHS TDA.

### **Your request**

You made the following request:

*I would like to see a copy of the agendas, minutes and papers submitted to the last three meetings of NHS Improvement's Controls Group.*

### **Decision**

NHS Improvement holds the information that you have requested.

NHS Improvement has decided to withhold some of the information that it holds on the basis of the applicability of the exemptions in sections 21, 22, 36, 40 and 43 of the FOI Act as explained in detail below.

The attached Annex sets out the details of the relevant information that we hold and whether that information is to be disclosed (in whole or in part) or withheld from disclosure. Where information is being withheld, we have identified in the Annex those exemptions which we consider to be relevant, being one or more of the above sections.

Where we are able to disclose information to you, it will be provided to you electronically as identified by the document number in the Annex. The application of exemptions to the information referred to in the Annex is explained in the following paragraphs.

## Section 21 – Information accessible by other means

Where indicated in the Annex, we consider that the withheld information is exempt from disclosure under section 21 of the FOI Act, on the grounds that the information is reasonably accessible by other means.

Information about the procurement for a supplier of the Data Analytic Hub is publicly available and can be found [here](#).

Information about the development of the patient safety incident management system (DPSIMS) project is also publicly available and can be found [here](#). Information about the procurement of a supplier for the Alpha Phase of the DPSIMS project can be found [here](#).

## Section 22 – Information intended for future publication

Where indicated in the Annex, we consider that the withheld information is exempt from disclosure under section 22 of the FOI Act, on the grounds that the information is intended for future publication.

This includes information about NHS Improvement's budgetary responsibility policy (such as expenditure approval limits) and information about future procurement opportunities. Opportunities for digital projects are published on the [Digital Marketplace](#). NHS Improvement also advertises procurement opportunities on [Contracts Finder](#).

Some of the requested information also includes information about payments of over £25,000 being made to suppliers during April and May 2017 which will be published as part of NHS Improvement's [expenditure data](#) in due course.

This exemption is an absolute exemption and consideration of the public interest in disclosure is not required.

## Section 36(2) – Prejudice to the effective conduct of public affairs

Where indicated in the Annex, we consider that information is exempt from disclosure under section 36(2) of the FOI Act. It is the opinion of NHS Improvement's qualified person, its Chief Executive (Jim Mackey), that disclosure of this information would be likely to inhibit the free and frank provision of advice and/or the free and frank exchange of views for the purposes of deliberation and would otherwise prejudice, or be likely to prejudice, the effective conduct of public affairs (section 36(2)(b) and (c)).

The information being withheld consists of internal advice and deliberations about businesses cases and requests for expenditure submitted to NHS Improvement's Controls Group committee, spending levels and information about requests for expenditure approval from the Department of Health. NHS Improvement's Controls Group committee must be able to freely exchange information, to engage in frank discussions with, and to receive advice from its advisers about matters relating to expenditure, including requests for approval from the Department of Health, and other commercial matters, including current and potential future procurement activities, without concern that the detail of those discussions will be

disclosed. That is, public authorities must be afforded a safe space within which to deliberate and discuss matters before making a decision. If this material were published, it would be likely to restrict the candour and frankness with which similar future discussions would be conducted, as individuals would be concerned about the possibility that those views and discussions would be made public. The result would be to reduce the quality of discussion provided in such cases and an adverse impact on the ability of NHS Improvement to carry out its functions.

The application of the public interest test to this exemption is set out below.

#### Section 40 – Personal Information

Where indicated in the Annex, we consider that the withheld information is exempt from disclosure under section 40 of the FOI Act, on the grounds that the information constitutes personal data (for example, the names of junior, inward facing members of staff and other individuals).

We do not consider that the disclosure of this information would amount to a fair processing of the personal data and therefore consider that such disclosure would amount to breach of the data protection principles. Accordingly, where documents containing such information have been disclosed, the names of individuals have been redacted where necessary.

This exemption is an absolute exemption and consideration of the public interest in disclosure is not required.

#### Section 43(2) – commercial interests

Where indicated in the Annex, we consider that the withheld information is exempt from disclosure under section 43(2) of the FOI Act, on the grounds that its disclosure would, would be likely to, prejudice the commercial interests of NHS Improvement.

Some of the information requested includes commercially sensitive information about current procurement opportunities, future procurement plans, and . There is a real risk that disclosure of this information would, or would be likely, prejudice or harm NHS Improvement's commercial interests and bargaining position when inviting tenders and negotiating with potential suppliers.

The application of the public interest test to this exemption is set out below.

#### Public interest test

Sections 36 and 43 are qualified exemptions and therefore require that a public interest test be carried out to determine whether the exemptions should be maintained. NHS Improvement's view is that, on balance, the public interest in maintaining these exemptions outweighs the public interest in disclosure.

We have considered the public interest in transparency and openness about decisions and discussions relating to spending by NHS Improvement as a public authority and its

procurement activities. NHS Improvement already publishes information about its expenditure in its [annual report and accounts](#). Information about our organisation objectives and work programme is published in our [business plan](#). NHS Improvement also publishes monthly data on expenditure over £25,000 [here](#) and advertises procurement opportunities on [Contracts Finder](#) and the [Digital Marketplace](#) (for digital projects).

We have also considered the strong public interest in NHS Improvement's Controls Group being able to hold free and frank discussions about expenditure and other commercial decisions, including current and future procurement opportunities, and receive advice on those decisions, without concern that the detail of those discussions will be disclosed.

Taking into account these considerations and, in particular, the significant amount of information publicly available about NHS Improvement's expenditure and procurement activities, our decision is that the balance of public interest is best served by withholding the relevant information.

### **Review rights**

If you consider that your request for information has not been properly handled or if you are otherwise dissatisfied with the outcome of your request, you can try to resolve this informally with the person who dealt with your request. If you remain dissatisfied, you may seek an internal review within NHS Improvement of the issue or the decision. A senior member of NHS Improvement's staff, who has not previously been involved with your request, will undertake that review.

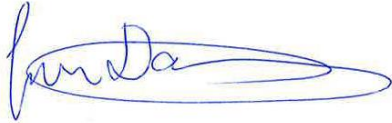
If you are dissatisfied with the outcome of any internal review, you may complain to the Information Commissioner for a decision on whether your request for information has been dealt with in accordance with the FOI Act.

A request for an internal review should be submitted in writing to FOI Request Reviews, NHS Improvement, Wellington House, 133-155 Waterloo Road, London SE1 8UG or by email to [nhsi.foi@nhs.net](mailto:nhsi.foi@nhs.net).

### **Publication**

Please note that this letter and the attached information will shortly be published on our website. This is because information disclosed in accordance with the FOI Act is disclosed to the public at large. We will, of course, remove your personal information (e.g. your name and contact details) from the version of the letter published on our website to protect your personal information from general disclosure.

Yours sincerely,



**Jessica Dahlstrom**  
Head of Governance

## ANNEX

No.	Document description	Decision	FOI Act exemption(s)
1	Agenda: 8 May 2017 meeting	Disclose in part	Section 40
2	Minutes of 25 April 2017 meeting	Disclose in part	Section 40
3	Action log: 8 May 2017 meeting	Disclose in part	Section 22 Section 40
4	Business case: External development and support contract for Data Analytic Hub	Disclose in part	Section 21 Section 36 Section 40 Section 43
5	Department of Health business case tracking (dated 8 May 2017)	Withhold	Section 36
6	Agenda: 19 May 2017 meeting	Disclose in part	Section 40
7	Minutes of 8 May meeting	Disclose in part	Section 36 Section 40
8	Action log: 19 May 2017 meeting	Disclose in part	Section 22
9	Business case: Technology and Data Flexible Resourcing Model	Disclose in part	Section 22 Section 36 Section 40 Section 43
10	Department of Health business case tracking (dated 19 May 2017)	Withhold	Section 36
11	Agenda: 14 July 2017 meeting	Disclose in part	Section 40
12	Minutes of 19 May 2017 meeting	Disclose in part	Section 36 Section 40
13	Action log: 14 July 2017 meeting	Disclose in part	Section 36 Section 40 Section 43
14	Business case: Alpha Phase for Development of the Patient Safety Incident Management System (DPSIMS)	Disclose in part	Section 21 Section 36

			Section 40 Section 43
15	DH business case tracking (dated 14 July 2017)	Withhold	Section 36
16	Business case and expenditure review	Disclose in part	Section 22 Section 36 Section 40
17	Items circulated in correspondence	Disclose in part	Section 36

**MEETING OF THE CONTROLS GROUP  
MONDAY 8 MAY 2017 at 3.15pm**

**G.11 Charnley, Wellington House, 133-155 Waterloo Road, London SE1  
8UG**

**AGENDA**

- |    |      |   |                             |             |
|----|------|---|-----------------------------|-------------|
| 1. | 3.15 | <b>Welcome and apologies</b>  | Bob Alexander               | (oral item) |
| 2. |      | <b>Declarations of interest</b><br>If any member of the Controls Committee has an interest in any of the items on the agenda, they should declare these and if necessary withdraw from the meeting. |                             | (oral item) |
| 3. | 3.20 | <b>Minutes and matters arising from the Controls Group meeting held on 25 April 2017 (attached)</b>   | Bob Alexander               | CG/17/28    |
| 4. | 3.25 | <b>Business case for approval: External development and support contract for Data Analytic Hub (M1012) (attached)</b>   | Peter Sinden,<br>[REDACTED] | CG/17/29    |
| 5. | 3.35 | <b>Department of Health business case tracking (attached)</b>   | [REDACTED]                  | CG/17/30    |
| 6. | 3.40 | <b>Any other business</b>   |                             |             |
| 7. | 3.45 | <b>Close</b>  |                             |             |





**MINUTES OF A MEETING OF THE CONTROLS GROUP HELD ON TUESDAY 25  
APRIL 2017 AT 2.30pm AT WELLINGTON HOUSE, 133-155 WATERLOO ROAD,  
LONDON SE1 8UG**

**Present:**

Bob Alexander, Executive Director of Resources/Deputy CEO (Chair)  
Ben Dyson, Executive Director of Strategy

**In attendance:**

[REDACTED] Financial Controller  
[REDACTED] Chief Financial Accountant  
[REDACTED] Governance Officer  
[REDACTED] Head of Programmes – Patient Safety

**1. Welcome and apologies**

- 1.1 Apologies for absence had been received from Stephen Hay (Executive Director of Regulation/Deputy CEO) and Jim Mackey (Chief Executive (Chair)).

**2. Declarations of interest**

- 2.1 No interests were declared.

**3. Minutes and matters arising from the meeting held on 7 April 2017 (CG/17/25)**

- 3.1 The minutes of the Controls Group meeting on 7 April 2017 were approved and the matters arising were noted.

**4. Business case for approval: National Patient Safety Collaborative 2017/18 (M1011) (CG/17/26)**

- 4.1 The Controls Group reviewed the business case, which requested approval for expenditure to fund the Patient Safety Collaborative (PSC) Programme for 2017/18. It was noted that, as the proposed expenditure was over £1m, the business case would require further approval from the Board.
- 4.2 The Head of Programmes – Patient Safety provided an overview of the Programme, which had been established in 2014 as a result of the Berwick Report. Group members noted that the work undertaken through the Programme was managed by the 15 PSCs, which were led by Academic Health Science Networks through a contract with NHS England. As such, the proposed expenditure would be transferred to NHS England via a contract variation and distributed across the 15 AHSNs. The appropriateness of these contracting arrangements and the

potential impact of this on NHS Improvement's oversight of the Programme were discussed.

- 4.3 Consideration was given to the appropriateness of the Programme governance and assurance arrangements. The level of NHS Improvement oversight of the PSCs' progress against plan and its capacity to track PSC expenditure was discussed. It was noted that work was underway to implement an assurance process that would enable NHS Improvement to review and challenge Programme expenditure and obtain assurance on value for money. The approach to addressing underperformance of the PSCs was considered. The Group also discussed the membership of the National PSC Programme Board and the role of the Senior Responsible Officer for Patient Safety.
- 4.4 The process for transferring the proposed funding to NHS England was considered. Group members were content that the funding would be transferred on a quarterly basis, which would enable the team to evaluate the progress of the Programme and identify and address any potential areas of concern ahead of each transfer.

#### **RESOLVED:**

- 4.5 The Controls Group resolved that the business case should be submitted to the Board for approval.

#### **5. Department of Health business case tracking (CG/17/27)**

- 5.1 An oral update was provided in relation to the report, which set out the cases for expenditure that had been approved by the Controls Group, but for which Department of Health (DH) approval was outstanding. The potential impact of General Election on the pace of the DH approvals process and the actions that were being taken to mitigate this were discussed. It was noted that a communication to staff on the potential delays in this approval process had been included in Inside Improvement.

#### **6. Any other business**

- 6.1 There was no other business.

**Close**

# CONTROLS GROUP MEETING - MONDAY 8 MAY 2017

## ACTION LOG

Ref	Subject	Action Required	Owner	Date raised	Date due	Progress/Comment	Completed
CG/17/10(ii) para 4.5	External Support for Carter Work streams: Corporate Services Consolidation Phase 2 - Extension	It was proposed that regular updates on the impact of this work, including information on the benefits that had been realised for trusts, should be shared across the organisation.		13/02/2017	End Apr-17	A number of case studies were submitted / received for 2016/17. However they were of various standards and quality. To ensure some consistency and standardisation moving forward we are currently putting together: <ul style="list-style-type: none"> <li>• a standard template for Trusts / projects to complete</li> <li>• a checklist and guidance for Trusts regarding submission of case studies; what they may be used for and where; their approvals for the sharing of case studies;</li> <li>• a validation / quality assurance process</li> <li>• internal approvals / support process</li> </ul> The above will mean that moving forward we will be able to collect case studies on an ongoing basis and in essence build a bank of case studies to be shared. This work will be completed Q1 and implemented for Q2.	Complete
CG/17/18 para 5.4	Review of the effectiveness of the Controls Group			23/03/2017	End Jun-17	The Governance and Finance teams will undertake the requested review, the outcome of which will be reported to Controls Group in June.	In hand

## **MONITOR BUSINESS CASE APPROVAL FORM**

<b>Business Case Reference information</b>			
<b>Title</b>	External development and support contract for Data Analytic Hub		
<b>BC Reference</b>	M-1012	<b>Directorate</b>	Technology and Data
<b>Strategic Plan Reference</b>	Data Analytic Hub 7.4.02.P	<b>Within budget?</b>	Yes – Funded from Technology and Data budget allocation
<b>Type of spend</b>	Software development	<b>Compliance risks</b>	None
<b>Total case value</b>	£3,5m (Inc. VAT)	<b>DH approval required?</b>	<u>Yes – ICT spend over £100k</u>

### **Executive Summary**

This document sets out the business case for the preferred efficient and agile option for continued support for expanded use of the NHS Improvement analytics and measurement platform. The team proposes to support essential business critical NHS Improvement initiatives as well as key NHS Five Year Forward View Programmes. Overall, a call off up to **£3,5m** over 24 months is needed for support. There is a compelling business case as the platform is an enabler of NHS Improvement business critical services avoiding [REDACTED] delays to delivering target savings of c£5.4bn from NHS Programmes, and avoid Programme specific investments [REDACTED] (see Annex 6). The preferred option offers synergies from scale, can scale up and down to meet demand and provides a fast response with an efficient approach based on a proven sourcing model. Key NHS Improvement lines of business and NHS Programmes show a clear level of overall support needed for the next 24 months, so the team proposes to award a flexible sourcing contract for this full period using the clear and transparent governance and call off framework proven within NHS Improvement, without a commitment to spend. This arrangement allows greater flexibility to control costs than via permanent staffing. The continuity from the 24-month arrangement avoids delay to NHS Programmes from months of handover work as well as the attendant administrative overhead from renegotiation of shorter arrangements.

### **The value of the NHS Improvement analytics platform to NHS Improvement and NHS Programmes**

Analysis and measurement are critical components supporting NHS Improvement lines of business and NHS Improvement support to the NHS Five Year Forward View Programme which help to identify opportunities, understand how to shape improvements, project, monitor and demonstrate impact.

Key NHS Improvement lines of business initiatives relying on analytics and measurement include finance integration and business critical processes and applications, situation reports and winter analytics, and are not just 'nice to have dashboards'. Key committed NHS Five Year Forward View Programmes where analysis and measurement are integral include Model Hospital delivery, Cost Transformation Programme (CTP) scale out work and Natural Learning and Reporting System (NLRS), each with large savings targets for 2017-2019 (see Annex 6). Get It Right First Time (GIRFT) is also an important candidate for support with large associated value. The team is in active conversations with NHS Digital and working together to align future thinking and joined up working (CTP, Emergency Care etc), but has significant deliverables now best met with a decoupled but aligned architecture.

## **MONITOR BUSINESS CASE APPROVAL FORM**



Properly resourced, the NHS Improvement analytics platform can well support essential NHS Improvement lines of business need, enable more rapid delivery of NHS Programme savings than by alternative means and avoid the need for expensive NHS Programme specific solution building:

1. The design provides NHS Improvement and NHS Programmes with rapid access to a quality assured and consistent data source and already contains many of the datasets required to deliver NHS Improvement's initiatives from one platform with scalable infrastructure and software licensing.
2. There are synergies from shared support of an agile platform enabling rapid delivery work.
3. NHS Programmes specific build costs and delay can also be avoided. If for example NLRS and GIRFT were to build solutions the cost could be circa £20m with many months of delay.

### **Need for new resourcing arrangements going forward**

The current NHS Improvement analytics platform support contract with NHS Improvement's current software development partner, with a spend up to a predicted value and end date in August, will be managed to allow handover rather than end the day before the next contract can be awarded. To meet ongoing expansion of NHS Improvement's internal needs and for NHS Improvement to support the NHS Five Year Forward View Programme for the next 24 months, an additional funded support contract from 1 September is required to continue to:

- 1) provide business and applications support, process new data sets, resolve bug fixes;
- 2) enhance existing tools and applications performance and quality; and
- 3) support key NHS Five Year Forward View Programmes as above (see also Annex 6).

### **Proposed NHS Improvement analytics platform resourcing model**

The team proposes to continue with the NHS Improvement successful mixed in-house and outsourced on-shore/off-shore development model. The mixed model enables internal control via existing proven governance and call off arrangements, oversight, direction and knowledge retention balanced with:

- 1) flexible resourcing to rapidly scale up or down to deliver multiple projects;
- 2) flexible capability to secure the right skills as projects evolve;
- 3) reduced cost as compared to alternatives;
- 4) staff located close to the client when needed or available at lower rates off-shore; and
- 5) project based work package approvals for portfolio control.

Alternatives of hiring permanent staff and/or commissioning work through multiple sources lack feasibility as well as incurring considerable risks of not having the right capability available at the right time or standing expensive resources idle given difficulty in forecasting programme demand.

Overall this business case therefore requests approval for Option 2 (see Annex 6) with an upper spend limit of **£3.5m** over 24 months to support ongoing NHS Improvement internal needs such as Accident and Emergency performance monitoring, Economics, Taunton, additional anticipated performance reporting, Model Hospital, CTP with recovery later via NIB and NRLS in principle subject to a separate business case to follow. GIRFT can then be added to this framework. Actual costs incurred will be managed through specific work packages. This governance and procurement framework allows NHS Improvement to manage the work within the limits without a commitment to spend, rather offers the ability to call off services up to the maximum agree value. Procurement will be led by Crown Commercial Service (CCS) as a further competition under the Digital Outcomes and Specialists (DOS) framework.

**MEETING OF THE CONTROLS GROUP  
FRIDAY 19 MAY 2017 at 2.00pm**

**2.6 Ledley, Wellington House, 133-155 Waterloo Road, London SE1 8UG**

**AGENDA**

- |    |      |   |                             |             |
|----|------|---|-----------------------------|-------------|
| 1. | 2.00 | <b>Welcome and apologies</b>  | Stephen Hay                 | (oral item) |
| 2. |      | <b>Declarations of interest</b><br>If any member of the Controls Committee has an interest in any of the items on the agenda, they should declare these and if necessary withdraw from the meeting. |                             | (oral item) |
| 3. | 2.05 | <b>Minutes and matters arising from the Controls Group meeting held on 8 May 2017 (attached)</b>  | Stephen Hay                 | CG/17/31    |
| 4. | 2.10 | <b>Business case for approval: Technology and Data Flexible Resourcing Model (M1016) (attached)</b>   | Peter Sinden,<br>[REDACTED] | CG/17/32    |
| 5. | 2.20 | <b>Department of Health business case tracking (attached)</b>   | [REDACTED]                  | CG/17/33    |
| 6. | 2.25 | <b>Any other business</b>   |                             |             |
| 7. | 2.30 | <b>Close</b>  |                             |             |



**MINUTES OF A MEETING OF THE CONTROLS GROUP HELD ON MONDAY 8 MAY 2017 AT 3.15pm AT WELLINGTON HOUSE, 133-155 WATERLOO ROAD, LONDON SE1 8UG**

**Present:**

Stephen Hay, Executive Director of Regulation/Deputy CEO (Chair)  
Ben Dyson, Executive Director of Strategy

**In attendance:**

[REDACTED] Head of Governance  
[REDACTED] Financial Controller  
[REDACTED] Chief Financial Accountant  
[REDACTED] Associate Director of Data Warehousing and Development  
Pete Sinden, Chief Technology Officer (on the telephone)

**1. Welcome and apologies**

- 1.1 Apologies for absence had been received from Bob Alexander (Executive Director of Resources/Deputy CEO) and Jim Mackey (Chief Executive (Chair)).

**2. Declarations of interest**

- 2.1 No interests were declared.

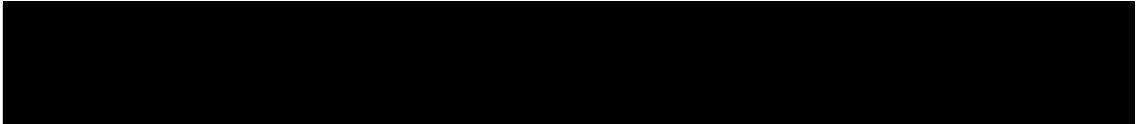
**3. Minutes and matters arising from the meeting held on 25 April 2017 (CG/17/28)**

- 3.1 The minutes of the Controls Group meeting on 25 April 2017 were approved and the matters arising were noted.

**4. Business case for approval: External development and support contract for Data Analytic Hub (M1012) (CG/17/29)**

- 4.1 The Controls Group reviewed the business case, which requested approval for a call-off arrangement to enable continued support and expanded use of the NHS Improvement analytics and measurement platform. It was noted that, as the proposed expenditure was over £1m, the business case would require further approval from the Board. It was noted that the business case would also be discussed at the Executive Committee meeting on 16 May 2017.
- 4.2 The Chief Technology Officer provided an overview of the current arrangements relating to analytics and measurement at NHS Improvement and outlined the options presented in the paper. [REDACTED]



- 
- 4.3 Consideration was given to the importance of being able to progress projects quickly once the need for additional analytics had been identified internally and the resulting advantages of putting in place a call-off arrangement with a preferred supplier. It was noted that the timelines of the procurement process allowed for a potential handover period should the successful bidder be different from the current supplier.
- 4.4 Members of the Committee provided feedback on the presentation of the business case and requested that this would be improved by including a clear narrative of the benefits which would be delivered as a result of the procurement. The outputs of the programme should be clearly articulated using examples where possible. Members of the Committee commented that the inconsistency in categorisation of workstreams currently contained in the paper was unhelpful and requested that the paper would be simplified ahead of submission to the Executive Committee and the Board.
- 4.5 The Committee discussed the approach to supervision of the work to be delivered by the successful supplier and the Chief Technology Officer provided an overview of the quality assurances processes which had been put in place.

**RESOLVED:**

- 4.6 The Controls Group resolved that the business case should be submitted to the Executive Committee and the Board for approval.

**5. Department of Health business case tracking (CG/17/30)**

- 5.1 The Committee noted the report. Consideration was given to the impact of the general election on the process for business case approvals by the Department of Health and it was noted that there was currently no cause for concern in this regard.

**6. Any other business**

- 6.1 There was no other business.

**Close**

## CONTROLS GROUP MEETING - FRIDAY 19 MAY 2017

### ACTION LOG

Ref	Subject	Action Required	Owner	Date raised	Date due	Progress/Comment	Completed
CG/17/18 para 5.4	Review of the effectiveness of the Controls Group			23/03/2017	End Jun-17	The Governance and Finance teams will undertake the requested review, the outcome of which will be reported to Controls Group in June.	In hand

## **NHS IMPROVEMENT BUSINESS CASE APPROVAL FORM**

<b>Business Case Summary</b>			
<b>Title</b>	Technology and Data Flexible Resourcing Model		
<b>BC Reference</b>	M-1016	<b>Directorate</b>	Resources
<b>Strategic Plan Reference</b>	Building NHS Improvement	<b>Within budget?</b>	<b>Yes (new roles included in budget)</b>
<b>Type of spend</b>	ICT/Interim staff	<b>Compliance risks</b>	None
<b>Total case value</b>		<b>DH approval required?</b>	Yes

### **The Challenge**

Technology and Data (T&D) was successfully restructured in accordance with design assumptions in place in mid-2016, however, a number of those assumptions no longer hold true. The demand for the team's services has outstripped its original plans and is still growing. There are a number of reasons for this and a number of consequences:

- The user base and number of functions in the organisation are larger than originally planned (e.g. the addition of Model Hospital, Getting It Right First Time (GIRFT), Healthcare Safety Investigation Branch etc.). This has increased the pressure on business as usual (BAU) activity.
- There are a larger number of initiatives than originally assumed, requiring increased resources and management time to deliver and increasing the workload on BAU staff once delivered.
- A significant number of office and team relocations have arisen to manage (e.g. the imminent move of South Region staff from WH to Skipton House), impacting BAU staff and requiring additional technical and project management resource.
- NHS Improvement's business model is rapidly evolving and there has been increasing demand for extended support activity beyond existing Service Level Agreements (SLAs), for example, out of hours support for accident and emergency collections over the Christmas period, out of hours deployment activity in support of critical projects and weekend support for critical activity, such as reboot of systems following power outages.
- The organisation's complexity and use of data is growing more rapidly than envisaged, impacting both project delivery and BAU staff.
- The team is seeing an increase in external cyber threats, increasing the demand for Information Governance and IT Security support.
- There is an expectation of an as yet not fully specified increased demand from areas such as Model Hospital and GIRFT.

Consequently, this calendar year has seen a significant increase in T&D's workload. In conjunction with this, T&D has had a significant number of vacancies since its inception and recruitment has not kept pace with the attrition rate, even as demand has risen. As a result, the team's current operations and support capacity is restricting the pace of delivery and having an impact on critical programmes of work, such as Model Hospital and the Single Network.

This has seen a build-up of pressure on staff, who have worked tirelessly to meet the growing demand, and are now showing signs of the toll of this workload. This has impacted the morale of the team and has seen

## NHS IMPROVEMENT BUSINESS CASE APPROVAL FORM



*Improvement*

a growth in the number of departures. T&D has [REDACTED]

[REDACTED] equating to a shortfall of over 38% of the headcount required to sustain the workload.

The team has put in an extraordinary effort to deliver many of the additional requirements outlined above, however, it has not been able to meet everyone's preferred timelines and some BAU response times have been impacted. The team has used contractors on a short term basis [REDACTED] and re-factored some roles and put additional effort into cross-skilling staff, it now needs a more robust, longer term solution that will ease the pressure on the team.

### **The Proposition**

T&D is proposing a resourcing strategy based upon a more flexible model. Whilst it will endeavour to retain and recruit capability that ensures we the team is best placed to shape and drive the delivery of its services, T&D is proposing to outsource capability to deliver specific outcomes to allow it to more effectively manage demand.

This approach extends the principles established to support the Analytics Hub to the rest of T&Ds remit. It lends itself to the project nature of much of the team's work, which can see variations over time in the skills and experience it needs to draw on to deliver, as well as the volume of resource required. Such an approach will allow the team to be more agile in response to emerging demand.

[REDACTED] As with the existing Analytics Hub contract, this will provide the team with:

- 1) Flexible resourcing to rapidly scale up or down to deliver multiple projects;
- 2) Flexible capability to secure the right skills as projects evolve;
- 3) Reduced cost compared to alternatives such as permanent recruitment, ad-hoc contractors or individual contracts for each project;
- 4) Staff co-located when needed or available at lower rates off-shore;
- 5) Outcome based work package approvals for portfolio control.

In addition, it will allow T&D to bring in capability to backfill vacancies on an outcome basis where recruitment continues to prove to be problematic. This will give the team the flexibility to support the business demand whilst it addresses its recruitment issues with HR. [REDACTED]

[REDACTED] Overall this business case requests approval an upper spend limit of [REDACTED] to support ongoing NHS Improvement internal needs such as Business Services Transformation (BST), Model Hospital, GIRFT, Digital Strategy, NRI S/STFIS etc.





### **Compliance risk mitigations**

None identified

**MEETING OF THE CONTROLS GROUP  
FRIDAY 14 JULY 2017 at 11.00am**

**3.7 Snow, Wellington House, 133-155 Waterloo Road, London SE1 8UG**

**AGENDA**

- |    |       |   |  |             |
|----|-------|---|--|-------------|
| 1. | 11.00 | <b>Welcome and apologies</b>  | Bob Alexander  | (oral item) |
| 2. |       | <b>Declarations of interest</b><br>If any member of the Controls Committee has an interest in any of the items on the agenda, they should declare these and if necessary withdraw from the meeting. |  | (oral item) |
| 3. | 11.05 | <b>Minutes and matters arising from the Controls Group meeting held on 8 May 2017 (attached)</b>  | Bob Alexander  | CG/17/34    |
| 4. | 11.10 | <b>Business case for approval: Alpha Phase for Development of the Patient Safety Incident Management System (DPSIMS) Project (M1013) (attached)</b>   |    | CG/17/35    |
| 5. | 11.20 | <b>Department of Health business case tracking (attached)</b>   |  | CG/17/36    |
| 6. | 11.25 | <b>Business case and expenditure review (to follow)</b>   |  | CG/17/37    |
| 7. | 11.35 | <b>Items in correspondence (attached)</b>   |  | CG/17/38    |
| 8. | 11.40 | <b>Any other business</b>   |  |             |
| 9. | 11.45 | <b>Close</b>  |  |             |

**MINUTES OF A MEETING OF THE CONTROLS GROUP HELD ON FRIDAY 19 MAY 2017 AT 2.00pm AT WELLINGTON HOUSE, 133-155 WATERLOO ROAD, LONDON SE1 8UG**

**Present:**

Stephen Hay, Executive Director of Regulation/Deputy CEO (Chair)  
Ben Dyson, Executive Director of Strategy

**In attendance:**

[REDACTED] Associate Director of Operations and Business Change  
[REDACTED] Chief Financial Accountant  
[REDACTED] Governance Officer

**1. Welcome and apologies**

- 1.1 Apologies for absence had been received from Bob Alexander (Executive Director of Resources/Deputy CEO) and Jim Mackey (Chief Executive (Chair)).

**2. Declarations of interest**

- 2.1 No interests were declared.

**3. Minutes and matters arising from the meeting held on 8 May 2017 (CG/17/31)**

- 3.1 The minutes of the Controls Group meeting on 8 May 2017 were approved and the matters arising were noted.

**4. Business case for approval: Technology and Data Flexible Resourcing Model (M1016) (CG/17/32)**

- 4.1 The Controls Group (the Group) reviewed the business case, which requested approval for expenditure to implement a flexible resource model within the Technology and Data team, [REDACTED] to ensure delivery of its services and enable the team to more effectively manage demand. It was noted that, as the proposed expenditure was over £1m, the business case would require further approval from the Board. It was also noted that the business case would require approval from the Department of Health (DH).
- 4.2 The Associate Director of Operations and Business Change provided an overview of the current recruitment issues and noted the high vacancy rate and staff turnover. It was noted that the recommendations in the paper provided an alternative resourcing solution, [REDACTED]

The contractual thresholds prescribed by the Public Contract Regulations 2015 (the Regulations) were noted and the exceptions discussed. The Group requested that the Associate Director of Operations and Business provide an update to the Group on the potential Regulations exceptions that could be applied to NHS Improvement.

**ACTION:** [REDACTED]

4.3

[REDACTED]  
[REDACTED] Separately, it was noted that the total case value outlined in the paper was the projected envelope amount over [REDACTED]. The potential links to the Chair's task and finish group were discussed and the importance of commercial viability and cost efficiency in the current recruitment situation was emphasised.

**RESOLVED:**

- 4.4 The Controls Group resolved that the business case should be submitted to the Board for approval.

**5. Department of Health business case tracking (CG/17/33)**

- 5.1 An update was provided in relation to the report, which set out the cases for expenditure that had been approved by the Controls Group, but for which DH approval was outstanding.
- 5.2 It was noted that due to purdah there was an additional layer of DH approval for NHS Improvement business cases and that consequently approval process time was affected. The potential impact of ministerial change following the general election in June was discussed.

**6. Any other business**

- 6.1 There was no other business.

**Close**



# CONTROLS GROUP MEETING - FRIDAY 14 JULY 2017

## ACTION LOG

Ref	Subject	Action Required	Owner	Date raised	Date due	Progress/Comment	Completed
CG/17/18 para 5.4	Review of the effectiveness of the Controls Group	[REDACTED]	[REDACTED]	23/03/2017	End Jun-17	See agenda item 6.	Complete
CG/17/34 para 4.2	Technology and Data Flexible Resourcing Model	The contractual thresholds prescribed by the Public Contract Regulations 2015 (the Regulations) were noted and the exceptions discussed. The Group requested that the Associate Director of Operations and Business provide an update to the Group on the potential Regulations exceptions that could be applied to NHS Improvement.	[REDACTED]	19/05/2017		There are no exceptions under PCR. There are currently no frameworks in place for the procurement of recruitment services. [REDACTED]	Complete



## NHS IMPROVEMENT BUSINESS CASE APPROVAL FORM

Business Case Reference information			
Title	Alpha Phase for Development of the Patient Safety Incident Management System (DPSIMS) Project		
BC Reference	M-1013	Directorate	Medical
Strategic Plan Reference	Medical Directorate business plan	Within budget?	Yes
Type of spend	ICT	Compliance risks	None
Total case value		DH approval required?	Yes

### Outline of the case

The Development of the Patient Safety Incident Management System (DPSIMS) Project aims, over three years, to specify and procure a rationalised successor to the existing National Reporting and Learning System (NRLS) and to the Strategic Executive Information System (STEIS), that is fit for purpose and best supports efforts to reduce harm in NHS care. This is a key objective of the [Next Steps on the NHS Five Year Forward View](#):

*'NHS Improvement will develop and deliver a new Patient Safety Incident Management System. This will be designed for all healthcare settings and will make it easy and rewarding to record patient safety incidents, provide feedback, and enhance learning from what has gone wrong.'*

In the pursuit of high quality care we always need to ask critical questions about the safety of our services, identify risks, and determine how everyone in the system can act to prevent these risks from harming patients. Central to this is the process of recognising and recording what can go wrong in healthcare, analysing why things go wrong, and then making changes to reduce the chance of recurrence. NHS Improvement has statutory responsibility for supporting this process by collecting information on what goes wrong in the NHS nationally, and using this information to provide advice and guidance on reducing risk. We currently rely on the 12-year-old National Reporting and Learning System (NRLS) to help us do this, but the NRLS is functionally limited and does not do enough to support frontline staff to improve the safety of care. The DPSIMS project is designed to address these issues, and also offers the opportunity to replace the Strategic Executive Information System (STEIS). STEIS performs a slightly different function to the NRLS, enabling the active management of serious incidents (e.g. ongoing tracking of the progress of investigations by supervisory organisations to support timely and effective responses to incidents). Like the NRLS, STEIS is dated and does not support analysis for learning from incidents. DPSIMS represents the opportunity to combine NRLS and STEIS functionality, reducing the burden on frontline staff, enhancing learning and improving safety. In addition, the Department of Health (DH) has signalled its intention to cease support for and hosting of STEIS by the end of 2017/18.

This business case seeks resource to:

1) Conduct the second step of the *Agile Development* process, the Alpha [phase](#), (following on from Phase 1: Discovery) as laid out by Cabinet Office's Government Digital Services guidance; the Alpha phase is a prototyping phase that will start to:

- build and user-test the core technical requirements for a future system;
- explore options for the flows of data in and out of the system;
- inform later stages of the work including a migration strategy and options for connecting the system with local infrastructure; and
- inform the decision on moving into the Beta phase (phase 3) of the of the *Agile Development* process.

## NHS IMPROVEMENT BUSINESS CASE APPROVAL FORM



2) Assure technical integration with existing infrastructure (infrastructure reuse is a key value for money strategy).

3) Explore in greater detail the needs of the STEIS replacement functionality to inform options appraisal and implementation of work to maintain serious incident management functionality in light of DH's intention to cease hosting of the STEIS system by the end of 17/18.

At the end of this phase we will further understand the architecture to deliver NLRS/STEIS (how we will collect the data, store the data, learn from this data and produce benchmarking insight for the sector). The estimated cost for this work is [REDACTED]. Total DPSIMS project costs (to roll out/implementation) are currently estimated to be [REDACTED] - as per Agile development processes, assumptions/costs are refined as each stage progresses.

Controls Group previously approved a related business case (in September 2016 via correspondence) for the *Data Modelling phase* of this project, and work is currently underway by the selected supplier to consider afresh the data to be collected and used by the PSIMS. This data modelling phase is using clinical insight and safety science expertise to deliver a robust, user-tested and clinically-focussed conceptual model of how patient safety incident information can be considered, grouped and structured, to best support a variety of learning and improvement needs; and practical recommendations on/materials for converting this into a usable data schema/set of codes/interoperable standards to build into a prototype Alpha PSIMS. It is hoped that an Alpha phase supplier will be in place as this Data Modelling work is completed in early Q2.

External resources are required as resource capacity does not exist within NHS Improvement or DH to deliver this piece of work.

Controls Group approval is required.

**To:** Controls Group

**For meeting on:** 14 July 2017

**Agenda item:** 6

**Report by:** [REDACTED] Senior Governance Officer  
[REDACTED] Senior Accountant

**Report on:** Business case and expenditure review

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### Introduction

1. Alongside approval of NHS Improvement's budget for 2017/18, [REDACTED]

[REDACTED]

- 2.

[REDACTED]

- 3.

[REDACTED]

[REDACTED]

[REDACTED]

- 4.

[REDACTED]

5. This report sets out the outcome of this review.

## **Business case and expenditure review**

### *Business cases to Controls Group*

6. [REDACTED]

7. [REDACTED]

[REDACTED] Further information on the cases that have been considered in the current financial year is provided in annex A.

### *Purchase Order (PO) payments – April to May 2017*

8. Information on PO payments valued between [REDACTED] made in the period from 1 April to 31 May 2017 is attached at Annex B.
9. Business cases have been submitted to Internal Finance for review for all POs relating to expenditure that is subject to DH approval, including spend for temporary staff on rates above [REDACTED]. An exception to this process is in place for IT-related cases where the team submits and corresponds directly with DH on all proposed spend.
10. For those cases outside of DH's controls, Internal Finance review the POs when created to ensure that a business case is not required and approval has been received from the relevant Executive Director that the spend is appropriate.

[REDACTED]

[REDACTED]

[REDACTED]

## **Conclusion**

[REDACTED]

## ANNEX A

**Business cases considered by  
Controls Group (01/04/2017 to 10/07/2017)**

Reference	PSBC Business Case number	Title	Business case value (incl. VAT)	Within budget?	Date taken to meeting	Comments/Resolution	Approved - Minutes taken to meeting on
<b>Cases considered at CG meetings</b>							
CG/17/21(i)	M1005	External support for Operational Productivity Carter Projects: Pathology			07-Apr-17	The Controls Group resolved that the business case be approved.	25-Apr-17
CG/17/21(i)	M1004	External support for Operational Productivity Carter Projects: Imaging			07-Apr-17	The Controls Group resolved that, subject to the comments made at the meeting, the business case should be submitted to the Board for approval.	25-Apr-17
CG/17/21(i)	M1002	External support for Operational Productivity Carter Projects: Pharmacy			07-Apr-17	The Controls Group resolved that the business case be approved.	25-Apr-17
CG/17/21(i)	M1001	External support for Operational Productivity Carter Projects: Sector Development			07-Apr-17	The Controls Group resolved that the business case be approved.	25-Apr-17
CG/17/21(i)	M989	External support for Operational Productivity Carter Projects: Model Hospital portal			07-Apr-17	The Controls Group resolved that, subject to the comments made at the meeting, the business case should be submitted to the Board for approval.	25-Apr-17
CG/17/26	M1011	Patient Safety Collaborative – Extension to 2016/17 Business Case (010/16)			25-Apr-17	The Controls Group resolved that the business case should be submitted to the Board for approval.	08-May-17
CG/17/29	M1012	External development and support contract for Data Analytic Hub	£3,500,000		08-May-17	The Controls Group resolved that the business case should be submitted to the Executive Committee and the Board for approval.	19-May-17
CG/17/32	M1016	Technology and Data Flexible Resourcing Model			19-May-17	The Controls Group resolved that the business case should be submitted to the Board for approval.	14-Jul-17
<b>Cases considered in correspondence</b>							
CGC/17/14	M1018	Evaluation of NHS Partnership with Virginia Mason Institute			13/06/2017	Approved / BA	14-Jul-17
CGC/17/16	M1019	Outpatients Productivity Diagnostic			20/06/2017	BD, JM	14-Jul-17

**CONTROLS GROUP MEETING - 14 JULY 2017**  
**ITEMS CIRCULATED IN CORRESPONDENCE**

Reference	PSBC Business Case number	Title	Business case value (incl. VAT)	Within budget?	Date circulated	Response required by	Resolution / Response received by	Outcome reported to meeting on
CGC/17/14	M1018	Evaluation of NHS Partnership with Virginia Mason Institute			13/06/2017	16/06/2017	Approved / BA	14/07/2017
CGC/17/15	N/A	DH business case tracking	N/A	N/A	13/06/2017	N/A	BD	14/07/2017
CGC/17/16	M1019	Outpatients Productivity Diagnostic			20/06/2017	22/06/2017	Approved / BD, JM, BA	14/07/2017