MHRA Board Meeting

11 April 2016

Digital, Information Management, Technology - Quarterly Update

Issue/purpose:

The purpose of this paper is to provide a quarterly update to the Agency Board on progress on delivery of technology, information management, and the digital business plans

Summary/Key points:

This paper will provide a summary of, the infrastructure transition and the CET Planning day

Timings:

Immediate and ongoing

Action required:

To note the progress and next steps.

Links: Corporate Plan

Author(s):

John Quinn – Director of Information Management

FOI/publication issues: Official

Sponsor: John Quinn – Director of Information Management

A. ISSUE

1. To provide a quarterly update to the Agency Board on the delivery of the Digital Strategy. This update will focus on the Infrastructure Transition and the Digital Strategy CET workshop.

B. INFRASTRUCTURE TRANSITION

2. The principal focus for IMD has been the transition from Accenture to a new set of suppliers. (See Annex A p2-3 for high level breakdown of the supply chain changes).

3. The transition involved:

    •   Building space in the Sunguard data centre

    •   Moving the Super Dome infrastructure estate that houses Sentinel, which is one of the largest of its kind in the UK

    •   Transferring more than 140 TB of data across multiple storage units

    •   The transfer of more than 300 physical devices

    •   Negotiating over 100 contracts and contractual changes

    •   Remediation of support, process and technical issues in advance of transition

4. The move will allow us to respond faster to new developments, increase competition within the supply chain, and ensures we have best of breed suppliers. It will reduce our like for like service costs by 20%, and provide a higher level of service.

5. The transition took place over the weekend of the 12th March, and there were no disruption to services. Given the complexity of the transition, this is a major achievement.

C. CET DIGITAL STRATEGY WORKSHOP

   Context

6. As set out in the IT strategy and plan, the focus for **2015-16** was to deliver capability and capacity within IMD; major infrastructure projects; key business projects such as E-Cigarettes, Falsified Medicines Directive and 30 other releases of changes to current business systems; Commence delivery of critical corporate projects (HR, finance, procurement, collaboration, data, information and records management); and to complete the technical design of the future IT platforms.

7. Discovery phases for these have been completed. Business cases developed and run through a newly formed internal IT governance control process of, business boards, Architecture Review Board, IT Planning Group, Information Management Governance Board).These business cases have also been through external review through the ICT and Digital controls process through DH, Crown Commercial Services and Government Digital Service.

8. Audits against delivery were undertaken on the IT strategy and Cyber Security and information Assurance by internal Audit, with NAO reviews and DH Security Health checks also taking place.

9. Through these delivery phases IMD have developed a good understanding of the technical transition, business requirements in detail for Devices Division and high level requirements across many parts of the agency. We are now at a stage when we have a view on the technical design and implementation required.

10. In planning delivery of such a complex Portfolio, IMD set out an overarching strategy, developed a set of principles to guide delivery, and focussed on reducing cross project dependencies to reduce risk. This has been successful, allowing the team to deliver an ambitious agenda in 2015-16.

11. We are now at the planned for stage that where we need to consider the changes we are making to our Business Systems.

12. Given the investment comes at a time when we expect our income to reduce, the CET and Agency Board have recognised that there are risks and opportunities that should be considered when making investment decisions.

13. A CET planning day on the Digital Strategy was commissioned by Ian Hudson, and was held on 22nd March 2016.

Planning Day

14. The aim of the day was twofold. To think about the long term future of the agency's three themes of supply chain, surveillance, and innovation. Then to move into thinking about what this means for our future IT systems.

15. The output would include setting out clear next steps and a timetable that will deliver the design of the new systems, and to agree an approach that would allow CET to consider efficiencies that we would expect the new systems to deliver.

16. All Directors were interviewed before the day and a questionnaire completed that provided information on our customers, the landscape in which we were operating and the capabilities we would require. Key decisions were identified to inform and provide direction to the 5 year Digital Strategy plan.

17. Ian Hudson introduced the day setting out our environment, our role and the opportunities for each of our centres. John Quinn summarised the Digital Strategy and progress against the high level plan.

18. Directors then provided an overview and led discussions of the three strategic themes of secure global supply chains, vigilance and enabling innovation.

19. The discussion built on the information gathered during the interviews and from the work previously undertaken in the Corporate Plan to identify our strategic aims for the future, beyond 2018.

20. During the discussions, further threats and opportunities were identified, as were the synergies across the agency in some areas.

21. This was followed in the afternoon with a where CET split into 2 groups and considered some of the key questions that would impact the design of the IT systems, against the Digital Strategy roadmap. (See Annex A pages 4-7)

Key Questions	Group Answers
What impacts, opportunities and threats will the accommodation move bring?	• We must make more effective use of space including consideration given to ensuring we have the right equipment to work flexibly • We should consider whether we continue a single site model or look for regional bases to attract top talent • Location is important to our growth and must be accessible to customers and visitors
Will we have a single approach and system for vigilance?	• We should look to implement a single core approach to vigilance that maintains commonality as much as possible (80-90%) whilst accounting for some differences (10-20%) • This approach would have great reputational and commercial value and contribute to our 'USP' • We need to ensure our staff have the data scientist skills required
Will we have open and transparent data within the agency?	• We will have a default position of open data within the agency across the three centres. However, there are criteria that must be applied to some data sets • We need to store and maintain data in one place • There is a cultural change required to overcome the 'my data' issue
What does being the premier regulator mean in a world where we are increasingly balancing collaboration with competitiveness?	• We regulate globally, but we cannot regulate the world from the UK. We must look to collaborate and partner • We must choose carefully what services we wish to develop, and that this will be different for different services • If new opportunities bring revenue and there is a convincing case then we should invest • However, we must always test when reviewing opportunities whether we meet the criteria around protecting public safety, increasing our influence and contributing to UK growth

22. There were some broader insights that emerged through discussion that provide important context to the forthcoming business cases and decisions.

- CET recognised that the way the agency works will need to evolve even whilst the activities we carry out will remain more or less the same over the next 10 years

- There will need to be increased collaboration between ourselves and other agencies within the healthcare system. We will need to work in increased partnership within the UK, within Europe and globally to ensure we can protect patient safety

- There were implications on how we flexibly resource, how we flexibly organise ourselves, and the need for the IT systems to make non-value adding activities much easier, freeing up valuable experts within the agency to apply their expertise

- We need to think beyond just replacing what we have now and make a generational leap as we had done previously with Sentinel

- Many of our staff have become masters of existing systems, and delivering the same sub level processes for a long time. Ideas need to come from across the teams and we should be looking for those ideas for improvement not necessarily looking for consensus across middle management

- There is a demand for services that exceeds our current ability to supply in some areas, we must focus on freeing up capacity if we wish to pursue these opportunities, and building capability in new areas

- We are 'surrounded by opportunities', but must ensure we test any appetite for new services against the criteria of protecting public safety, increasing our influence; and supporting the UK growth agenda

- The delivery of new services needs to be firmly rooted in the priorities and strategic aims of the agency and with practical delivery considerations around our ability to provide resources to support the change whilst continuing with the day to day running of the agency

Benefits

23. The CET discussed the different categories of benefit that Digital Business cases were assessed against. See the Benefits Framework in Annex A, pages 8-9.

24. It was noted that the strategic investments made on IT infrastructure to this point had clear cashable savings by reducing IT costs by 20%, but that cases should not be assessed purely for their cashable savings, and should focus on all benefits. In particular given that systems were at end of life, assessments should be made for cost avoidance, alongside risks assessments of the end of life services.

25. CET also noted that productivity would improve as a result of the investments, and agreed with IMD that these should not be considered cashable savings. Consideration should however be made within the business cases as to the cash value of the productivity savings to highlight the opportunity for saving to assist scrutiny of the cases.

26. Nevertheless, given the potential cost against the financial outlook, questions of affordability were discussed, and that the wider strategy would need consider a range of activities to manage a forecast gap including:

- A continuing test of our income against projection to confirm our position

- Investment should include consideration of opportunities for growth to offset costs

- Bringing forward higher cost investments should be considered when developing the Digital delivery plans

- IMD should review whether there were opportunities for taking more risk on existing systems to reduce cost of remediation and replacement

27. Business cases are currently under development for Devices transformation and a range of other services outlined in the plan.

28. CET recognised that cost benefit calculations were part of the analysis and business case process, and that each case should be produced with the rigour applied to the infrastructure cases.

29. The next stage strategic cases for these investments should therefore be made against the benefits framework, and considered by CET in the light of the output from the discussions at the planning day.

D. NEXT STEPS

30. The day was productive and the overall consensus was that good progress had been made, not only in the understanding of the challenges and opportunities presented across the three strategic themes, but also around the big questions that need to be answered in order to take advantage of the required investment.

31. The following next steps were agreed:

- IMD would take the output from the day and produce a Digital Strategy paper to CET. The paper would include an analysis of the output and propose actions/decisions on the big questions raised. – IMD to produce a paper for the May 2016 CET

- CET agreed that further work was required to develop the transformation plans further, and that once the paper had been discussed, external challenge would be required to prompt CET further – IMD to schedule the next CET Planning session with external challenge

- Given the scale of change and investment required, CET agreed that it should provide business case level scrutiny of the Business transformation investments going forward – IMD to update processes to include CET review on Digital Business services

- In order to track efficiencies across the investment, IMD will ensure that all business cases will use standardised benefits calculations, and that these will be recorded so that each project could be compared against all benefits

- IMD will re-plan and re-profile estimated costs to implement the delivery plan as input into the follow up CET Planning session, and reflect this in the updated benefits tracker scheduled to be delivered in June 2016.