

Medicines and Healthcare products Regulatory Agency

15 December 2017

OPERATIONAL TRANSFORMATION

Issue/ Purpose:

Operational Transformation: Update and Next Steps

Summary:

The Board will recall from previous meetings that the Operational Transformation Programme is now fully established with work progressing at pace to determine the future strategic direction for the Agency, culminating in the findings from the Market and Customer Insight Report and the internally-focused 'Ways of Working' outputs, feeding in to the development of the Strategic Imperatives setting out the strategic direction for the Agency.

Since October, work has continued at pace, delivering the initial version of the Programme Business Case for review by the Operational Transformation Programme Board, CET and Agency Board. Following the consensus to continue to move ahead as per the preferred way forward set out in the Programme Business Case, detailed planning and work is underway to move to the next level of detailed design.

In addition, work on developing the Corporate Plan has also progressed, and is closely aligned with the OTP.

This paper provides an update on this work and plans for the coming months.

Resource implications:

Full time programme director has been appointed.

Additional full time and part time resources have also joined the OTP to support the different work streams and the development of the Programme Business Case.

As the programme moves into the next phase of detailed design and delivery, further review will take place to ascertain the resource requirements to ensure the programme can maintain momentum and deliver at pace.

EU Referendum implications:

Will incorporate necessary changes as required

Timings:

Ongoing

Action required by Board:

The Board is invited to note the progress and comment on the proposed strategic direction for the Agency. Support further resource requirements.

Author:

Sam Atkinson, Director, Business Transformation

Which of the five themes in the Corporate Plan 2013/2018 does the paper support?

This is a cross-cutting issue, but primarily Operational Excellence

If relevant, which Business Plan strategic activity does it support?

CET Sponsor:

Jon Fundrey, COO & Director of Finance

Operational Transformation Update

The confirmed aim of the Operational Transformation Programme (OTP) is “**to revolutionise the way we work by redesigning, realigning and improving our functions and operations to maximise public health impact and to optimise our role in the health system**”.

This programme aim will be achieved by delivering the following objectives:

- To **deliver superior products and services** across every journey our customers experience, to support improvements in public health and safety and enable the economic growth of the UK life sciences industry
- To **improve the experience of our customers** through better management of our customer interfaces; revolutionising data management to enhance transparency and using digital solutions to enable agile operations
- To **provide flexibility** to meet changing customer requirements where these align with our ambition to improve public health and support economic growth of the UK life sciences industry, and adapt to the changing environment, always grasping appropriate opportunities
- To ensure services are delivered in a way that demonstrates **best value for money**, in terms of cost, service quality and ultimate impact on public health

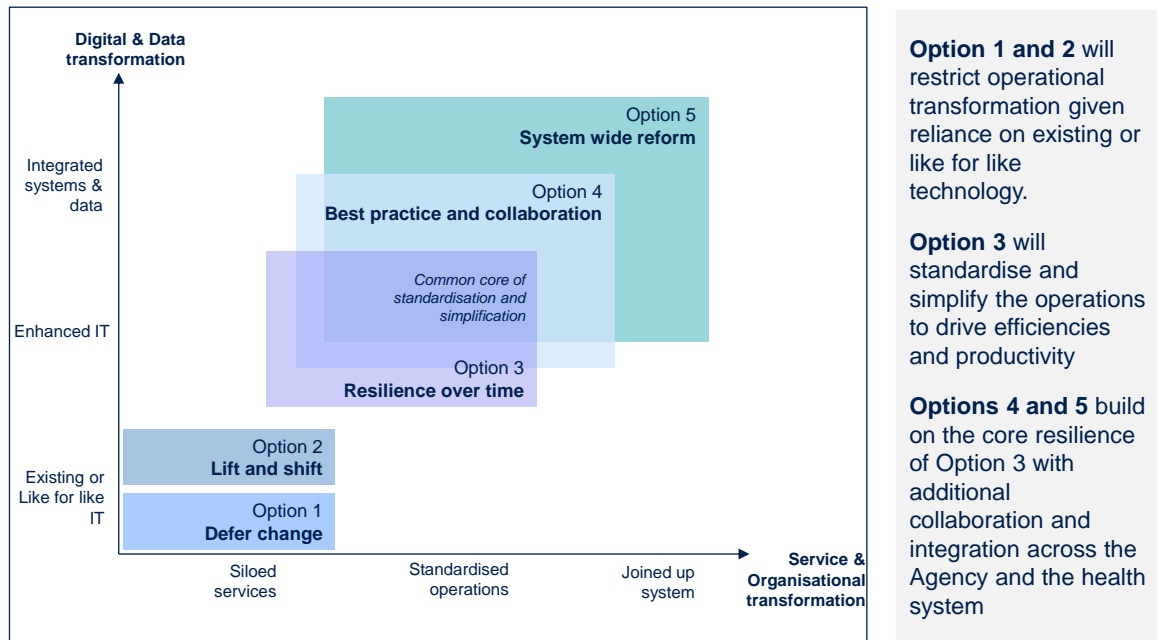
Following the confirmation of the case for change, seeking findings externally (from market and customer insights) and internally (from Ways of Working), the Strategic Imperatives for the future direction of the Agency have been confirmed.

Figure 1: Strategic Imperatives

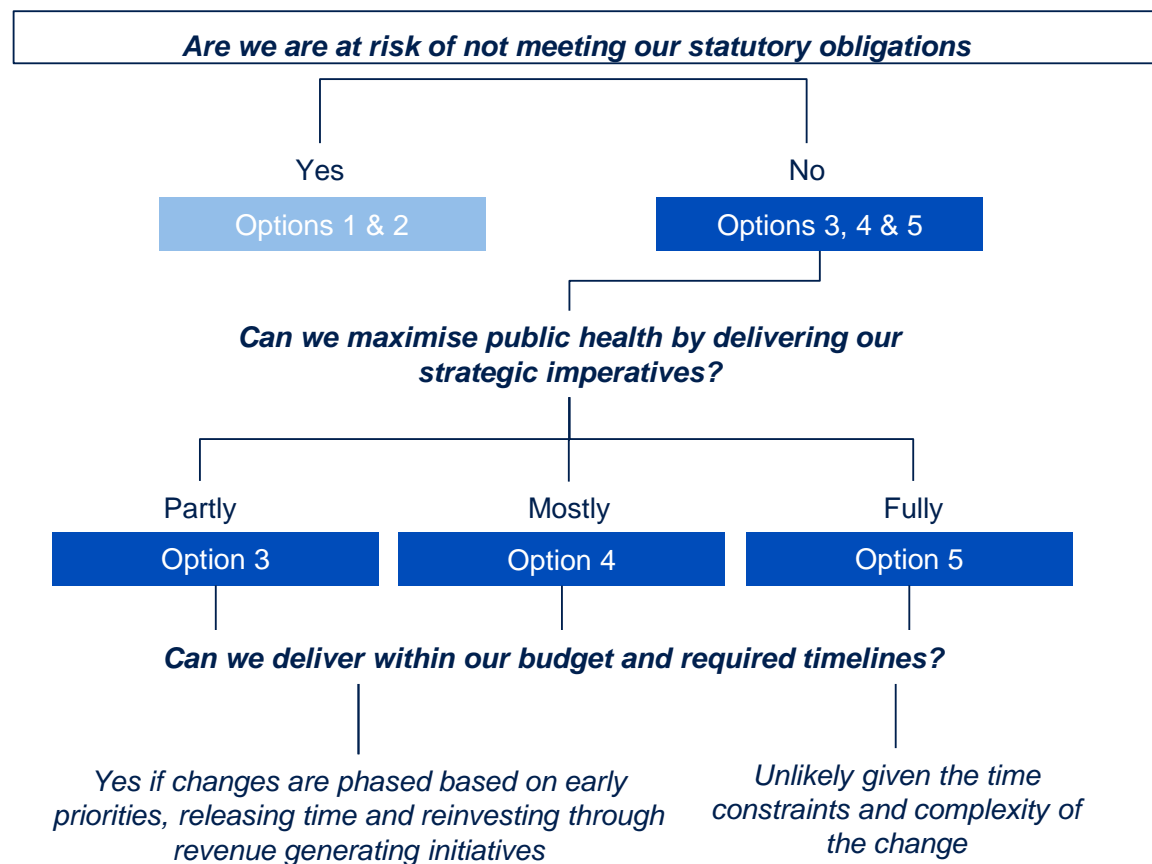
Proactively shape our future Agency by adapting to customer, product and technology changes, while educating, influencing and collaborating effectively across the Agency and the UK and global health system.		
OUTCOMES	A. Ensure the safety, efficacy and quality of medicines and health care products Continue investment into statutory services and provide the right information and guidance at the right time in an easily accessible way to influence safe use of medicines and healthcare products	B. Take a proactive approach to accelerating routes to market Increase the speed to market of different types of products and therapies supported by pioneering approaches to ensure safe, life-changing products and treatments are available to patients
	C. Be a magnet for Life Sciences innovation Take a leading role in helping the UK to become the 'go to' location for the R&D and manufacture of novel products and processes whilst continuing to adapt to changes in the external environment	
	D. Ensure the resilience and flexibility of our organisation Establish an agile and efficient organisation by implementing standardised and simplified ways of working, with critical systems replaced by March 2020	
ENABLERS	E. Offer digitally enabled, Agency-wide services Make customer interactions efficient and effective by embracing new technologies and approaches	
	F. Collaborate effectively across Agency Maximise impact on public health and by raising brand awareness, sharing knowledge and expertise, and developing joined up products and services across customer pathways	
	G. Link up actively with the health system Create a fully connected UK health system and facilitate seamless customer journeys from discovery to product launch by influencing and working closely with academia, patient groups and other health family parties	
	H. Strengthen our global positioning, partnering and commercial offering Expand the reach and impact of our services globally by commercialising added value products and services, tailoring our international offering and actively forging stronger relationships with other nations (e.g. Canada, Australia)	

An initial Programme Business Case has been developed for the Operational Transformation Programme, setting out the drivers for change, and collating the analysis undertaken to consider five potential short listed options for the Agency's Operational Transformation.

Figure 2: Illustration of five short listed options for the Agency's Operational Transformation.



Following detailed discussion and review with the Central Executive Team and the Agency Board, the Operational Transformation Programme Board has recommended that Option 4 is our recommended way forward, acknowledging that this builds on Option 3 and that there may be elements where the Agency are more ambitious (Option 5). This will enable us to ensure that we meet our statutory obligations and maximise public health by delivering our strategic imperatives, whilst needing to deliver within our financial constraints and required timelines.

Figure 3: Option 4 is our recommended way forward**Next steps**

The consensus to proceed with the next level of design and detail on the preferred direction as set out in the Programme Business Case, has resulted in the commencement of the next phase of work. This will include:

- The next level of design required on the 'Target Operating Model' – providing a fuller picture of the proposals for the future of the Agency
- The next level of planning required to understand the portfolio of work (digital and non digital) to meet the requirements of the Target Operating Model
- A more detailed understanding of costs and benefits as a result of identifying that portfolio
- Considerations for refinements to the programme governance to support this next phase of work.