To: The Board

For meeting on: 25 June 2014

Agenda item: 9

Report by: Neil Stutchbury, Knowledge Information Manager

Report for: Monitor's Information Strategy

Summary:

1. Monitor's new responsibilities under the Health and Social Care Act 2012 require a step change in the quantity and complexity of information management. Monitor has begun the process of transforming its information management capability, but this is a significant challenge and will require several years to realise. An Information Strategy has been created to set out the vision and roadmap of how Monitor will develop its information capability to underpin its regulatory responsibilities.

2. The Board will recall that it established the Technology Assurance Committee (TAC) to be set up to assure it and ExCo in relation to technical proposals and decisions. The strategy has been thoroughly reviewed by the TAC (see report of the TAC submitted to the Board in May 2014) and it has agreed that it can be taken to the Board for approval. Therefore we are seeking agreement from the Board on the following two key questions:

   a) Is the Board comfortable that the proposed strategy and work programme aligns with the business objectives and the three year timeline is appropriate?
   b) Is the Board content that the major risks/issues have been identified and and does it support the proposed actions? Are there any other significant issues/risks that have not been identified?

3. The full Information Strategy (90 pp including a seven page executive summary) is available from the Board Secretariat upon request or by clicking here.

Monitor's Information Strategy

4. Monitor's new regulatory remit requires a step change in its capability to manage much higher volumes of information and handle more complex data analytics and statistical modelling. This requires a multi-year programme of data acquisition, systems development and build-up of internal capability. The organisation's visions is to enable 'Information-led Healthcare Regulation'. The strategy to achieve this vision comprises three main themes, aligned to the overall Monitor business strategy:

- **Regulatory decision making:** all of Monitor's regulatory functions require information to enable effective decision making, whether it is assessing provider risk, appraising trusts and transactions, assessing competition cases, or ensuring continuity of services. These decisions are intrinsically information-driven. The strategy will create a repository for data we require and enable analysis and modelling to support regulatory decision making;
- **Operational efficiency:** as the volume of information, partner organisations and processes increases, the Strategy proposes that Monitor develops a scalable information infrastructure to improve the management and searching of its internal documents and reports and to streamline its transactions with external providers/commissioners; and
- **System leadership:** Monitor will develop a leadership position in three core data sets, built from our core regulatory competencies: ***provider finances, cost*** and ***local health economies***. Monitor has access to a unique combination of information and analysis which the Strategy proposes that Monitor use for thought leadership and system development purposes.

Proposed Programmes and Roadmap

5. To achieve this vision the strategy proposes six programmes of work, many of which build on existing investments and work in progress. The key programmes are:

i. **Working with external organisations**: A single secure online gateway to enable Monitor to transact all its business with its providers and partners will be created. This will be based on the technology developed for the online licensing system and be extended to other transactions, including provider monitoring, locally determined prices, competition cases etc. It will be linked to Monitor's website (gov.uk/Monitor) to simplify navigation.

ii. **Strategic Information Platform**: A central data repository for all the data collected directly by Monitor and sourced from external organisations (eg HSC Information Centre) will be created. The data will be catalogued and its data quality validated; it will provide a master set of the raw data Monitor requires for all its information analysis requirements. The platform will provide a selection of tools to support benchmarking, modelling, mapping, reporting and archiving.

iii. **Knowledge Management and Collaboration**: A corporate debate on how Monitor records and utilises soft intelligence is required. This will be

supported by an enhanced corporate intranet and central repository of searchable documents, reports and intelligence. This will build on the existing connect2 system by redesigning it to fit Monitor's new organisation and upgrading it to the latest version of SharePoint and CRM (which are now used by the licensing system).

iv. **Business process automation**: The strategy is to automate key business processes, which bring efficiency benefits, enhanced reputation externally and/or improved accuracy. These include for example, locally determined prices, licencing, monitoring, case management, FoI, enquiries etc.

v. **Supporting technology and infrastructure:** Our strategy is to build on our existing "Microsoft first" infrastructure and use it to build re-usable components for scalability. The systems will be managed by a new outsourced service provider.

vi. **Fully skilled team with well governed processes:** A new KIM organisational design is being implemented and should be fully populated by the autumn. The strategy is to have a core team of permanent staff (45 FTE in 2014/5) to cover business as usual and a base level of project work, supplemented by interim staff and external suppliers to deliver larger projects. The implementation is critically dependent on effective engagement from the business on projects and on building up the capability of all Monitor staff on using the systems properly. New governance processes will strengthen programme management, technical architecture, policies, risk management etc.

6. Consideration has been given to different timelines for delivering this programme, taking into account the balance between realising benefits as quickly as possible, the degree of change the business can accommodate, the technical challenge, and realistic investment levels. It is proposed that two years is too quick; three years is ambitious; four years may be more realistic. A key factor in our thinking is the realisation that Monitor is still developing its thinking on new processes and in some areas, such as Pricing, cannot definitively articulate its requirements. There is a risk the implementation runs ahead of Monitor fully developing its new processes. Our recommendation is to complete the build phase within three years, and use the fourth year to consolidate the change and realise the benefits. The timing is based on an assumption that current levels of investment in permanent resource and project budget per year continue over three years.

7. Consequently the following objectives have been set for 2014/15 and the following two years:

14/15	• Build the strategic information platform with the data sets required for tariff development • Build a single online gateway for exchanging regulatory information with providers and commissioners, and connect it to the independent provider monitoring system • Improve the way we collaborate and share knowledge across Monitor (includes

	a new design specification and commencement of connect2 upgrade) • Migrate the outsourced IT infrastructure services contract to a new supplier
15/16	• Extend the SIP programme to support economic and competition analyses, including local health economy modelling • All transactions with providers and commissioners run through the online gateway • Review relationship with HSCIC and other data providers • Complete upgrade of connect2
16/17	• Extend the SIP platform to support all Monitor's data analytics requirements, including provider appraisal, monitoring and enforcement • Implement provider "dashboards" to view information known about providers • Consolidate stronger records management and knowledge culture within Monitor

Assurance, Risks and Issues

8.   This strategy has been reviewed by the TAC over three meetings and 1:1 sessions. During the course of this assurance review, a number of risks and issues arose, which the TAC wished to bring to the attention of the Board (see confidential annex). None of these issues would cause Monitor to delay the strategy at this time; however some are quite complex and will take time to resolve. Consequently actions have been proposed to progress them.

Neil Stutchbury
Knowledge Information Manager

Public Sector Equality Duty:

Monitor has a duty under the Equality Act 2010 to have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people from different groups. In relation to the issues set out in this paper, consideration has been given to the impact that the recommendations might have on these requirements and on the nine protected groups identified by the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, gender and sexual orientation).

It is anticipated that the recommendations of this paper are not likely to have any particular impact upon the requirements of or the protected groups identified by the Equality Act.

Exempt information:

None of this report is exempt under the Freedom of Information Act 2000.