

NHSBT Board
January 28 2016

**Professional Services Support
Core Systems Modernisation (CSM) Programme**

1. Status – Public

2. Executive Summary

- 2.1. The recommendation is to ratify the appointment of Ernst and Young to provide professional services support to complete the target operating model, blueprint, business case and programme set-up for the Core Systems Modernisation (CSM) Programme.
- 2.2. The services will be provided at a fixed fee of £276,000. Such services, when costing more than £250,000, require the approval of the Board. In order to maintain momentum within the CSM programme, the proposal was approved in early January by the Chairman, utilising the discretionary powers provided to him under Section 4.2 of NHSBT's Standing Orders. As required by the Standing Orders, the Chair consulted with three Non-Executive Directors (Mr. Blakeman, Mr. Griffins and Mr. Monroe) in providing this approval.

3. Action Requested

The Board is asked to ratify the decision to appoint Ernst and Young to support the set-up and development of the CSM programme.

4. Purpose of the Paper

- 4.1. This paper seeks formal ratification of the use of the Chairs discretionary powers to appoint Ernst and Young to provide professional services in support the CSM programme at a cost of £276,000.

5. Background

- 5.1. The Core Systems Modernisation Programme will implement new IT platforms in the Blood and Tissue Service supply chains, delivering new business capability across NHSBT to provide safe products through efficient supply chain processes. In doing so, it will support delivery of the Strategic Plan 2015-2020, Blood 2020, IT and Tissue Strategies.
- 5.2. Since September, a small core team has implemented the initial CSM programme governance and infrastructure. The programme board identified that more work was required to:

- Define the future target operating model in more detail than the Transformation Discovery process, specifically capturing the various stages of implementation (transition states) and the impact of proposed changes on people and process, as well as technology.
- Support the development of the detailed business case and the production of relevant programme artefacts essential to setting the programme up in line with best practice (benefits map / profile, projects dossier, stakeholder impact analysis and programme plan).

6. Proposal / Next Steps

- 6.1. The proposal is to appoint Ernst and Young to provide professional services support to complete the target operating model, blueprint, business case and programme set-up for the CSM Programme. This work will be completed for a fixed fee of £276,000.
- 6.2. After an initial short listing process, Ernst and Young have been chosen to work with NHSBT on this task.
- 6.3. The request to appoint Ernst and Young was approved in early January by the Chairman, using the discretionary powers provided to him under Section 4.2 of NHSBT's Standing Orders, with the support of the Chair of the GAC (Mr. Griffins), the Chair of the Expenditure Controls Committee (Mr. Blakeman) and the Non Executive Director who supports the CSM Programme Board (Mr. Monroe). This paper seeks formal ratification of that decision.
- 6.4. It should be noted that some degree of flexibility / contingency may be required (ca 20%). The initial stages of the work might highlight further gaps that we have not currently anticipated or a need to deep dive further into a specific requirement that would be beneficial to the programme. Whilst we would hope to avoid this, there may be a need to come back at some future point with an extension to this work.
- 6.5. The output from this work is expected in time for approval at the March 2016 Board meeting. At this point, we will have a much clearer understanding of the likely timetable, cost and steps along the way in replacing the current legacy core IT system with the new IT platforms that will support NHSBT in realising our 2020 strategic vision.

Author

Mick Burton
Accountable Executive
Core Systems Modernisation

Responsible Director

Peter Lidstone
Blood Manufacturing & Logistics Director