Making the PMO the beating heart of the NHS Change Agenda:

A Special Case Study Feature

We all know that information is the life blood of all organisations. Good quality, accurate, up-to-date, easily available information ensures that we can always make informed decisions. This has never been truer in the NHS, where there is a constant, relentless pressure to improve patient care, reduce operating costs and be open and transparent at all times.

Recent years have seen a growth in Programme and Project Management Offices (PMO) as well as a strong uptake in professional qualifications like P3O®. Organisations in the public and the private sectors are recognising the value that high-performing PMOs provide, and the word "governance" is now high on the agenda of most executives.

In this article we look at three NHS organisations that have recently established PMOs to underpin their change programmes, and review the lessons that they have learned and the benefits they have realised so far. We also look ahead towards new and improved services the PMOs will be offering to their stakeholders.

Change Challenges that Face the NHS

The NHS is being asked to dramatically improve the way it manages the delivery of services, whilst at the same time needing to continue to provide existing services to an ever-more demanding set of patients and governing bodies.

This means being accountable, visibly, to the stakeholder communities by demonstrating:

- The outcomes that the changes will achieve.
- The continuing value of the change programmes.
- The progress that is being made towards achieving the outcomes.

PMOs at the Heart of Change

When many people think of PMOs their first thought is "admin and reporting". Although the PMO is undoubtedly the information hub of any organisation, the PMO team is far more than a group of administrators. The list of value-add services is long and impressive, the career opportunities offered are strong and the ability to exploit the information gathered by the PMO is immense. Services include providing governance assurance to programmes, planning assistance to projects, risk management guidance to the business, cost controls to finance, and identifying opportunities to improve effectiveness and efficiency. The PMO is no longer a backwater. It is the nerve centre and the beating heart of the modern enterprise, as these NHS examples prove.

PMO Models in the NHS

In this article we'll explore three types of PMO found in the NHS:

1. Planning and Governing Strategic Programmes for Clinical Commissioning Groups (CCG).
2. Delivering "Shaping a Healthier Future" programmes at a CCG.
3. Delivering Cost Improvement Programmes (CIP) at an NHS Foundation Trust.

Case Study 1:
Strategic Change Programmes in North West London

As people live longer and the population of London increases, the NHS faces increasing pressure. There are major changes happening to the way healthcare is delivered to the two million people who live in the eight North West London boroughs of Brent, Ealing, Hammersmith & Fulham, Harrow, Hillingdon, Hounslow, Kensington & Chelsea and Westminster.

This transformation of care across North West London will save hundreds of lives each year, and is being driven forward by the Clinical Commissioning Groups (CCGs) which are clinically led organisations that include all of the GP groups from these London boroughs. The GPs have worked with patients and the wider public, with lay partners, hospital doctors, nurses and other healthcare professionals, providers of community care, local boroughs, volunteer groups and charities to develop their vision and proposals. They believe that the way NHS services are delivered needs to change over the next few years to ensure that the people of London receive the highest quality care in the future.

The CCGs in the North West London boroughs recognised an opportunity to provide strategy and direction from a centralised collective organisation, the NHS North West London Collaboration of CCGs. This allows the individual CCGs to implement the strategy locally and to work with local stakeholders to ensure that the services meet the agreed targets and service levels.

After the CCGs came into operation in April 2013, the central Strategy Team needed to quickly establish a Programme Management Office to oversee the efficient delivery of four key strategic programmes of work:

1. **Hospital Reconfiguration Programme:** improved hospitals delivering better care 7 days a week, more services available closer to home

2. **Whole Systems Integrated Care Programme:** multi-disciplinary care co-ordinated around the patient, led by the GP

3. **Primary Care Transformation Programme:** better out of hospital services, greater access to GPs at convenient times and locations 7 days a week

4. **Self Management:** people are empowered to manage their own wellbeing and health

As a new organisation, the PMO started reporting on these projects and programmes using a number of Excel spreadsheets and other reports which were produced manually. This was proving very inefficient, and they quickly recognised that they needed a database solution that would allow greater visibility, consistency and accuracy of reporting across the programmes.

The central PMO established governance processes and 2-weekly reporting cycles which are underpinned by Bestoutcome's project portfolio management tool PM3. Working closely with the supplier, the PMO designed the reporting structures to ensure there is good, pragmatic oversight of the strategy initiatives.

They are now able to make early intervention where needed as the strategies are implemented across the area, and can provide senior management (and NHS England) with concise, accurate and up-to-date information about the progress of the strategic initiatives and the achievement of the desired outcomes.

Case Study 2:
Delivering "Shaping a Healthier Future" in Hillingdon

NHS Hillingdon Clinical Commissioning Group (CCG) is responsible for buying Hillingdon health services including community health and hospital services. As a GP-led organisation, Hillingdon CCG is in the unique position of being able to take into account the first-hand experience of its patients who use the health services when it commissions new services.

Hillingdon CCG's vision is for a high performing, good quality and cost effective acute and community based health system for local residents, in an environment that delivers quality care, supports clinicians and is satisfying for all staff and members. It has three programmes in place to help it achieve this vision:

1. The reconfiguration of hospital services through 'Shaping a Healthier Future'.

2. The out of hospital strategy.

3. The financial recovery and savings programme.

'Shaping a Healthier Future' is a major strategic programme of improvements which the NHS is implementing across the eight boroughs in North West London. The key principle that underpins the reconfiguration programme is the centralisation of most specialist services (such as A&E, maternity, paediatrics, emergency and non-elective care). Having highly skilled

clinicians, supported by excellent facilities, will lead to better clinical outcomes and safer services for patients.

Hillingdon needed to quickly establish good, effective corporate governance over these programmes and over the delivery of the Quality, Innovation, Productivity and Prevention (QIPP) challenge within their financial resources, with a particular focus on achieving savings targets.

In 2013 Hillingdon created a centralised PMO function to provide this governance assurance, and established strong processes including two-weekly reporting cycles and governance meetings underpinned by Bestoutcome's project portfolio management tool PM3. Together, the processes and tools ensure visibility and consistency of reporting across all the initiatives and give the ability to identify early any that are 'at risk' of not achieving their savings targets.

The success of these programmes will be measured through a range of services outside of acute hospitals including expanded primary and community care which will lead to a reduction in acute activity and spend, and better integrated hospital and community care, including social care. The PMO is central to ensuring and measuring this success.

Case Study 3:
Cost Improvement Programmes in Rotherham

Rotherham NHS Foundation Trust was one of the first 35 Trusts in England and Wales to achieve NHS Foundation Trust status. It is one of the most forward-thinking Trusts in the UK and is at the leading edge of health service reform and achieving outstanding results.

It provides a wide range of health services to the people of Rotherham (population approximately 252,000) and to an increasing number of patients from further afield. The Accident and Emergency (A&E) Department deals with around 75,000 patients per year and there are approximately 55,000 in-patients and 250,000 outpatient attendances each year.

Every year, NHS Trusts across the UK are required to create efficiency plans and make savings – these are known as Cost Improvement Programmes or CIPs. The Trusts also need to provide their Auditors, Monitor and the Care Quality Commission with evidence of robust governance and assurance processes on the programmes, including performing Quality Impact Assessments (QIA). There is never any shortage of ideas of where cost savings and efficiencies can be made – the challenge is how to sift the ideas and prioritise the valuable ones to form a deliverable programme of work.

This approach is now paying dividends - over the last six months they have gained full visibility and consistency of reporting across the initiatives in the CIP programme, which has led to significant improvements in the overall governance of the Programme.

Rotherham NHS Foundation Trust have a CIP savings target in excess of £10m in 2015/16, and are also running a series of major transformational change projects to address their key challenges and priorities, including the creation of a new Emergency Care Centre.

In early 2015, the Director of Finance at Rotherham saw an opportunity to strengthen the way the Trust Management Committees were run, and decided to establish a Programme Management Office to underpin the CIP programme and support the QIAs. The initial objective of the PMO was to ensure that the Committees receive the information they need in order to make informed decisions about taking corrective actions. Up to that time, the Committees were finding it difficult to understand the true, accurate status of projects because:

- Each initiative was using its own formats, standards and levels of detail, meaning that the quality of the information available was extremely variable.

- Often the information was not up to date, because busy operational Programme and Project Managers couldn't find the time to update their governance information and plans.

- There was a lack of visual, robust project plans supported by action plans.

The three-person PMO's primary focus was to provide consistent, accurate, up-to-date and timely information across the entire CIP programme for management. They decided that this would be achieved through:

- Improved, streamlined, standardised processes for the supply of the information.

- Implementing PM3, a centralised project portfolio management tool.

- Training and supporting the project managers on governance processes and the tool.

This approach is now paying dividends - over the last six months they have gained full visibility and consistency of reporting across the initiatives in the CIP programme, which has led to significant improvements in the overall governance of the Programme. This allows the Committee to focus on the cost savings and efficiencies which the various projects will enable, and to adjust priorities as necessary in the knowledge that they have a full, accurate and consistent picture of everything that is underway.

Lessons Learned so Far

Even though the nature of the programmes being supported in these three case studies is very different, it is interesting to see that each PMO follows the same core principles:

- Understand your stakeholders and their information needs.
- Understand your data providers and ensure they take ownership for their data.
- Establish minimum standards for the data and for the consistent use of key indicators.
- Get the basics in place first – a simple register of initiatives with key dates and RAG status indicators is hugely valuable, and can be extended later with benefits, financial, resource and risk information as appropriate.
- Quickly establish a drumbeat of regular reporting.
- Establish prioritisation principles and use them consistently.
- Work with the data providers and stakeholders to ensure everyone gets what they need when they need it.

All these PMOs have taken a rounded, holistic approach to implementing their services:

- **People:** provide crisp induction training for your new joiners, on the processes and tools.
- **Processes:** publish your processes, and encourage process improvement.
- **Tools:** use technology to support and embed your processes, and to give "one version of the truth".

Enhancing the PMO Services

Now that these PMOs have got the 'basics' in place and have established a new way of working for the teams, they are starting to look ahead to additional services they can offer. These include opportunities to support:

- Annual planning rounds, to help prioritise ideas and initiatives.
- Gateway meetings, where proceed/do not proceed decisions are taken.
- Benefits realisation and savings reviews.
- Planning the delivery and governance of new projects.
- Delivery Assurance of the in-flight initiatives.
- Lessons learned reviews.
- Knowledge Management and Process Improvement.

Summary

In each of these examples the PMO has become central to the effective governance of the change programmes in their NHS organisations, becoming their beating heart by providing the assurance that they have the:

Right Portfolio: because each project and programme is reporting in the same way against the same indicators, the PMO can help ensure that effort is put into the priority initiatives that will bring maximum value to the NHS organisation.

Right Planning: because each project and programme is planned in the same way, focussing on the outcomes to be achieved not just the outputs, the PMO can help ensure that progress across the entire portfolio is tracked and controlled consistently.

Right Governance: because each project and programme must be justified in terms of its savings, cost, benefit and performance targets, the PMO can help ensure that a common 'gateway' governance process is applied to ensure the on-going viability of each initiative.

Right Outcomes: because each project and programme must contribute to achieving the overall goals and outcomes of the organisation's strategy, the PMO can help ensure that plans stay focussed on achieving the true business outcomes and realising the required benefits and savings.

As the pace of change in the NHS accelerates we should expect to see more and more NHS organisations establishing high-performing PMOs to provide top-quality information and services to their executives and governing bodies as they strive to achieve their performance targets, savings and desired outcomes.
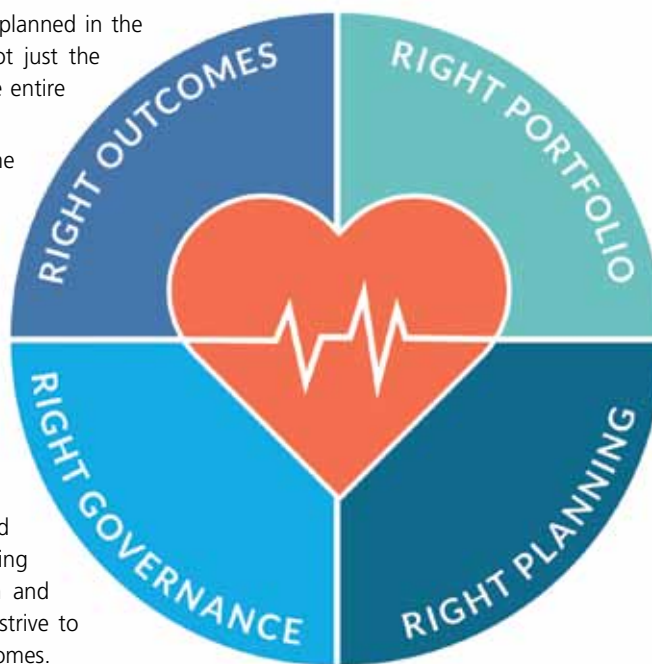
Find out More:

North West London's web page is
http://www.healthiernorthwestlondon.nhs.uk/

Hillingdon CCG's web page is
http://www.hillingdonccg.nhs.uk/

Rotherham NHS Foundation Trust's web page is :
http://www.therotherhamft.nhs.uk/

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