

HSE Appearance at the PAC Hearing

The finalised ICT focussed Business Case to support the implementation of the HSE's new Finance Operating Model (FOM) has been approved by this Department. The approval was informed by the Peer Review Process.

In addition, a procurement strategy to support the development and implementation of the solution has been agreed by the HSE with the Department of Health, the Office of Government Procurement (OGP) and the Office of the Government Chief Information Officer (OGCIO). This Strategy envisages five separate procurement exercises, each of which will be at EU level and will take a number of months to complete:

- **Procurement 1:** the selection of the ERP platform with a facility to drawdown licences as required during implementation;
- **Procurement 2:** the selection of a Systems Integrator to assist with development and implementation;
- **Procurement 3:** the selection of Change Management Support Partner to define and implement the change process;
- **Procurement 4:** the selection of a Managed Service Provider to manage and support the solution after it has been commissioned;
- **Procurement 5:** the establishment of a Framework of SME providers that will provide additional resources if required during development and implementation.

The solution will be implemented on a phased basis and prior to commencing implementation in each region, the HSE will have to confirm sign-off on the business processes including the back-office elements; sign-off on the design phase and of progress achieved on the standardisation of practices; the streamlining and implementation of change management processes; and the development of a common chart of accounts across the HSE.

The HSE will also have to establish the appropriateness, from a legal and procurement perspective, if it proposes to extend the use of any of its existing financial systems as the national solution.

A programme of work under three key work-streams is scheduled to commence during 2016:

- upgrade the HSE's existing business intelligence reporting tools in order to provide increased and quicker access to its data stores. This will deliver improved business intelligence by end 2016;
- commence and complete the tender exercise for the procurement of an integrated financial solution; and

- use existing frameworks to upgrade and stabilise legacy financial systems on a prioritised basis in order to make them safe and to place them on a single platform in preparation for transitioning to an integrated solution. Work will start in early 2016, commencing with the upgrade of the Mid West legacy system, and is expected to be completed across all former health board areas requiring stabilisation by late 2017/early 2018;

The project is managed internally by the HSE and the Department of Health is represented on the Governance Structure. The project will draw extensively on internal resources and will require extensive use of external resources.

The technology aspects form part of the finance reform initiative (the new Finance Operating Model) that is overseen by a Reform Board comprising senior officials including the HSE Director General; the Secretary General of the Department of Health; and an Assistance Secretary from D/PER.

Both the Department of Health and the HSE when attending separate PAC hearings advised that it could take up to five years for the HSE's Integrated Financial Management System to be implemented.

Peer Review Process

A Government Decision on 11th October 2005 mandated the introduction of the Peer Review Process in respect of ICT projects. It consists of an independent review of projects at key decision points in the project lifecycle - Business Case Review; Request for Tender Review; Tender Evaluation Review; Contract Review/Project Initiation Review; and Post Implementation Review. In addition, a Checkpoint Review may be held at any time after contract signing if considered desirable by the Peer Review Team.

Reviews are undertaken by a team with relevant expertise, for example, relevant business, technical, and procurement knowledge. Members of the team are external to the Project Board and the organisation sponsoring the project.

The Peer Review Process is additional to the ICT expenditure approval process operated by this Department however the Reports from each stage of the Peer Review Process inform the approval process.