



## World Class Commissioning – Tower Hamlets PCT Project & Programme Management Case Study

There is an increasing trend for organisations to move towards managing their operations as a series of projects and programmes. However, this can often require significant changes in management approach, skill-sets and business tools. Without implementing these changes, it is easy to expend large amounts of time and effort in launching projects that are based on poorly constructed plans – without clear objectives, key milestones or the resources to deliver them successfully.

As a consequence, many fail.

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Within the public sector, these challenges can become even more evident. Annual budgets are tightly controlled and it is crucial that projects come in on schedule, while avoiding any significant under- or over-spend. Such factors are further compounded within the NHS, as the benefits of healthcare projects are often realised outside the fiscal year in which they're implemented. NHS Primary Care Trusts (PCTs), the bodies responsible for commissioning healthcare for their local populations, are constantly under pressure to achieve best value for money in both short and long-term commissioning.

In 2007, recognising that performance improvements were necessary to respond to the pressure on healthcare budgets, the NHS introduced the concept of World Class Commissioning (WCC). This moves the PCTs towards better programme management of the healthcare services they commission and demands a more rigorous approach to project alignment and performance measurement.

### The challenge

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Tower Hamlets PCT is based in a London urban environment with significant levels of deprivation, great inequalities of health and a rapid rate of population change. In commissioning healthcare for the surrounding area, through a variety of providers, it struggled to secure control over project budgets and expenditure, establish a consistent approach to project initiation and management, and gain visibility of all projects and their status.

Managers operated from their own spreadsheets and hard-copy plans. Financial budgets and forecasts were difficult to generate at an individual level and even harder to aggregate to a programme or portfolio of work. This led to considerable time being wasted in collating project information manually and uncertainty as to whether appropriate money was being spent in the correct areas to achieve the desired outcomes.

Senior PCT management recognised that change was necessary to meet the demands of WCC and decided to introduce a system of programme management, initially aimed specifically at delivering a large investment programme. The Trust management team recognised that such a major change in managing projects and programmes would be difficult. It was essential for individual managers to understand the reasons for change and to understand the organisational and individual benefits that would be realised by establishing greater overall visibility and control of projects.

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### The solution

Sandhill Consultants worked in collaboration with the PCT's management and its chosen consultancy to deliver a CA Clarity PPM solution to its project and portfolio management needs.

In some ways, this was a radical departure as the application of this leading software solution was new within a UK healthcare environment. New processes and procedures were required across the Trust's commissioning directorates, along with a new project management office (PMO) to develop, guide and enforce them. With its exceptional flexibility and configurability, CA Clarity PPM was the obvious choice of software to support the Trust and the PMO.

CA Clarity PPM provides a single repository of project data, from which the necessary management information can be drawn to improve investment decision-making and delivery.

Its key features include:

- Secure, authorised user access to all projects
- Project scheduling and management using pre-built, best-practice templates
- Simple and rapid creation of project cost plans, automatically aggregated to program or portfolio levels
- Complete financial visibility of all projects within an associated programme of work
- Progress monitoring against baseline
- Project status change alerts for quick intervention by project managers
- Real-time management information for identifying and addressing project slippage, objective decision-making and resource allocation
- On-demand management reports

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Although a structured project management approach was not a new concept within Tower Hamlets PCT, neither was it a core skill for many of the staff involved with its projects. So, with tight deadlines and a pressing need to be up and running in support of the Trust's continuing operations, Sandhill worked closely with the management consultants to develop and deliver a comprehensive communications and training programme for all the Trust's Clarity users.

This was designed to educate users on the benefits and application of the software, tackle any 'yet more change' concerns and ensure maximum take-up of the new system. Small, focused groups targeted participants' specific usage of CA Clarity PPM using operating manuals tailored to their requirements. A system user group also met regularly, backed by periodic workshops, on-demand drop-in sessions, specific briefings and use of the PCT's intranet.

CA Clarity PPM went live in mid-2008 with Sandhill providing continued consultancy support as extra functionality and users from across the PCT are added.

### **The benefits**

Thanks to CA Clarity PPM, Tower Hamlets PCT now has visibility and control over all its projects for the first time and can adjust its plans accordingly.

- Project and programme goals can be aligned with national and local targets, ensuring proposed spends are allocated to agreed priorities.
- Project performance is monitored proactively and efficiently by the PMO to ensure projects are on track, budgets are met and outcomes are achieved.
- Formal, regular top-level project reviews identify the financial impact of any project slippage and enable budgeted funds to be utilised elsewhere.
- Time and cost savings have been achieved by removing manual intervention and replacing it with instantly available individual and aggregated information to confirm the right money is being spent in the right places.
- Project managers save time and produce more consistent plans by using best-practice templates based on previous experience.
- Risk is reduced through continual, transparent monitoring of performance.
- Benefit realisation can be progressively considered over a longer period and through a portfolio of initiatives, potentially helping to identify appropriate proxies for long-term outcome measures.
- The creation of a PMO means a standard plan for all projects can be created in a specified format making for clearer, better understood and more easily produced management reporting.
- The PCT moves more quickly in reaching acceptable performance levels in the 11 WCC competencies.

### **About Sandhill Consultants**

Sandhill Consultants Ltd was formed in 1989 and develops projects for both the public and private sectors.

Sandhill has a long relationship with CA and is a Platinum Level Partner, reselling and implementing CA products such as ERwin, its business modelling software, and CA Clarity PPM, the leading project and portfolio management tool.

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