



House of Commons
Committee of Public Accounts

General Practice Extraction Service

Fourteenth Report of Session 2015–16



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to the report*

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The Committee of Public Accounts

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Contacts

All correspondence should be addressed to the Clerk of the Committee of Public Accounts, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 4099; the Committee’s email address is pubaccom@parliament.uk

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Summary

The General Practice Extraction Service (GPES) is an IT system designed to allow NHS organisations (the planned users of the service were: Public Health England, NHS England, the Clinical Commissioning Groups, UK Biobank, the Healthcare Quality Improvement Partnership, the National Institute for Health and Care Excellence, the Medicines and Healthcare Products Regulatory Agency and the Care Quality Commission) to extract data from all GP practice computer systems in England. The data extracted would be used to monitor quality, plan and pay for health services and help medical research. In March 2013 the NHS Information Centre (NHS IC) accepted the system from Atos. The system transferred to the new Health & Social Care Information Centre (HSCIC) from 1 April 2013; the HSCIC found that the system had fundamental design flaws and did not work. The Department of Health (the Department) failed to ensure that an effective governance structure was in place for the project and that basic lessons from past government IT failures were learned. Very common mistakes from past projects were repeated, such as failing to adopt the right contracting approach, failing to ensure continuity of key staff on the project, and failing to undertake proper testing before accepting the system. GPES started some five years later than planned; it is over-budget; and it still does not provide the full service required. Atos, supplier for a key part of the system, may have met the letter of its contractual obligations but took advantage of a weak client by taking the client's money while knowing full well that the whole system had not been properly tested.

Introduction

Work on the GPES project began in 2007 when it was the responsibility of the NHS Information Centre (NHS IC), which designed and ran the project. It was overseen by the Department which approved the business cases and provided the required funding as well as contributing technical expertise around the design and how it would integrate with other NHS systems. GPES is designed to extract data from the four major clinical IT systems used by GPs. NHS IC contracted with the four major suppliers of the clinical IT systems used by GPs to produce software to extract data from their systems. NHS IC also awarded a contract to Atos in December 2011 to produce the central software required to interact with each of these systems. On 31 March 2013 NHS IC closed and responsibility for GPES transferred to the new Health and Social Care Information Centre (HSCIC).

Conclusions and recommendations

1. **GPES is late, over-budget and still does not deliver all that was intended.** The original business case expected the service to start in 2009–10, but it took until April 2014 for HSCIC to provide the first GPES data extract to an NHS organisation. So far only two of the eight organisations identified as users of the service have received data from GPES. The expected cost of the project increased from £14 million to £40 million during the planning and procurement stage. Further cost increases have been smaller, but there have been at least £5.5 million of write offs, additional settlements and delay costs. The Department admits that it is not getting value for money from GPES; that the service is only delivering about half of what was specified and paid for; and that the fixed-price contract approach which was used had been inappropriate. HSCIC is currently considering options to improve or replace GPES.

Recommendation: *The Department and HSCIC need to develop a clear plan for the future of GPES that sets out the functionality and capacity required and how it will be delivered. We expect the Department to report back once a decision on the future of GPES has been made, or within 6 months, whichever is sooner.*

2. **The original project team did not have the right skills or experience to build GPES and the governance structure was not fit for purpose.** The Department accepts that NHS IC did not have the expertise or capability required to run this project and that the governance arrangements were not fit for purpose. There was an exceptionally high level of staff turnover in key roles with ten project managers over a five year period and three Project Board Chairs over three years. The Department did nothing about this despite concerns raised by their own gateway review team. The Department also raised concerns about the adequacy of the testing, but NHS IC did not act on them but instead chose to accept the risk and sign off the system. Only after HSCIC took receipt of the system were fundamental design flaws found, which meant that it was impossible to extract data from all GP practices. Fixing the problems required six months of remedial work. Because NHS IC had signed off the Atos element of the system and made public announcements about the success of GPES, HSCIC had no practical legal recourse when the system turned out not to work. No one in the Department or HSCIC has been held responsible or disciplined for the failure of the programme and loss of taxpayers' funds. The Accounting Officer for NHS IC when it accepted GPES from Atos was NHS IC's Chief Executive, who was awarded total emoluments of £470,000 for the financial year 2012–2013 including a redundancy payment of £330,000. This project is a failure of both Departmental stewardship of the NHS IC and of the governance of the project by NHS IC and the Department.

Recommendation: *The Department must:*

- i) *ensure its IT projects are managed by people with the appropriate skills and experience;*
- ii) *appoint a named individual (the SRO or someone nominated by the SRO) who is personally responsible for signing off each stage of the system, so that accountability is clear;*

iii) *establish clear lines of accountability between the Department and the bodies delivering IT projects and proper oversight mechanisms to monitor projects and take timely remedial action when necessary; and*

iv) *make certain that systems are tested properly before they are accepted.*

3. **In their approach to this project Atos did not show an appropriate duty of care to the taxpayer.** We are not satisfied Atos provided proper professional support to an inexperienced client and are very concerned that it appears to have acted solely with its own short term best interests in mind. Atos admitted that end-to-end testing should always be undertaken and that it was supposed to have happened in this case. However, NHS IC and Atos agreed a more limited test of the Atos component due to delays in completing other parts of the system. The Atos software passed this test, but after NHS IC accepted the system—and to Atos’s professed surprise—the system as a whole was found not to work. Atos claims it fixed the issues relating to its software at its own expense and that the additional £1.9 million it received while doing so was for additional work related to 15 new features. We found that Atos’s chief executive, Mr Adrian Gregory—the company’s witness in our enquiry—appeared rather indifferent to the plight of the client; we expect more from those contracting with government and receiving funds from the taxpayer. The Government agreed to a recommendation by the previous committee on the need to work with industry to define what obligations on contractors a duty of care to the taxpayer would entail, and what sanctions would apply. In our recent report on strategic financial management in the Ministry of Defence and military flying training we recommended that consideration be given to adding clauses to contracts placing a duty on contractors to give early warnings of problems with contracts—even if this could be financially disadvantageous to the contractor.

Recommendation: *The Cabinet Office should undertake a full review of Atos’s relationships as a supplier to the Crown. We expect the Cabinet Office to note carefully this example of sharp practice when determining what obligations a duty of care on contractors should entail and what sanctions would apply when performance falls short.*

4. **Whitehall is not learning from past failures in IT projects, and is still repeating the same mistakes.** This project exhibits many weaknesses common to other high profile IT failures such as the National Programme for IT in the NHS, the Single Payment Scheme and Tax Credits. These include; lack of staff continuity, inadequate testing, the wrong contracting approach and a governance structure which was not fit for purpose. Whitehall has to start learning from these failures and make real changes to how IT projects are managed and delivered.

Recommendation: *The Cabinet Office should ensure that the failings in this project and the reasons for them are disseminated widely to reinforce the steps that need to be taken to avoid such mistakes being repeated again.*

1 The GPES project

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from the Department for Health (the Department), the Health and Social Care Information Centre and Atos UK and Ireland on the General Practice Extraction Service (GPES).¹
2. GPES is an IT system designed to allow NHS organisations to extract data from all GP practice computer systems in England. The data extracted would be used to monitor quality, plan and pay for health services and help medical research. Work on the GPES project began in 2007 when it was the responsibility of the NHS Information Centre (NHS IC), which designed and ran the project. It was overseen by the Department which approved the business cases, the required funding, and also contributed technical expertise around the design and how it would integrate with other NHS systems.
3. GPES is designed to extract data from the four major clinical IT systems used by the 8,000 GP practices in England. NHS IC contracted with the four major suppliers of the clinical IT systems used by GPs to produce software to extract data from their systems. They also awarded a contract to Atos in December 2011 to produce the central software required to interact with each of these systems. On 31 March 2013 NHS IC closed and responsibility for GPES transferred to the new Health and Social Care Information Centre (HSCIC).²
4. The original business case expected the service to start in 2009–10, but it took until April 2014 for HSCIC to provide the first GPES data extract to an NHS organisation. The HSCIC told us that the system was now providing data to two (Public Health England and NHS England) of the eight organisations identified as planned users of the service.³ The expected cost of the project increased from £14 million to £40 million during the planning and procurement stage. Further cost increases have been smaller, but there have been at least £5.5 million of write offs, additional settlements and delay costs.⁴
5. The HSCIC told us that the system was currently delivering half of what was originally asked.⁵ The Department believed that this would rise to some 60% of the contracted specification next year, but accepted that when compared to the full cost that had been paid this was “not value for money.”⁶ The Department noted that there were things that could be done to make GPES work better including reducing query times and increasing extraction volumes. The Department told us it needed an IT system to collect data from GPs to underpin the primary care payments and performance systems and that existing commercial systems do not provide the scale of data required, although they may be able to do so in the future. HSCIC is currently considering options to improve or replace GPES which will be considered by the department early next year.

1 [C&AG's Report, General Practice Extraction Service - Investigation, Session 2015-16, HC 265, 2 July 2015](#)

2 [C&AG's Report](#), para 1.10, Figure 2

3 [Q 74](#) and [C&AG's Report](#) Figure 5

4 [C&AG's Report](#), para 3.4, Figure 4

5 [Q157](#)

6 [Q134](#)

2 Testing the system

6. In March 2013, NHS IC accepted delivery of Atos' software following system testing designed by NHS IC. The system transferred to the HSCIC from 1 April 2013, who found that the system had fundamental design flaws and did not work. To work in a real life situation, Atos' software needed to communicate accurately with the four systems that extract data from GP clinical systems and other systems relying on its data, such as that used to calculate payments due to GPs. The test that NHS IC and Atos had agreed to carry out was less complex. It did not examine data extractions from multiple systems at the same time, nor the complete process of extracting and then passing GPES data to third party systems. The Department advised the NHS IC to carry out more tests, but the NHS IC chose to ignore this advice and accept the risk.⁷ Severe problems emerged and this required Atos and HSCIC to carry out remedial work that took six months to complete.⁸ Atos were paid a further £1.9m over their original fixed contract price.⁹

7. Questioned on why the system had been signed off and accepted when it had fundamental flaws, the Department told us that there had been a number of contributing issues including a lack of relevant expertise in NHS IC, high staff turnover and governance arrangements that were not fit for purpose.¹⁰ But the specific issue was that the testing regime had not been sufficiently robust and responsibility for testing had not been separated from the team running the project. In effect, the programme team had been "marking their own homework".¹¹ We asked whether legal advice had been sought on whether any proceedings should be taken against Atos. The HSCIC told us that it had taken legal advice and decided not to take action as it was in "quite a weak position contractually" because the system had been signed off and because it wanted to work collaboratively with Atos.¹²

8. Atos told us that the software it had provided was one of eight components parts in the system. An end-to-end test of the system had been planned but could not be undertaken because the other components were not ready, so the software was tested at the component level. Atos considered that its software had worked because it had passed the component test proving its functionality.

9. Atos accepted that end-to-end testing should always be undertaken but said that it had not been available at the time. Atos had been surprised at the issues that subsequently emerged when end-to-end testing was undertaken. Atos told us that it had fixed the issues that arose with its software at its expense and stated that the additional £1.9 million it received from HSCIC in this period had been "related to 15 new features over nine releases, and changes in requirements."

7 [C&AG's Report](#), para 2.24

8 [C&AG's Report](#), paras 2.3, 2.21-2.23

9 [Q 91, C&AG's report](#), para 3.7

10 [Q19](#)

11 [Q37](#)

12 [Q 16, 152, 153](#)

3 Project management and governance

10. The Department attributed the problems with this project to the fact that NHS IC “did not have the capabilities, the skill set or the approach to technology projects that one needs to have to make them successful. It was not a technology organisation; it was a data statistics organisation.”¹³ Lacking the relevant expertise NHS IC had hired a lot of contractors rather than permanent staff which had resulted in a lot of staff turnover¹⁴. This included ten different project managers over five years, six of whom had been employees and four had been contractors.¹⁵ The Department told us that one of the reasons for creating HSCIC had been to bring together data and technology in one organisation to ensure IT projects could be professionally managed and properly led.¹⁶

11. We asked the Department who the GPES project managers would have reported to within the Department of Health. We were told that they would have reported to a programme board within the Department which oversaw the GPES project and was chaired by a director from the Department. However, there was also significant staff turnover on the Board which had three chairs in three years.¹⁷ We asked the Department who was responsible for signing off the flawed Atos software. The Department told us that normally this would have been the responsibility of the programme board, but in this case a sub-committee of the board had been formed, which recommended the sign-off to the overall programme. The Department and HSCIC told us that no one in the Department, NHS IC or HSCIC had been disciplined or held responsible for the failure of this project.¹⁸ The Accounting Officer for NHS IC when it accepted GPES from Atos was NHS IC’s Chief Executive, who then ceased his employment with NHS IC and did not continue with the new Health and Social Care Information Centre (HSCIC); he was awarded total emoluments of £470,000 for the financial year 2012–2013 including a redundancy payment of £330,000.

13 [Q38](#)

14 [Q 19](#)

15 [Q 20](#) and [supplementary evidence](#)

16 [Q38](#)

17 [Q 27 31](#)

18 [Q 122 127](#)

Formal Minutes

Monday 14 December 2015

Members present:

Meg Hillier, in the Chair

Mr Richard Bacon

Steven Phillips

Deidre Brock

John Pugh

Kevin Foster

Karin Smyth

Mr Stewart Jackson

Mrs Anne-Marie Trevelyan

Nigel Mills

Draft Report (*General Practice Extraction Service*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 11 read and agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

Summary agreed to.

Resolved, That the Report be the Fourteenth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Wednesday 16 December at 2.00pm]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the Committee's [inquiry web page](#).

Monday 26 October 2015

Question number

Will Cavendish, Director General of Innovation, Growth and Technology, Department of Health, **Andy Williams**, Chief Executive Officer, Health and Social Care Information Centre, **James Hawkins**, Senior Responsible Officer, Health and Social Care Information Centre, and **Adrian Gregory**, CEO, Atos UK and Ireland

[Q1-157](#)

Published written evidence

The following written evidence was received and can be viewed on the Committee's [inquiry web page](#). GPE numbers are generated by the evidence processing system and so may not be complete.

- 1 Department of Health ([GPE0002](#))
- 2 medConfidential ([GPE0001](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the Committee's website at www.parliament.uk/pac.

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Third Report	Funding for disadvantaged pupils	HC 327
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Eight Report	The Government's funding of Kids Company	HC 504
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