**NATIONAL INSTITUTE FOR HEALTH AND CARE EXCELLENCE**

Public Board Meeting
held on 19 January 2022 via Zoom

These notes are a summary record of the main points discussed at the meeting and the decisions made. They are not intended to provide a verbatim record of the Board’s discussion. The agenda and the full documents considered are available in accordance with the NICE Publication Scheme.

## Board members present

Sharmila Nebhrajani Chairman

Dr Mark Chakravarty Non-Executive Director

Professor Gary Ford Non-Executive Director

Alina Lourie Non-Executive Director

Professor Bee Wee Non-Executive Director

Tom Wright Non-Executive Director

Professor Gillian Leng Chief Executive

Dr Paul Chrisp Centre for Guidelines Director

Jennifer Howells Finance, Strategy and Transformation Director

Alexia Tonnel Digital, Information and Technology Director

## Directors in **attendance**

Jane Gizbert Communications Director

Dr Felix Greaves Science, Evidence and Analytics Director

Dr Judith Richardson Acting Health and Social Care Director

## In attendance

Gail Allsop Interim Chief Medical Officer

Helen Knight Deputy Director, Centre for Health Technology Evaluation

Grace Marguerie Associate Director, HR

David Coombs Associate Director, Corporate Office (minutes)

Chris Connell Associate Director, Field Team

Jonathan Waghorne Chief of Staff

Jenniffer Prescott Programme Director, Centre for Health Technology Evaluation (items 7 and 10)

Lorna Dunning Health Technology Appraisal Adviser (item 7)

Ian Watson Senior Technical Adviser (item 7)

Sheela Upadhyaya Rare Diseases and Rapid C-19 Adviser (item 7)

Hilary Baker Programme Director, Transformation (item 8)

Nicola Tyson OD and Training Specialist (item 8)

Alexa Forrester Health Technology Adoption Manager (item 9)

Xavier Vaz Senior Analytical Manager (item 9)

Jonathan Wray Analyst (item 9)

Martin Davison Associate Director, Finance (item 10)

Lori Farrar Associate Director, Topic Selection (item 10)

## Apologies for absence (item 1)

1. Apologies were received from Jackie Fielding, Elaine Inglesby-Burke, Justin Whatling, Meindert Boysen and Nicole Gee.
2. Sharmila Nebhrajani noted this was Gill Leng’s last public Board meeting after more than 20 years working for NICE. Sharmila paid tribute to Gill’s contribution over this time, impacting both the health and care system, and patients and the public. On behalf of the Board, Sharmila wished Gill all the very best for the future and noted that NICE’s new Chief Executive, Dr Samantha Roberts, joins the organisation on 1 February.

## Declarations of interest (item 2)

1. Sharmila Nebhrajani noted that since the last Board meeting she has been appointed as a non-executive director of Halma plc and the register of interests would be updated accordingly. This, and the directors’ previously declared interests recorded on the register of interests were noted and it was confirmed there were no conflicts of interest relevant to the meeting.

## Minutes of the last meeting (item 3)

1. The minutes of the Board meeting held on 17 November 2021 were agreed as a correct record.

## Action log (item 4)

1. The Board noted the progress with the actions arising from the public Board meeting on 17 November 2021 and those open from preceding meetings. Those marked closed on the log were confirmed as complete.

## Report from the Executive Team (item 5)

1. Gill Leng presented the Executive Team report to the Board, which covered key priorities and areas of progress with the strategy since the last Board meeting, including the final stages of the health technology evaluation methods, process and topic selection review, which would be discussed later in the meeting; the Innovative Licensing and Access Pathway (ILAP); and progress towards a consolidated portfolio of integrated guideline topics. Gill highlighted progress with strengthening senior capacity through interim appointments, and also noted recently published prominent guidance including the draft updated guideline on the identification, treatment and management of depression in adults, and the draft guidance recommending the first long-acting injectable treatment for HIV-1 infection in adults. The report also highlighted key risks facing the organisation: capacity, funding for 2022/23, and the transfer of staff from the guideline collaborating centres. It was noted the Audit and Risk Committee will review this latter risk in further detail at its meeting later this month.
2. The Board discussed progress with the ILAP and noted that as of January 2022 (not 2021 as stated in the report) 65 innovation passport applications had been received by the MHRA with 36 awarded. The Board highlighted the importance of keeping the process, including the proportion of products awarded a passport that then receive a target development profile, under review to ensure ILAP is delivering the intended outcomes. The potential relationship between the ILAP and Innovative Medicines Fund (IMF) was highlighted. While the two processes are distinct, it was noted that the IMF could enable contingent approval for ILAP treatments.
3. Board members noted the ongoing work on the development of a framework for considering environmental impact within NICE guidance and highlighted the importance of understanding societal values and the level of trade-offs acceptable to the public. Felix Greaves confirmed that alongside consideration of whether it is methodologically possible to measure environmental impact, it will be important to look at whether NICE should indeed take account of this when making recommendations. A literature review is currently underway, with a view to then undertaking public engagement to help understand societal values on this latter issue.
4. Subject to the above comments, the Board noted the report.

## Integrated performance report (item 6)

1. Jennifer Howells presented the integrated performance report, which provided an update on progress with the business plan objectives and deliverables; the status of key performance indicators; and the financial position at the end of November 2021. Jennifer summarised the position with the business plan objectives, noting that the 8 high priority objectives are substantially on track. In relation to the wider business plan, the objective around new mechanisms to gather insights and system intelligence has a ‘red’ status due to the impact of resource prioritisation. Jennifer outlined progress with the delivery of the guidance and supporting outputs listed in the business plan and highlighted that the position remains in line with that discussed as previous meetings. The financial position at the end of month 8 was an underspend of £0.9m and the year-end forecast underspend has increased from £0.9m at the last Board meeting to £1.2m.
2. Board members noted the reported risks to delivering the high priority objective around a new guideline authoring tool and asked about the approach for moving from the current use of MAGICapp for the COVID-19 guidelines to achieving the vision of dynamic living guidelines that can be embedded in a range of provider systems. Paul Chrisp advised that the extent MAGICapp can meet NICE’s needs is currently being evaluated and a new Chief Digital Products Officer will join NICE shortly to help progress this work.
3. Board members noted the increased forecast underspend and asked whether any aspects of the digital workplace programme could be accelerated to take place before 31 March 2022. Reflecting on the earlier discussion, there was also a suggestion to consider commissioning a short piece of consultancy to help progress the work on the guideline authoring tool. Jennifer Howells stated that the Executive Team are looking at schemes, including the digital workplace, that could be brought forward from 2022/23, however staff capacity is a limiting factor and it is likely the underspend may increase. Board members expressed concern about the underspend, and highlighted this has been raised as an issue throughout the year. Sharmila Nebhrajani asked Jennifer Howells and the finance team to look at what further action could be taken to avoid a similar underspend in 2022/23 particularly given the likely challenging financial position that will constrain investment. Gill Leng acknowledged that the underspend was disappointing but highlighted the improvements from previous years when the underspend was higher.

Action: Jennifer Howells

1. Subject to the above comments and action, the Board noted the report.

## Health technology evaluation process, methods and topic selection review: conclusions and final update (item 7)

1. Helen Knight presented the report that outlined the conclusions from the technology evaluation process, methods and topic selection review and the proposals for the new topic selection manual and health technology evaluation guidance development manual. The report represented the culmination of a review that has taken over 2 years and the changes will support earlier patient access; facilitate flexible decision-making on value for money; enable consideration of a broader evidence base; provide greater transparency for stakeholders; and enable faster decisions by NICE’s independent committees. There has been extensive engagement with stakeholders and the report notes the changes made in response to consultation feedback. Helen highlighted that the report also acknowledges the areas that need more consideration before changes are made to the methods and processes and confirmed in future there will be modular updates to enable a faster response to changes in the environment.
2. The Board placed on record its thanks to the staff involved in this hugely complex piece of work and asked about the approach for implementing the new manual. Helen Knight confirmed a detailed implementation plan to support smooth and efficient uptake of the updated methods and processes has been developed, including a detailed communication plan and targeted engagement events for key audiences. The new methods and process manual will apply to topics with an invitation to participate (ITP) issued from 1 February 2022, but some aspects of the new processes can potentially be used for topics with an earlier ITP as these updates to the manual reflect process changes that are already in place. In response to a question from the Board, Helen confirmed that training will be provided to the appeal panel members and other key stakeholders on the new manuals, and also clarity would be provided to the appeal panel on which methods and process had been used for any technology appraisal subject to appeal. In response to a question from the Board, Helen confirmed information would be shared across the committees and technical teams to seek to ensure consistent application of the new flexibilities in the manual.
3. A question was raised about the extent the changes address the challenge of multimorbidity. In response, it was noted that multimorbidity is challenging to consider as individual technologies are usually focused on a specific population. This though is an area for further consideration and links to how technology appraisals can fit into pathways and NICE guidelines.
4. Board members highlighted the importance of evaluating the impact of the new severity modifier to ensure this is delivering the intended outcome and reflects societal values. Ian Watson confirmed that the team will review how the severity modifier is working in practice over the first year. While there is evidence that society values the impact of severity, it is not clear how much weighting this should be given, so further research would be helpful.
5. The Board:
	* Supported the final conclusions for topic selection, processes and methods detailed in the report.
	* Approved publication of the final topic selection and health technology evaluation guidance development manuals and supported implementation from 1 February 2022 in line with the approach in the report.

## Annual equality report (item 8)

1. Jennifer Howells, Hilary Baker, Grace Marguerie and Nicola Tyson presented the annual equality report that outlined progress with NICE’s equality objectives and provided information on equality issues relating to guidance development and the workforce in 2020/21, including a summary of the data for the Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standards (WDES). Jennifer noted that in places the data in the report is uncomfortable reading and not acceptable. The report covers the period 2020/21 and therefore does not reflect much of the action in recent months to deliver the current equality objectives that were agreed by the Board in November 2020. Over the last year foundations have been set for a more inclusive and diverse organisation, which should start to show an impact in next year’s report. Jennifer, Hilary, Grace and Nicola highlighted a range of activities underway, including the listening events and surveys to gather feedback from committee members with the aim of ensuring more diverse committee membership; and the work to attract and develop staff, through targeted development programmes, staff networks, and reviewing the recruitment process.
2. The Board noted the areas for improvement identified in the report and supported the work underway and planned. The Board discussed the diversity of the committees that develop NICE guidance and noted that the non-disclosure rates make it harder to get an accurate insight into the composition of the committees and areas of underrepresentation. It was therefore suggested that information is provided to current and potential future committee members on how the data is used and why it is important, in order to encourage higher disclosure rates. It was noted that 13% of the committee member appointees disclosed they were from a black, Asian and minority ethnic background. While this is consistent with the overall UK population it was noted that the NHS workforce, from which a number of NICE committee members are drawn, is more diverse than the overall population and therefore NICE should continue to seek more diversity on the committees to reflect that higher benchmark. There was also encouragement to look at diversity more broadly, in particular to seek socio-economic diversity. In response, it was noted that the working group looking at the feedback from the committee member listening events and surveys will consider this issue, and it is also related to the reimbursement arrangements for lay members, which will be reviewed. In relation to workforce, the HR team are looking at how to build links with the local population, drawing on the opportunity presented by the relocation of the London office to Stratford, and also ensuring person specifications do not inappropriately restrict the field of candidates.
3. The Board approved the report for publication and supported the actions and priorities outlined in the report.

## NICE impact report: arthritis (item 9)

1. Judith Richardson presented the report that outlined how NICE’s evidence-based guidance is being used to help improve outcomes for people with arthritis. Areas of success in the report include the reduction in referral to treatment times; access to transformative treatments following NICE’s technology appraisal recommendations; facilitating access to biosimilars; and reductions in knee arthroscopy in line with NICE’s guideline on osteoarthritis that recommends this surgery should only be offered under very limited circumstances. Judith highlighted the areas identified for further work with stakeholders outlined in the ‘what next’ section of the report.
2. Judith Richardson noted this is potentially the last report in this format and the team are looking at streamlining future reports to draw on data available in the wider health and care system. Board members praised the report and queried the intention to adopt a different approach in the future and suggested instead looking at how the reports are used by the health and care system to drive further improvements. In response, Judith stated that the revised approach seeks to reflect changes in the environment and the impact of the COVID-19 pandemic, and to work more in partnership with others in the health and care system to report on NICE’s impact.
3. The Board received the report and noted the next steps identified in the report to encourage implementation of the relevant NICE guidance.

## Technology appraisals and highly specialised technologies- impact of the charging regime (item 10)

1. Jennifer Howells presented the report that provided a review of the impact of the introduction of charges to recover the costs of the technology appraisal (TA) and highly specialised technologies (HST) programmes on NICE’s financial position. As outlined in the report, the processes are operating smoothly and there have been no issues with collecting and processing payments. The key issue is that the objective to recover the costs of the TA and HST programmes in full after the second year of charging has not yet been met and there is anticipated to a £2.9m deficit between recognised income and costs in 2021/22. Jennifer explained this is due to a combination of prices remaining stable since April 2019 despite an increase in costs; the COVD-19 pandemic affecting throughput; staffing capacity challenges; and the extent of the additional activity that is not charged for. It is therefore necessary to increase the charges from 1 April 2022. The new charges do not reflect the full increase in pay and pension costs, as these have been offset by reductions in the non-pay costs, including from the London office move and increased virtual working. Industry have been advised of the new charges, and the Department of Health and Social Care (DHSC) have advised consultation is not required as the structure and approach to charging remains unchanged.
2. The Board noted the report and the planned increase in charges, and highlighted the importance of realising ongoing efficiencies to offset future inflationary pressures.

## Vice chair and Audit and Risk Committee chair (item 11)

1. Sharmila Nebhrajani presented the paper that sought the Board’s approval to appoint Mark Chakravarty as the Vice Chair. In addition, the paper noted discussions are underway with the DHSC to appoint a new chair of the Audit and Risk Committee when Tom Wright leaves the NICE Board on 31 March 2022.
2. The Board:
	* Appointed Mark Chakravarty as Vice Chair until the end of his term of office as a NED or any earlier date subsequently agreed by the Board.
	* Noted the update on the Audit and Risk Committee chair role.

## Audit and Risk Committee minutes (item 12)

1. Tom Wright presented the unconfirmed minutes of the Audit and Risk Committee meeting held on 24 November 2021 and highlighted the committee’s discussion of two key risks. The first of which was the transfer of staff from the guideline collaborating centres, which as noted earlier in the meeting, will be discussed at the committee’s meeting next week. The second key risk was senior capacity which could now be reduced in light of progress with senior appointments.
2. The Committee noted the unconfirmed minutes.

## Any other business (item 13)

1. There was no further business to discuss.

## Next meeting

1. The next public meeting of the Board will be held on 17 March 2022 at 1:30pm.