

NATIONAL INSTITUTE FOR HEALTH AND CLINICAL EXCELLENCE

BUSINESS PLAN 2005 – 2006

1 INTRODUCTION

- 1.1 The National Institute for Health and Clinical Excellence (NICE) was established on 1 April 2005. The new organisation is the result of a merger by absorption of the functions of the Health Development Agency (HDA) into the National Institute for Clinical Excellence. This followed a review of arms length bodies (ALBs), carried out by the Department of Health, and published in July 2004.
- 1.2 The new organisation has been established to be the independent body responsible for providing national guidance on the promotion of good health and the prevention and treatment of ill health.
- 1.3 NICE will produce guidance in three areas:
 - Public health – guidance on the promotion of good health and the prevention of ill health for those working in the NHS, local authorities and the wider public and voluntary sector.
 - Clinical practice – guidance on the appropriate treatment and care of people with specific diseases and conditions within the NHS.
 - Health technologies – guidance on the use of new and existing medicines, treatments and procedures, including interventional procedures used in the NHS.
- 1.4 This business plan sets out our specific objectives, targets and performance measures for the financial year 2005 - 2006 and our plans for meeting them. These objectives and plans have been informed by the policy context in which we work and is set out in Section 2.
- 1.5 Section 3 sets out the Institute's corporate objectives for the year. Section 4 describes how the various components of our work programme will contribute to the delivery of our objectives. Section 5 sets out the resource framework for the year ahead and Section 6 assesses the risks faced by the Institute in delivering these plans and how they will be managed.
- 1.6 The key objectives for the coming year are to:
 - Establish robust structures and processes, and make substantial progress towards the development of a unified culture for the new organisation;
 - Establish the operating arrangements, processes and methods for the Centre for Public Health Excellence;

- Make significant progress towards extending recognition of the NICE brand into public health;
 - Publish 37 inherited public health evidence reviews, and 2 new style public health interventions;
 - Publish 8 clinical guidelines and 3 cancer service guidance documents;
 - Publish 8 new and 7 review technology appraisals;
 - Publish 60 interventional procedures;
 - Establish a full range of implementation support programmes;
 - Implement new external financial services contract.
- 1.7 This business plan will be used by the Board to set personal objectives for the Institute's staff, to monitor progress and to account to the Secretary of State for our performance. It is also intended to inform our stakeholders of our plans for the year ahead.

2 POLICY CONTEXT

- 2.1 NICE is now firmly established as a primary source of clinical standards, assessed for their effectiveness (including their cost effectiveness), in the United Kingdom. This is confirmed, and reinforced, in the Healthcare Standards in England and Wales and through the use and status of NICE technology appraisals and interventional procedures guidance in Scotland.
- 2.2 Established in April 1999 to set clinical standards as part of a comprehensive quality framework for the NHS, our role has since been reinforced and extended in key health service policy statements. The public health white paper *Choosing Health*, confirmed the Institute's new role in providing the NHS and the wider community with guidance on effective public health practice.
- 2.3 In December 2003 the Department of Health announced a review of all ALBs (including the Institute). This review took place in the first half of 2004. Its recommendations, including the transfer of the functions of the Health Development Agency into NICE, were published in July 2004. The review took into account the government's response to the recommendations of the Better Regulation Task Force and was combined with two further cross-government reviews, the Efficiency Review of the public sector and the Public Sector Relocation Project. These reviews all form part of the Department of Health Change Programme. The creation of the National Institute for Health and Clinical Excellence (which will continue to use the NICE label) provides the NHS and the country as a whole with a unique resource, as clinical and public health practice changes and develops. The merger of NICE and the Health Development Agency provides NHS organisations and local government with a powerful partner in improving health and reducing health inequalities.

- 2.4 The new organisation will need to make a significant contribution to the overall reduction in the funding and staffing of the ALB sector. The resources available have already been reduced by around £3.5 million from the expected combined position of both organisations at April 2005. Further reductions, yet to be agreed with the Department of Health, will be required over the period to April 2008.
- 2.5 The Welsh Assembly Government has indicated that it wishes to change the nature of its relationship with NICE. As a result, we will agree a revised specification of services to be provided to Wales over the next three years.
- 2.6 In November 2004, the Department of Health published the Public Health white paper *Choosing Health*. This established a challenging agenda for health professionals and the wider public health community. NICE has an opportunity to contribute to the successful achievement of the targets in the white paper through the production, dissemination and support for implementation of clear guidance for health professionals and others.
- 2.7 In July 2004, the Department of Health published *Standards for Better Health*. These standards provide a common set of requirements applying across all health care organisations and a framework for continuous improvement in the quality of care people receive. Health care organisations are expected to comply with the core standards identified in the document, and to make progress in achieving its developmental standards. Compliance with NICE technology appraisals and interventional procedures guidance are core standards; and implementation of clinical guidelines are developmental standards. The Institute has recommended that the Department of Health makes clear the response they expect from those who receive NICE public health guidance.
- 2.8 The Institute's success is best measured by the extent to which its guidance is applied in clinical and (in the future) public health practice. The Department of Health has encouraged NICE to seek opportunities to support users of the Institute's guidance to take better advantage of it. Although we have made a good start, we recognise that we can do more and we are determined to do so.
- 2.9 The Better Regulation Task Force has recommended the public bodies produce regulatory impact assessments for new initiatives that impact on frontline staff and organisations. The Institute will discuss this requirement and its implications further with the Department of Health.
- 2.10 Finally, the Institute will continue to have a role to play in ensuring that the NHS uses its funds effectively. During 2005 – 2006, we will work with the DH to identify how our existing programmes might be enhanced to achieve this.

3 BUSINESS OBJECTIVES

Introduction

- 3.1 The Institute's business planning principles and objectives are set out below. Detailed quarterly milestones are set out in Appendix 1, which will allow the Board and the Department of Health to monitor progress towards the achievement of these objectives throughout the year.
- 3.2 The *National Standards, Local Action – Health and Social Care Standards and Planning Framework 2005/06 – 2007/08* for the NHS in England sets out challenging targets. This framework emphasises the important role the Institute will play in setting standards that improve services; and there are a number of specific references requiring local organisations to take full account of NICE guidance. The framework also establishes the objectives all NHS organisations should take into account in their planning. These include
 - 3.2.1 Making the most efficient and effective use of available resources;
 - 3.2.2 Ensuring that staff are trained and motivated, introducing flexible ways of working, and improving the working lives of staff;
 - 3.2.3 Exploiting the opportunities of information technology;

Principles

- 3.3 These broad objectives have been combined, in this business plan, with the need to maintain business continuity as the new organisation is put in place. To achieve this, the following planning principles have been developed for 2005/6:
 - 3.3.1 Concentrate resources on the Institute's core activities of developing, disseminating and supporting the implementation of effective-practice guidance;
 - 3.3.2 Design systems and structures which produce stimulating and rewarding jobs that encourage staff to achieve their full potential;
 - 3.3.3 Plan over two years (2005/6 and 2006/7) to ensure that the full organisational and financial impact of the changes taking place are taken into account, and to recognise the need for further savings, as a contribution to the Arms Length Body review;
 - 3.3.4 Ensure the integrity, consistency and quality of current work programmes, at 2004/5 resource levels;
 - 3.3.5 Build planning and management capacities for new and unexpected activities;

- 3.3.6 Seek opportunities to exploit the commercial potential of the Institute and its guidance outside the public sector.

Objectives

3.4 New organisation

- 3.4.1 The interim (April to June 2005) and permanent (July 2005 onwards) structures will be implemented, within available resources, based on the outcome of the two staff consultations and using best practice management of change approaches;
- 3.4.2 The new guidance-producing centres will each make an assessment of opportunities for achieving consistency in their methods and processes;
- 3.4.3 As the Institute moves to new financial services suppliers, essential functions will be subject to continuous risk assessment and review;
- 3.4.5 The new organisation will be brought together on the MidCity Place site by the end of June 2005, and based on the most effective use of the available space and creative use of flexible working arrangements;

3.5 Guidance Outputs

- 3.5.1 Publish 38 inherited public health evidence reviews, and 2 new style public health interventions;
- 3.5.2 Publish 8 clinical guidelines and 3 cancer service guidance documents;
- 3.5.3 Publish 8 new and 7 review technology appraisals
- 3.5.4 Publish 60 interventional procedures;

3.6 Supporting Implementation

- 3.6.1 The Institute will develop and extend its implementation support strategy across its existing and its new public health programmes. The strategy will involve developing tools to support the implementation of the guidance;
- 3.6.2 We will work in partnership with a range of organisations, including the Healthcare Commission, the Social Care Institute for Excellence and the Audit Commission, clinical and public health professionals in the NHS and local government and patient and public stakeholder groups, to facilitate the implementation of our guidance;
- 3.6.3 The implementation of our guidance will be monitored through the appointment of a new information specialist, working in partnership with stakeholders and researchers;

- 3.6.4 We will develop approaches to field testing approaches, initially for public health guidance;
- 3.6.5 Resource impact assessments will be developed for all clinical guidelines and technology appraisals and public health guidance

3.7 Engaging with stakeholders

- 3.7.1 The Institute's extended role in public health as well as clinical practice has substantially broadened its stakeholder community. The Institute will review how it identifies and engages with relevant stakeholders across all its work programmes to ensure that their needs are effectively addressed.
- 3.7.2 The Institute is committed to operating in an open and transparent manner. As our responsibilities now extend across public health, inside and beyond the NHS, we will review how these principles should apply to our expanded stakeholder community;
- 3.7.3 We will enhance access to the web-based topic suggestion process, as a means of better enabling contributions from the NHS and the wider community, to help the determination of the Institute's work programme;
- 3.7.4 Following the review undertaken in 2004, the work of the Citizens Council will be continued and a further two meetings of the Council will be organised. The meeting to be held in June 2005 will consider a public health topic;
- 3.7.5 The Patient and Public Involvement Programme (PPIP) will develop and support opportunities for patient and carer, as well as public, involvement in the three guidance-producing Centres. The PPIP will continue to work with the national collaborating centres providing information, training and support to patients, carers and laypeople involved in the production of NICE guidance. The PPIP will also liaise with the Implementation Directorate to pursue local patient and public involvement initiatives. The PPIP will also seek to empower patient and public involvement forums and patient advice and liaison services in supporting the local dissemination and implementation of NICE guidance.
- 3.7.6 We will review the way in which we disseminate our guidance, taking the best of NICE and Health Development Agency approaches, and use this to develop a new communications strategy for 2006 - 2008.
- 3.7.7 We will develop joint working relationships with the new National Institute for Learning, Skills and Innovation and with partners in local government in the development, and particularly the implementation, of our guidance. And we will continue our collaboration with the Social Care Institute for Excellence and the National Patient Safety Agency.

3.7.8 We will consult on the best way to deploy the resources in the regional structure we have inherited from the Health Development Agency, in support of the implementation of public health guidance.

3.8 Process and methodology

3.8.1 We will undertake consultation on an initial process for developing interventions and programme guidance by the Centre for Public Health Excellence. This will be followed, later in 2005, with the development of full descriptions of the process and methods by which these new forms of guidance will be developed.

3.8.2 The application of the process and methods in the technology appraisal, clinical guidelines and interventional procedures programmes will be reviewed in order to identify opportunities for efficiencies in the way in which they are applied.

3.8.3 The Institute will work with Connecting for Health to develop a methodology, and process, for evaluating computer-based decision support systems. This will be informed by a pilot study. Following the pilot study, proposals for routinely evaluating decision support systems will be submitted to the Institute's Board

3.8.4 We will review our research and development strategy to take account of our new responsibilities for public health, and as a consequence of the transfer of the Confidential Enquiries to the National Patient Safety Agency.

3.8.5 The Board will consider and then discuss with the Department of Health a review of the methods and processes used by the Advisory Committee on Borderline Substances.

3.8.6 Subject to further consideration by the Board, the Institute intends to commission a review, by the World Health Organisation, of the quality of the guideline programme's methodology and outputs.

4 PROGRAMME ANALYSIS

4.1 Centre for Public Health Excellence

3.1.1 Key activities

In its first year, the Centre will both complete work begun by the former Health Development Agency and start work on new style NICE public health guidance. The Centre's principal objectives are set out below:

- Implement the Centre's interim and permanent establishment structures.
- Complete the programme of Health Development Agency-commissioned evidence-gathering activity in the areas of physical activity, drug misuse prevention, chlamydia, the self management of chronic conditions, smoking, accidental injury prevention, maternal and infant nutrition (including breastfeeding), work and health, mental health, transport and housing.
- Implement the interim process for public health intervention and programme guidance, for the first wave of public health topics, and publish two topics, by the end of 2005.
- Prepare full descriptions of the methods and processes for the development of public health intervention and programme guidance for public consultation.
- Subject to consultation, establish a Public Health Intervention Advisory Committee to support the public health interventions guideline development
- Develop capacity to undertake economic evaluation in the development of public health guidance.
- Maintain the existing collaboration, with the Institute's Centre for Clinical Practice in the development of clinical guidelines on the prevention and treatment of obesity. Ensure that the published timelines are maintained.
- Review the process for preparing *ad hoc* evidence briefings at the request of the Department of Health; and present proposals to the Board for maintaining a robust and responsive arrangement.
- Collaborate with the Implementation Systems Director on the development of a programme to support the implementation of public health guidance; and secure the involvement of the Institute's regional teams in the scoping, fieldwork and consultation stages of guidance development.

- Review the functions, disposition and funding of the public health collaborating centres and make recommendations to the Board.
- Develop integrated ways of working in partnership with the other guidance-developing centres within NICE.
- Review the future of the Public Health Evidence Steering Group and make recommendations to the Board.

4.1.2 Staffing

Subject to the outcome of consultation with staff, the Centre will comprise a director, five associate centre directors, ten WTE researchers, five WTE public health advisors, and three WTE coordinators. There will be three teams: two of these will deliver the programmes guidance, one will deliver the interventions guidance. The other two associate directors will provide high level technical and scientific expertise to both programmes.

4.1.3 Resource Allocation

Table One: Centre for Public Health Excellence Resource Allocation

	Pay £'000s	Non-Pay £'000s	Total £'000s
Public Health Excellence	1,356	1,961	3,317

4.2 Centre for Health Technology Evaluation

4.2.1 Key activities

- Issue 15 pieces of appraisals guidance, comprising:
 - 8 new technology appraisals
 - 7 reviews
- Undertake scoping workshops for the 25-30 appraisal topics referred to the Institute by the Advisory Committee on Topic Selection (ACTS) and provide advice to Ministers on detailed related remits
- Reduce from 3 to 2 appraisal committees, to maintain capacity at 2004/5 levels
- Continue with the implementation of the new appraisal process and methods (published November 2004), and ensure these are fully integrated into the programme and disseminated to stakeholders

- Develop and pilot the new programme for the evaluation of Decision Support Systems
- Discuss with the DH the results of the consultation on the interim appraisal process and take follow up action as required.
- Publish approximately five Interventional Procedures Consultation Documents and five Guidance Documents each month.
- Publish, for consultation, a document describing how decisions on safety and efficacy are made by the Interventional Procedures Advisory Committee.
- Review the impact of the interventional procedures programme and the work of the review body
- Review the membership of the Interventional Procedures Advisory Committee.
- Develop integrated ways of working in partnership with the other guidance developing centres within NICE.
- Take forward the development of methods and process for the Advisory Committee on Borderline Substances, following review by the Board and the Department of Health.

4.2.2 Staffing

The centre will be based around three teams comprising senior management, technical advisors, analyst, project management and administrative staff. One team will support the Interventional Procedures and Advisory Committee on Borderline Substances programmes and two teams will support the work of the appraisals programme (with one taking the lead on the new decision support systems work programme).

4.2.3 Resource Allocation

**Table Two:
Centre for Health Technology Evaluation Resource Allocation**

	Pay £'000s	Non-Pay £'000s	Total £'000s
Health Technology Evaluation	1,758	804	2,562

4.3 Centre for Clinical Practice

4.3.1 Key activities

- Publish 8 clinical practice guidelines and 3 cancer service guidelines during 2005 - 2006.
- Improve the efficiency of the development process, by reconfiguring the development capacity and streamlining the process, with the objective of producing, 12 clinical practice guidelines each year.
- Improve health economic assessment in guideline development by using a consistent methodology.
- Develop a methodology for updating existing NICE guidelines.
- Develop integrated ways of working in partnership with the other guidance developing centres within NICE.
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- Explore how current guidance can be enhanced to support the decisions practitioners need to take when patients present with multiple pathology.

4.3.2 Staffing

Four teams, each comprising a Guideline Commissioning Manager and a Coordinator, manage the delivery of the guidelines by the National Collaborating Centres. They are responsible for project management, and quality assurance. These staff are managed by the Associate Centre Director (Commissioning). In order to continue to develop and refine the methodology for guideline development, there is a team headed by the Associate Centre Director (Methodology) who manages 3 staff - Technical Adviser, Health Economist and Research Associate. The team is supported by an administrator. This amounts to a total establishment of 15 WTEs which is unchanged from 2004 - 2005.

4.3.3 Resource Allocation

**Table Three:
Centre for Clinical Practice Resource Allocation**

	Pay £'000s	Non-Pay £'000s	Total £'000s
Clinical Practice	867	6,033	6,900

4.4 Implementation Systems

4.4.1 Key activities

- Support the development of an environment within the NHS, local government, the voluntary sector and the wider public health workforce, which will facilitate implementation of guidance.
- Provide a range of guidance-specific tools to support the implementation of NICE clinical guidance at a local level. These tools will include:
 - a costing report and local template for all clinical guidelines from April 2005 and for selected technology appraisals from September 2005;
 - detailed implementation advice as a practical guide for local implementers for all clinical guidelines from September 2005 and selected technology appraisals from December 2005;
 - a slide set covering key information relating to specific guidance products for all guidelines from April 2005 and selected technology appraisals from September 2005;
- Establish a mechanism for spreading good practice in the implementation of NICE guidance across the NHS. Information will be available on the website providing generic advice on how to implement NICE guidance at a local level, from September 2005. Quality assessed examples of local best practice will also be made available from October 2005.
- Evaluate the uptake of NICE guidance and the success of implementation initiatives through, for example, a joint survey (with the Audit Commission) of financial planning for NICE guidance at local level
- Establish a public health implementation work programme with resources transferred from the former Health Development Agency.
- Review the role of the regional structure in supporting the implementation of NICE guidance
- Inform the Healthcare Commission's new inspection strategy to support the implementation of NICE guidance
- Ensure specific indicators relating to NICE guidance are considered in the revision of the Quality and Outcomes Framework component of the GP contract
- Gain agreement from the medical Royal Colleges to include NICE guidance within their educational programmes

4.4.2 Staffing

The implementation directorate will be expanded during 2005/06 to include three key elements: a clinical guidance implementation team; a public health guidance implementation team; and nine regional support teams.

The clinical implementation team was established in 2004/05 and is currently led by an associate director and a team of four support staff. This will be increased during 2005/06 to also include an administrator and a data analyst. The analyst will provide a resource to collate and analyse data on the uptake of NICE guidance, work which was previously carried out through an external contract.

The public health guidance implementation team will be established in July 2005 and led by an associate director with four support staff. The role of the team will be similar to that of the clinical team, and will include engaging with key stakeholders and producing support tools for the implementation of public health guidance.

The regional support teams were originally established by the HDA and will be transferred into the implementation directorate from 1st April 2005. Each of the nine teams is led by an associate director with three to four support staff (depending on the size of the region). The precise role that the regional teams will take in supporting the implementation of NICE guidance will be reviewed after consultation with stakeholders at the end of May 2005.

4.4.3 Resource Allocation

**Table Four:
Implementation Systems Directorate Resource Allocation**

	Pay £'000s	Non-Pay £'000s	Total £'000s
Implementation Systems	2,573	1,074	3,647

4.5 Clinical and Public Health Directorate

4.5.1 Key activities

- Develop an information support function for the Centres and the corporate functions.

- Continue to support the formulation of relevant, focussed research recommendations and work with manufacturers and the publicly funded research bodies to facilitate their uptake.
- Continue to develop the Citizens Council, and ensure it delivers high quality reports in a cost-effective way. Organise two meetings during 2005/6.
- On behalf of the Interventional Procedures programme undertake the development of guidance on the safety of surgical practice and instrumentation where there is a risk of transmission of CJD and vCJD,
- In conjunction with the Centre for Health Technology Evaluation, present to the Board the outcome of the research and other work on a possible approach to appraising drugs for very rare conditions.
- Contribute to the development of the methods and processes used by the Institute. In particular, work with:
 - the Health Technology Evaluation Centre on the development of a new Decision Support Systems programme.
 - the Public Health Excellence Centre on the development of health economic approaches suitable for public health guidance.
- Establish a service level agreement with the Department of Health to deliver an ad hoc programme of public health policy advice within agreed parameters
- Review the role of the R&D Advisory Committee in the light of NICE's new public health responsibilities.
- Develop a strategy for the Institute's engagement with relevant international bodies.

4.5.2 Staffing

The new directorate has been established as an integrated team of research, development, analysis and information services staff, combining resources from NICE in its previous and from the former Health Development Agency.

4.5.3 Resource Allocation

**Table Five:
Clinical and Public Health Directorate Resource Allocation**

	Pay £'000s	Non-Pay £'000s	Total £'000s
Clinical and Public Health	1,069	830	1,899

4.6 Patient and Public Involvement Programme

4.6.1 Key activities

- Develop and support opportunities for patient, carer and public involvement across NICE's work programmes
- Develop and support opportunities for patient, carer and public involvement in the work of the Institute's seven National Collaborating Centres (NCCs) producing NICE clinical guidelines
- Work with the public health collaborating centres, and the regional offices, to integrate patient, carer and public involvement into their activities
- Facilitate the involvement of non-governmental organisations (NGOs) that contribute to NICE processes
- Provide information, training and support to individual patients, carers and others who are actively engaged in the production of NICE guidance, or as members of the Institute's advisory committees
- Develop methods for evaluating patient, carer and public involvement in the Institute's activities and use the results to improve the support these groups receive.
- Review the work of the Public Health Forum to determine the best means of including its members in the Institute's work.

4.6.2 Staffing

The team has been established from within the Patient Involvement Unit at NICE, and from the transfer of the project manager for the public health Forum from the HDA.

4.6.3 Resource Allocation

The resources for this programme are included in the planning and resources directorate, set out in section 4.8.3 below.

4.7 Communications

4.7.1 Key activities

- Maintain the existing high standard media relations, publishing and dissemination activity.
- Implement a communications programme to ensure that stakeholders understand role and remit of new organisation. This programme will include: developing corporate materials; organising speaking engagements; arranging and attending and exhibition stands at external conferences and events; and ensuring that the media is aware of the Institute's wider role in public health.
- Review the Institute's approach to editing, publishing and disseminating its guidance in order to ensure consistency across all work programmes.
- Improve the clarity and consistency of the public versions of NICE guidance.
- Integrate the NICE and HDA websites into a single new NICE site, by the end of 2005.
- Strengthen the Institute's internal communications by further developing the intranet so that it provides effective support for regional and home-working staff as well as those based solely in MidCity Place.
- Review the communications contracts currently held by NICE and the HDA and re-tender, where appropriate, in order to secure best value for money.
- Draw these activities together into a communications strategy for the period 2006-8

4.7.2 Staffing

The communications team will be strengthened by the addition of experienced communications professionals from the HDA. These include two editors, two publishing staff, one communications manager, one enquiry handler, one coordinator, and six website staff.

4.7.3 Resource Allocation

**Table Six:
Communications Directorate Resource Allocation**

	Pay £'000s	Non-Pay £'000s	Total £'000s
Communcations	1,486	2,226	3,713

4.8 Board and Corporate Services

4.8.1 Key activities

- Consolidate the Institute's central London location on one site at MidCity Place.
- Establish appropriate information technology arrangements to meet the needs of the new organisation.
- Establish an organisation development programme to support the integration of staff into the new organisation.
- Implement the new arrangements for financial services
- Secure 'practice status' under the Improving Working Lives initiative.
- Provide support to managers and staff in implementing the new structures and new ways of working.
- Develop proposals for discussion with the Department of Health for a programme, within NICE, that will provide guidance to the NHS on where to disinvest in ineffective practice.

4.8.2 Staffing

The Planning and Resources Directorate has been established from the integration of staff from the former Health Development Agency and NICE. Subject to the outcome of consultation with staff, there will be three teams providing finance, human resources and corporate services together with the Patient and Public Involvement programme.

4.8.3 Resource Allocation

**Table Seven:
Planning and Resources Directorate Resource Allocation**

	Pay £'000s	Non-Pay £'000s	Total £'000s
Planning and Resources	1,802	3,734	5,536

5 RESOURCE MANAGEMENT

5.1 Human Resources

5.1.1 The proposed staffing profile for the Institute is shown in Table Eight. This establishment has been created from the original staff of the Health Development Agency and the National Institute for Clinical Excellence, taking into account reductions made through the integration of the new organisation. The 210.1 whole time equivalents (WTE) represent a reduction of 59.9 (22%) from that original budgeted in 2004 – 2005 for NICE and the HDA together (271 WTEs). This staffing structure is subject to consultation with staff ending on 20 April 2005.

**Table Eight:
Staffing Profile 2005 - 2006**

	WTE
Centres	
Health Technology Evaluation	30.60
Public Health Excellence	24.40
Clinical Practice	15.00
Directorates	
Clinical and Public Health	20.60
Implementation Systems	46.20
Planning and Resources	38.70
Communications	34.60
Total	210.10

5.1.2 A number of initiatives will be introduced to ensure that staff and managers are appropriately supported. These include:

- implementation of Agenda for Change
- implementation of plans to secure 'practice standard', under Improving Working Lives, with a view to moving towards achieving Investors In People status in 2006 - 2007
- review of relevant human resources policies to support the integration of all staff in the new organisation
- establishment of a guide for line managers covering the practical implementation of key policies

5.1.3 The Institute is committed to equality of opportunity and valuing diversity in its employment practice. We have policies in place that will support our efforts in this respect, and we will keep these under review to ensure that they comply with relevant legislation and best practice. We will build upon the success of the diversity and dignity at work

training programme carried out in 2004 – 2005; and provide refresher courses for all staff as well as specific training in recruitment and selection.

- 5.1.4 The Institute will establish a programme of organisational development activities designed to support the integration of the new organisation and to facilitate joint work across the teams.
- 5.1.5 The Board will continue to receive regular reports on human resources issues including equal opportunities monitoring, turnover, absence levels, and delivery of training and development programmes.
- 5.1.6 The ALB team is reviewing the provision of human resources services in the sector and is exploring the possibility of sharing services among the ALBs. The Institute will participate in this review and will report any implications to the Board when appropriate.

5.2 Information Technology

- 5.2.1 A plan has been established to integrate of the NICE and HDA IT systems. This will allow staff to access either system from the offices at MidCity Place or Holborn Gate between April and June 2005. .
- 5.2.2 The Institute will establish an IT strategy to support the development of the centres and directorates and this will be presented to the Board in July 2005. This strategy will take into account the recommendations of the ALB team, which is exploring the options for sharing services between two or more organisations.
- 5.2.3 Work to rationalise the records management structures of both organisations will continue in order to develop an integrated system. This is expected to be completed by December 2005.

5.3 Accommodation

- 5.3.1 The Institute will consolidate its central London location, at MidCity Place, by the end of June 2005. Minor building work will take place in April 2005 to facilitate this move and the HDA's IT resources will transfer in May 2005. The existing layout of the office at MidCity Place will be revised to accommodate the new structure and additional staff.
- 5.3.2 Because there will be fewer desk spaces available at MidCity Place than there are numbers of employees, the space will need to be used flexibly and options to support staff working at home, or other arrangements, will be explored with staff.
- 5.3.3 An initial audit of disability access issues was undertaken when the Institute relocated in 2003 and the Institute acted on these recommendations to ensure that the offices are fully accessible for people with disabilities. A further review will be carried out in 2005 following the transfer of staff from Holborn Gate.

5.4 Financial Framework

- 5.4.1 The financial framework for 2005 – 2006 has been set by the DH and is based on the outcome of the ALB review. The ALB review was designed to achieve savings of £500 million across the whole ALB sector by April 2008.
- 5.4.2 In December 2004, the Institute was advised by the DH of the proposed financial allocation for 2005 – 2006 and the further savings required in subsequent years.
- 5.4.3 The Welsh Assembly Government has withdrawn from its direct involvement with the Institute. The DH has agreed to cover the loss of income associated with this new position. We are currently negotiating a service level agreement with the Welsh Assembly Government. Any funding secured, however, will have a neutral effect on the gross operating cost.
- 5.4.4 The transfer of the national confidential enquiries from NICE to the National Patient Safety Agency has resulted in a transfer of funds from the Institute. This transfer was based on the 2004 – 2005 budget and there has therefore been a reduction in the overall budget of £2,977,000.
- 5.4.5 The Department of Health has confirmed the gross operating cost for 2005 – 2006 for the Institute as £29,894,379. This includes funding from the Department of Health of £28,913,000 and from services provided and secondments to other organisations.
- 5.4.6 The Institute will discuss with the Department of Health opportunities to generate income, which may require the gross operating cost to be revised.
- 5.4.7 The Institute will discuss, with the DH, the gross operating costs for 2006 – 2007 and onwards taking into account any further contribution the Institute may be required to make to achieve the overall ALB review targets.
- 5.4.8 As a result of the changes caused by the reduction in funding, the Institute will incur transitional costs in 2005 – 2006. These costs are associated with the part year effect of salaries for posts that may be made redundant, the potential redundancy costs, and the non pay costs associated with the consolidation of the central London location on one site. The Institute has been advised by the Department of Health that the Institute will have to cover these costs. Therefore a provision to cover these potential costs has been included in the proposed resource allocation for 2005 – 2006.
- 5.4.9 The proposals in this business plan represent a significant challenge for the Institute. It is possible that the Institute will incur other costs in

the coming year. A reserve budget has therefore been established to enable the Institute to cope with these pressures and to meet its financial obligations.

5.4.10 The gross operating cost for the Institute is £29,273,000 in 2005 – 2006, excluding the income for secondments. The funding sources for this gross operating cost are as follows:

**Table Nine:
Cash Resources Available in 2005 - 2006**

Source of Funds	£'000s
Income	
Quality Improvement Scotland - Interventional Procedures	110
Communications	80
Bradford PCT - Drugs Misuse Project	170
Total Income	360
Government Funding	
Department of Health	28,913
Total	29,273

In addition, the Department of Health has allocated £355,000 non-cash resource limit to cover the cost of capital charges. This means that the resource limit is £29,268,000 and the cash limit is £28,913,000.

5.5 Budget Allocations

5.5.1 The Institute has undertaken a detailed budget-setting exercise and has achieved a balanced budget. The allocations for 2005 –2006 are shown in Table Ten below.

**Table Ten:
Budget Allocations 2005 - 2006**

	Pay £'000s	Non-Pay £'000s	Total £'000s
Centres			
Health Technology Evaluation	1,758	804	2,562
Public Health Excellence	1,356	1,961	3,317
Clinical Practice	867	6,033	6,900
Centres total	3,981	8,798	12,779
Directorates			
Clinical and Public Health	1,069	830	1,899
Implementation Systems	2,573	1,074	3,647
Planning and Resources	1,802	3,739	5,541
Communcations	1,486	2,226	3,713
Directorates total	6,929	7,870	14,799
Provisions			
Transitional Costs	890	568	1,458
Reserve		247	247
Provisions total	890	814	1,705
Grand Total	11,801	17,482	29,283

6 RISK ASSESSMENT

6.1 Risk Analysis

- 6.1.1 The objectives and activities set out in this business plan represent a significant challenge for the Institute at a time of uncertainty and change for staff. The senior management team has undertaken a risk assessment of the plan and identified six areas that will require particularly careful scrutiny:
- 6.1.2 The extent to which the structures which have been designed for the new organisation will enable staff to deliver on their potential, and the organisation to deliver its objectives;
- 6.1.3 Our judgement about the nature of the public health guidance needed by the NHS, and the wider public health community; and the ability of the systems and structures we have put in place to provide this guidance;
- 6.1.4 The need for the guidance-producing Centres to work together, where necessary, to produce coordinated and consistent guidance as well as to share experience, ideas and resources;
- 6.1.5 Maintenance of the momentum and quality of existing programmes during a period of fundamental change;
- 6.1.6 The management and control of resources as new structures are created and commissioned;
- 6.1.7 The effectiveness of our arrangements for supporting the implementation of our guidance
- 6.1.8 The treatment of these risks is set out below:

**Table Eleven:
Key Risks and their Proposed Treatments**

Risk	Treatment
The extent to which the structures which have been designed for the new organisation will enable staff to deliver on their potential and the organisation to deliver its objectives	Systematic and frequent monitoring of the operation of the new structures by the Senior Management Team and the Board

Risk	Treatment
The judgement about the nature of the public health guidance needed by the NHS and the wider community and the ability of the systems and structures we have put in place to provide this guidance	Consultation on the operating model for the new Centre and its products and frequent contact with and briefings for public health communities inside and beyond the NHS
The need for the guidance-producing Centres to work together where necessary, to produce coordinated and consistent guidance, and to share experience, ideas and resources	Active internal planning systems and coordination, by the Senior Management Team, of the Centre's working arrangements. In the medium term, agreement with the Department of Health on theme-based commissioning
Maintenance of the momentum and quality of existing programmes during a period of fundamental change	Close monitoring of production timetables by the Senior Management Team and the Board. Early identification and resolution of production problems
The management and control of resources as new structures are created and commissioned	Awareness of staff and where necessary training for the operation of Standing Orders and Standing Financial Instructions. Clear scheme of delegation approved by the Board. Regular monitoring reports to the Senior Management Team and the Board
The effectiveness of our arrangements for supporting the implementation of our guidance	Clear strategy identifying the priority actions, monitored by regular reports to the Senior Management Team and the Board. Systematic review of the impact of these actions on the use of our guidance.

6.2 Risk Management

- 6.2.1 The Institute is reviewing its risk management arrangements and will ensure a robust system of risk assurance is maintained.
- 6.2.2 The Board will receive regular reports on the risk assurance framework.

APPENDICES

- 1 Quarterly Milestones**
- 2 Centre for Public Health Excellence Work Programme**
- 3 Centre for Health Technology Evaluation Work Programme**
- 4 Centre for Clinical Practice Work Programme**
- 5 Board and Senior Management Team**

Appendix One Quarterly Milestones

April to June

- Centre for Public Health Excellence to publish 4 evidence reviews, 1 systematic review, 3 HDA guidance products, 5 occasional papers, and 1 evidence briefing
- Centre for Health Technology Evaluation to publish 2 technology appraisal reviews and 15 interventional procedure reviews
- Centre for Clinical Practice to publish 1 clinical guideline
- Subject to the outcome of consultation, establish the Public Health Interventions Advisory Committee
- Initiate development of public health programmes and interventions
- Commission health economics input to the public health guidance products
- Complete a review of the functions, disposition and funding of the public health collaborating centres.
- Provide a costing report and local template for all clinical guidelines produced from April 2005 onwards
- Review the membership of the Interventional Procedures Advisory Committee
- Develop service level agreements between the Patient and Public Involvement Programme and the directorates and guidance centres
- Complete the consolidation of the central London location for the Institute on one site at MidCity Place
- Implement the new arrangements for financial services
- Publish the 2005-2006 business plan
- Implement a programme of corporate activities to ensure that stakeholders understand the role and remit of the new organisation
- Review the Institute's approach to publishing its guidance to establish a consistent approach across all guidance programmes
- Submit the ultra-orphan drug report to the DH
- Complete the review of ACBS methods and process and discuss the outcome with the Department of Health

July to September

- Centre for Public Health Excellence to publish 2 evidence reviews, 1 working paper and 12 occasional papers.
- Centre for Health Technology Evaluation to publish 2 original technology appraisals, 3 technology appraisal reviews and at least 8 interventional procedures guidance
- Centre for Clinical Practice to publish 2 clinical guidelines and 1 cancer service guidance
- Centre for Public Health Excellence to publish its arrangements for the commissioning of health economics support to the centre
- Establish the Public Health Programme Development Groups for smoking, maternal and child nutrition and behaviour change

- Take the results of consultation on the operating model for the Centre for Public Health Excellence to the Board for consideration and approval for final version. Publish and implement the agreed approach
- Patient and Public Involvement Programme to organise Institute-wide events to identify methods and processes for extending the involvement of patients and carers to a wider public audience
- Complete the survey, jointly with the Audit Commission, of financial planning for NICE guidance at a local level
- Conduct a survey of potential barriers to implementation of interventional procedures guidance
- Establish a public health implementation work programme
- Complete the review the role of the regional structure in supporting the implementation of NICE guidance
- Identify ways of integrating the role, activities and contributions of the NGO Forum with the NICE work programme
- Publish the fifth Citizens Council report
- Review the Interventional Procedures Review Body
- Review the Health Technology Appraisal Decision Support Unit
- Initiate feasibility study for appraisal of Decisions Support Systems
- Review the efficiency of the guideline development process and capacity and make recommendations to the Board
- Establish effective mechanisms for promoting research recommendations to the Service Delivery Organisation research programme, Health Technology Assessment research programme, and Mental Health Research Network
- Establish and deliver a programme of organisational development opportunities
- Approve the information technology strategy
- Hold the Institute's Annual Public Meeting
- Publish the Institute's annual report and accounts
- Implement a new approach to lay versions of NICE guidance
- Strengthen the Institute's internal communications to support regional and home-working staff

October to December

- Centre for Public Health Excellence to publish 5 evidence reviews and 3 evidence briefings
- Centre for Health Technology Evaluation to publish one original technology appraisal, 1 technology appraisal review and one combined technology appraisal and 15 interventional procedures guidance.
- Centre for Clinical Practice to publish 2 clinical guidelines
- Provide a costing report and local template for all technology appraisals produced from October 2005 onwards
- Provide quality-assessed examples of local best practice relating to specific pieces of NICE guidance
- Provide detailed implementation advice as a practical guide for local implementers for all clinical guidelines produced from October 2005 onwards

- Hold process and methods workshops for stakeholders in Health Technology Appraisal
- Use outcomes of Institute-wide events to identify methods and processes for extending the involvement of patients and carers to a wider public audience to produce a public consultation document on methods for wider public engagement
- Consult on an Interventional Procedures Advisory Committee decision making document
- Review the impact of the Interventional Procedures Advisory Committee
- Develop proposals for the future management of the Advisory Committee on Borderline Substances
- Develop a methodology for updating existing NICE guidelines
- Commission an external review from the World Health Organisation on the quality of the guideline programme's methodology and outputs
- Secure practice status for improving working lives
- Hold Health and Clinical Excellence 2005
- Launch an integrated website
- Complete the implementation of Agenda for Change
- Conduct annual staff survey
- Produce a strategy for the development of international work by NICE

January to March

- CPHE to publish 2 NICE Public Health Intervention Guidance sets of documents and 1 evidence review
- Centre for Health Technology Evaluation to publish 5 original technology appraisals and 15 interventional procedures guidance
- Centre for Clinical Practice to publish 3 clinical guidelines and 2 cancer service guidance
- Review arrangements for health economics support to the Centre for Public Health Excellence and prepare a report for the Board
- Provide a handbook for patient, carer and public stakeholders as a practical guide to support their involvement in the development of clinical guidelines
- Provide detailed implementation advice as a practical guide for local implementers for selected technology appraisals
- Prepare statements of methods and process for the Centre for Public Health Excellence and begin consultation
- Publish draft CJD guidance for consultation
- Publish sixth Citizens Council report
- Review the communications contracts currently held and re-tender where appropriate to secure best value for money
- Develop a communications strategy for 2006-8

Appendix Two Centre for Public Health Excellence Work Programme

	Title of document	Type of document
Q1	Update on public health evidence (UPHE)	Signposting
	Smoking cessation: skills and competencies for smoking cessation trainers	HDA guidance
	Smoking cessation: Helping smokers to stop: guidance for pharmacists in England	HDA guidance
	Smoking cessation: dental toolkit	HDA guidance
	Breastfeeding	Systematic review
	Second hand smoke	Evidence briefing
	Grading evidence in public health	Evidence review
	Health and neighbourhood renewal	Occasional paper
	Mid life: 'Taking action'	Occasional paper
	Mid life: 'Measuring impact'	Occasional paper
	Work and health: 'Worklessness and health'	Evidence review
	Work and health: 'Work/non-work'	Evidence review
	Work and health: Jobs and psychological health'	Evidence review
	NHS as corporate citizen	Occasional paper
	Briefing for Local Authorities	Occasional paper
Q2	Update on public health evidence (UPHE)	Signposting
	Systematic reviews: terms and definitions	Occasional paper
	Health behaviour of schoolchildren	Occasional paper
	Chronic illness	Evidence review
	Synthesising qualitative data	Occasional paper
	Drugs (7-25 year olds)	Evidence review
	NHS accessibility planning	Occasional paper
	NHS local transport planning	Occasional paper
	Community engagement series	Working paper
	Health impact (HI) series leaflet	Signposting
	<ul style="list-style-type: none"> • (HI) Health impact series <ul style="list-style-type: none"> - Screening and rapid appraisal 	Occasional papers

	Title of document	Type of document
	<ul style="list-style-type: none"> - Process evaluation - Tackling health inequalities - Evaluating activity 	
	<ul style="list-style-type: none"> • (HI) PCTs and transport 	Occasional paper
	<ul style="list-style-type: none"> • (HI) Definitions of HIA/HNA/IIA/HEA 	Occasional paper
	<ul style="list-style-type: none"> • (HI) Making the case for HEA 	Occasional paper
	<ul style="list-style-type: none"> • (HI) Barriers to implementing HEA 	Occasional paper
	<ul style="list-style-type: none"> • (HI) HEA learning from practice 	Occasional paper
	<ul style="list-style-type: none"> • (HI) Health needs assessment: practical guide 	Occasional paper
Q3	Update on public health evidence (UPHE)	Signposting
	Chronic illness: self management in long term conditions	Evidence review
	Wider determinants (WD) series signposting leaflet	
	<ul style="list-style-type: none"> • (WD) Housing 	Evidence briefing
	<ul style="list-style-type: none"> • (WD) Physical activity 	Evidence review
	<ul style="list-style-type: none"> • (WD) Mental health promotion 	Evidence briefing
	<ul style="list-style-type: none"> • (WD) Transport 	Evidence briefing
	<ul style="list-style-type: none"> • (WD) Accidental injury 	Evidence review
	<ul style="list-style-type: none"> • (WD) Nutrition and low income in pregnancy 	Evidence review
	Chlamydia	Evidence review
Q4	Smoking and inequalities	Evidence review
	Physical activity	Public health intervention guidance
	Smoking cessation	Public health intervention guidance

Appendix Three Centre for Health Technology Evaluation Work Programme

APPRAISALS

Timetable	Guidance to be issued	Appraisal or review
April -June 2005	Cartilage injury - autologous cartilage transplantation (ACI)	R
	Ovarian cancer (advanced) - pegylated liposomal doxorubicin hydrochloride (PLDH), topotecan & paclitaxel	R
July - September 2005	Tooth Decay - Heal Ozone	A
	Attention Deficit Hyperactivity Disorder (ADHD) - methylphenidate atomoxetine & dexamfetamine	R
	Depression & anxiety - computerised cognitive behaviour therapy (CCBT)	R
	Colorectal cancer (advanced) - irinotecan, oxaliplatin & raltitrexed (review)	R
	Coronary heart disease – statins	A
October - December 2005	Alzheimer's disease - donepezil, rivastigmine, galantamine & memantine (review)	A/R
	Osteoporosis - primary prevention	A
	Arrhythmia - implantable cardioverter defibrillators (ICDs)	R
January - March 2006	Psoriasis - etanercept & efalizimab	A
	Psoriatic arthritis - etanercept & infliximab	A
	Anaemia (cancer-treatment induced) - epoetin (alfa & beta) & darbepoetin alfa	A
	Conduct disorders in children - parent-training/education programmes	A
	Hepatitis B (chronic) – adefovir, dipivoxil & pegylated interferon alpha-2a	A

INTERVENTIONAL PROCEDURES

Timetable	Guidance to be issued
April -June 2005	Cryotherapy for recurrent prostate cancer
	Radiofrequency ablation for atrial fibrillation in association with other cardiac surgery
	Microwave ablation for atrial fibrillation in association with other cardiac surgery
	Cryoablation for atrial fibrillation in association with other cardiac surgery
	Radiofrequency ablation of the soft palate for snoring
	KTP laser vaporisation of the prostate for benign prostatic obstruction
	Leukapheresis for inflammatory bowel disease
	Posterior infracoccygeal sacropexy for vaginal vault prolapse
	Laparoscopic nephrectomy
	Stent graft placement in thoracic aortic aneurysms and dissections
	Computed tomographic colonography (virtual colonoscopy)
	Collagen injection for vocal cord augmentation
	Intraoperative blood cell salvage in obstetrics
	Interstitial laser therapy for fibroadenomas of the breast
Totally endoscopic robotically assisted coronary artery bypass grafting	
July - September 2005	Laparoscopic liver resection
	Extraurethral (non-circumferential) retropubic adjustable compression devices for stress urinary incontinence
	Photo dynamic therapy in locally advanced bile duct cancer
	Cryotherapy as a primary treatment for prostate cancer
	Metatarsalphalangeal joint replacement of the hallux
	Photodynamic therapy for early, inoperable endobronchial cancer
	Extracorporeal shock wave therapy for refractory tendinopathies (plantar faciitis and tennis elbow)
	Prosthetic intravertebral disc replacement of the cervical spine

This table is indicative only and may change as a result of priority notifications, consultation responses and Advisory Committee decisions.

Appendix Four Centre for Clinical Practice Work Programme

Timetable	Guidance to be issued	National Collaborating Centre
April -June 2005	Referral for suspected cancer guideline	Primary Care
July - September 2005	Children & adolescent cancers service guidance	Cancer
	Pressure ulcer management guideline	RCN/NICE
	Depression in children & young people guideline	Mental Health
October - December 2005	Long acting reversible contraception guideline	Women & Children
	Obsessive compulsive disorder guideline	Mental Health
January - March 2006	Nutritional supplements guideline	Acute
	Skin tumours service guidance	Cancer
	Osteoporosis guideline	Nursing & Supportive Care
	Tuberculosis guideline	Chronic Conditions
	Sarcoma service guidance	Cancer

Appendix Five Board and Senior Management Team

Professor Sir Michael Rawlins	Chair
Dr Susanna Lawrence OBE	Vice Chair
Professor Leon Fine	Non-Executive Director
Frederick George	Non-Executive Director
Mercy Jeyasingham	Non-Executive Director
Roy Luff OBE	Non-Executive Director
Mary McClarey	Non-Executive Director
Professor Helen Roberts	Non-Executive Director
Mark Taylor	Non-Executive Director
Vacant	Non-Executive Director
Vacant	Non-Executive Director
Andrew Dillon CBE	Chief Executive
Dr Gillian Leng	Implementation Systems Director
Professor Peter Littlejohns	Clinical and Public Health Director
Andrea Sutcliffe	Planning and Resources Director
Professor Mike Kelly	Centre for Public Health Excellence Director
Dr Carole Longson	Centre for Health Technology Evaluation Director
Dr Mercia Page	Centre for Clinical Practice Director
Louise Fish	Communications Director