NATIONAL INSTITUTE FOR HEALTH AND CARE EXCELLENCE

Executive Non Departmental Public Body

STRATEGIC AND BUSINESS PLAN

2015 - 2018

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Introduction

1. This plan sets out our strategic objectives to March 2018 and our business objectives and performance measures for 2015-16. It has been informed by our engagement with the Department of Health, NHS England and Public Health England, and our other national partners, in the NHS, local government, social care and the life sciences industries. It supports the ambitions set out in NHS England's 'Five Year Forward View' and Public Health England's 'seven priorities for the next five years'.

2. Our purpose is to help improve the quality and productivity of healthcare, public health and social care. We do this by producing guidance and information on safe and effective practice, which enables people working in health and social care to make better decisions with and for those for whom they are providing services. We take account of value for money in developing our guidance, by recognising that new forms of practice need to demonstrate the benefits they bring against what they displace, and by recommending better targeting of interventions of limited value and opportunities for disinvesting from ineffective practice. We promote our guidance and information using our own as well as a range of third party digital channels, and we help people to use it by providing practical support tools.

3. Originally established in April 1999 to reduce variation in the availability and quality of NHS treatments and care, our role was extended in 2005 to include advice on effective and cost effective public health practice. In 2009, we were asked to produce quality standards, derived largely from our clinical guidelines and to take responsibility for reviewing and developing new indicators in the clinical domain of the primary care Quality and Outcomes Framework (QOF). At the same time, our existing technology evaluation programme was extended and we added more capacity to evaluate medical devices and diagnostics. NICE Evidence Services was launched in 2009, and rebranded as NICE Evidence in 2013, for people working in health and social care. Since 2013, our remit has included guidance and quality standards for adults' and children's social care and in 2014 it was extended to guidance on safe staffing levels and highly specialised technologies for very rare conditions.

4. Our strategic and business objectives are framed around four themes which bring together our priorities:

   - Outputs: delivering high quality guidance, standards and evidence, aligned to the needs of users.
   - System Partnerships: working effectively with organisations, inside and beyond the public sector, which contribute to the development and use of our products; and with the broader public who benefit from our work.
   - Adoption and Impact: providing practical tools and other support for individuals and organisations, to help them use our services.

- Resource Management: using staff and our other resources efficiently and effectively.

Our objectives also take into account and support priorities for the NHS, which are:

- **preventing people from dying prematurely** by improving mortality rates for the big killer diseases, to be the best in Europe through improving prevention, diagnosis and treatment and reducing health inequalities;
- **transforming care outside hospital**, focusing on the role of primary care in providing **integrated out of hospital care**, but also looking at what can be done to improve urgent and emergency care;
- implementing **social care reforms** including integrating health and social care, set out in the Care Act 2014;
- **improving treatment and care of people with dementia** to be among the best in Europe through early diagnosis, better research and better support.
- **improving the standard of care** throughout the system so that quality of care is considered as important as quality of treatment for everyone, through more accountability, better training, expert inspections, improving safety and more attention paid to what patients say and reducing inequalities in outcomes from care;
- **making a step change in the way technology and information is used** to enable more efficient and joined up working across the NHS and wider health and care system, improving quality of care and help people manage their own healthcare; and
- demonstrating real and meaningful progress towards achieving true **'parity of esteem' between mental and physical health.**
- improving **productivity** and long term **sustainability** and ensuring **value for money** for the taxpayer;
- contributing to **economic growth**;
- developing **organisational capability** and **the resilience of the Department to fulfil its stewardship role** for the health and care system.

The context in which we work

The health and care system

5. Demographics, constrained resources, public expectation and new technology combine to face the health and care system with both challenges and opportunities. Setting out its plans for organising the NHS to meet its share of these challenges, the NHS England Five Year Forward View recognises that while some of what is needed can be done by the NHS, much will require collaboration with local government, voluntary organisations and employers. It argues for a renewed effort to be made to do what we know will help to promote good health, support patients to gain control of their care through using shared budgets and promote better integration of care between hospitals and general practitioners, and between the NHS and social care. The Department of Health is supporting the move to better integrate services, supporting local councils to help them work more effectively with health and social care organisations. The care and support white paper set out the Department of Health's plans for removing barriers to integrated care, better coordination of care and providing more support for people moving from one service to another.

6. We are committed to supporting the NHS, public health and social care, and organisations in the wider public and voluntary sector to deliver these changes, making the best use of their resources by setting out the case for investment and disinvestment through our guidance programmes and our other advice. From identifying specific recommendations that can save money, to advice on reconfiguration to support disinvestment from ineffective services, NICE has a range of products and services to help realise savings that can be reinvested. We will work collaboratively with the Department of Health, NHS England and Public Health England, and our other national partners, on their plans for a clear and compelling long-term vision for the future of health and care services, and ensure that our advice and guidance forms an integral part of their plans for change.

7. We need to ensure that our guidance is designed to work with a system that:

    - Is operating with limited real-term funding growth in health, and real terms reductions in social care and local government;
    - Is seeking significantly improved quality of care and value for money through a variety of means, including more integrated working, and sharing of services and resources at local level;
    - Designs and delivers services in conjunction with patients and users, and external partners;
    - Is increasingly dependent on shared knowledge of the needs of those it serves;
    - Will require a sophisticated commissioning structure, in both the NHS and local government, handling multiple influences and ownership;
    - Will experiment with a range of service delivery models;

- Offers choice to those using it, with that choice being defined in different ways in different settings.

Digital health and care services

8. In November 2014, the National Information Board published a new Framework for Action, entitled 'Personalised Care 2020 - Using Data and Technology to Transform Health and Care'. The Framework identifies core priorities for delivering a modern digital health and care services, for use by the public, patients, carers and health and care professionals. NICE will contribute to the delivery of this agenda, leading with Public Health England on a programme designed to help people identify good quality apps to help manage their mental and physical health. We will also explore how we can further support innovation and demand for the right digitally enabled services through its guidance development programmes. We are already evaluating eHealth technologies and apps within our guidance programmes, where evidence is available.

Public expectations of NICE

9. As NICE guidance and quality standards extend their reach beyond clinical and public health practice and into social care, the expectations of people for whom NICE is working will continue to rise. We already know that investing in disease prevention and health promotion is good value for money. We will use our public health guidance and quality standards to support the new arrangements for public health in England to promote that message.

10. The Government is committed to enabling the public to influence the development and delivery of health and social services. NICE has, from its inception, actively encouraged and supported the involvement of patients, service users, carers and the public (organisations and individuals) in the development and implementation of its guidance and advice, and in providing versions of this guidance and advice in accessible formats. Our Citizens Council provides a public perspective on NICE's decision making processes. Over the years, NICE has broadened opportunities for public scrutiny of our decisions by providing access for the public to the meetings of our advisory bodies, one of a range of services provided by our Public Involvement Programme .

11. What we offer is enhanced by the NICE Evidence Services. This programme has extended our functions beyond guidance production to providing a comprehensive evidence and information service for healthcare, public health and social care, including access to accredited guidance, reassuring users of its relevance and quality. This includes an on-line portal for easy access to evidence, accredited guidance and other products. Work to develop the digital presentation of all NICE products, including standards, will enable easy access through a pathway presentation on the NICE website, and will facilitate access through third party information intermediaries.

Public health and local government

12. Since the transfer of the leadership role for public health from the NHS to local government in 2013, NICE has worked closely with local authorities to ensure that guidance and related products are clear, relevant and accessible. We have also continued to build on our existing relationships with NHS audiences, and with Public Health England who continue to deliver many public health interventions and programmes.

13. Working through local Health and Wellbeing Boards, local authorities are responsible for leading 'joint strategic needs assessments' to help achieve coherent and co-ordinated commissioning strategies across the boundaries of healthcare, social care and public health, and for prevention and health improvement services and programmes. NICE guidance and advice, on clinical practice, public health and social care standards, will provide an indispensable resource for the local government and NHS leaders responsible for making these new arrangements work. NICE Evidence Services, with its remit to support health, public health and social care, will provide rapid access to evidence and best practice advice.

14. The Partnership Agreement between NICE and Public Health England establishes how the two organisations will work together to share and develop knowledge and intelligence on healthcare and on public health interventions and services at a national and local level. We are actively working with Public Health England to support implementation of recommendations for public health at a local level and will continue to work with PHE to ensure that there is no duplication in our roles in compiling evidence on effective public health interventions.

15. Our briefings assist local government as it delivers its new responsibilities for public health. We will produce more 'return on investment' tools in 2015-16. These tools help local government make the business case for investment in key strategic areas, such as reduction in tobacco use, alcohol consumption and encouraging physical activity and we will look to Public Health England to ensure that these are promoted effectively at a local level

16. We will also support the accreditation of public health guidance from other producers, and provide methodological support on optimal ways of reviewing and appraising evidence. We will work closely with Public Health England to ensure full integration of our public health evidence resources into the Public Health England online information service.

17. Our links with the Manchester Academic Health Science Centre, the School for Public Health Research, King's College London, the National Institute of Health Research, the Medical Research Council and the developing Academic Health Sciences Networks will continue to be maintained. And we will work with the Local Government Association and other representative bodies in public health, including the Faculty for Public Health and the Society of Local Government Chief Executives.

Social care

18. NICE guidance and quality standards for social care are commissioned by the Secretaries of State for Health and, in the case of children's social care, Education. The first of these quality standards for social care was published in 2013. The Department of Health does not intend our guidance and quality standards for social care to be prescriptive or directive. Instead, they and their associated supporting material will be tools for use in commissioning social care, dependent on circumstances and in conjunction with professional judgment. They are intended for use in conjunction with the frameworks and regulation already in place, providing practical support to help drive up the quality of adult and children's care. They will also support the work of local Health and Wellbeing Boards and help local people hold commissioners and providers to account. NICE social care guidance is produced through the NICE Collaborating Centre for Social Care, hosted by Social Care Institute for Excellence.

19. The Department of Health recognises that resource allocation decisions are a matter for local councils and believes that using an evidence-based approach to cost-effectiveness can assist local commissioners in making these decisions. This highlights the importance of ensuring that quality standards describe cost effective practice.

20. Ministers want the standards to be flexible enough to support the 'social care context'. Our social care quality standards will need to take account of personalisation, so that the evidence and the standards are accessible enough to inform the choices of the personal budget-holder as commissioner. They will need to be designed and presented in a way that meets the needs of the individuals who deliver social care and the organisations they work for. NICE will provide accreditation and quality assessment of social care guidance to support the development of quality standards.

21. The social care community has long been an important audience for any NICE guidance and advice that impacts on broader health issues, particularly from our public health programme and NICE Evidence Services, which has been making social care information available as part of its on-line portal for three years. NICE has experience in developing guidance across the health and social care interface in areas such as dementia. In the next three years, as arrangements for CCGs and their relationship with local authorities develop, stronger mechanisms for joint working between healthcare, public health and social care will emerge. We can support this important emphasis on integration with our guidance and standards.

NICE and the integration agenda

22. NICE has long recognised the importance of health and social care services working together to provide integrated care. Since April 2014, NICE has been involved in two main external initiatives to support integration: the integration

pioneers; and the development of the Better Care Fund. In addition to these two national initiatives, NICE has also been involved in topic specific initiatives that aim to drive integration. These include:

- using the same language across all NICE products for health and care, integrating our guidance on the NICE website,
- publishing NICE Pathways as an easy-to-use, intuitive way of accessing a range of clinical, public health and social care information from NICE.
- publishing an integrated methods and process guide for developing clinical, public health and social care guidelines, and
- encouraging a consistent approach to quality improvement through implementing our guidelines, whatever the audience.

23. The guideline topics listed below all explicitly address issues of integration within their scopes. In addition to these, NICE is now actively embracing the principles of integration in topics across all centres, such as in the guideline on children's attachment and medicines management in care homes.

Table: guideline topics explicitly addressing integration

Guideline topic	**Publication date**
Social care of older people with multiple long-term conditions	September 2015
Transition between inpatient hospital settings & community or care home settings for adults with social care needs	November 2015
Transition from children's to adult services for young people using health or social care services	March 2016
Transition between inpatient mental health settings and community and care home settings	August 2016
Dual diagnosis: meeting people's wider health and social care needs when they have a severe mental illness and misuse substances	September 2016

Health care industries

24. Much of what NICE does has an impact on the health care industries that supply the NHS. We are very conscious of the responsibility we have when we advise the NHS on the use of health technologies and we know that what we say about new technologies is often taken into account in health systems beyond the United Kingdom. For these reasons we regard the relationship we have with industries and individual companies as having equal importance with

our other stakeholders and we will continue to work with the industry associations in this country and abroad to build mutual respect and trust.

25. In 2014, we consulted on terms of reference provided by the Department of Health for broadening of the methods for value assessment of branded pharmaceuticals. It was clear from the response to this consultation, that much of what concerns those interested in the rapid adoption of effective and cost effective health technologies is beyond the reach of changes to our methods. As a result, we called for a wider conversation about broader system changes, and in this context we welcome the Accelerated Access Review announced by the Department of Health in late 2014. The review will look at the development, regulation, evaluation and adoption of life sciences products. We are enthusiastic participants in this review.

26. We will continue to develop our Scientific Advice programme which covers its costs through charges made to companies which take advantage of it. This programme, through early interaction allows developers to better prepare for assessment of their products under NICE technology evaluation programmes. We now offer the option for pharmaceutical companies to request parallel advice meetings with the Medicines and Healthcare Regulatory Agency (MHRA) or the European Medicines Agency (EMA). We are actively engaged in the multi-stakeholder Shaping European Early Dialogues (SEED) and, in addition, we have developed a programme of seminars tailored to the needs of the medical technology and pharmaceutical sectors. In addition, we are considering, subject to resources being available, creating an Office for Market Access which will bring together these resources, with other, added value services to provide additional support to companies with good value products for the NHS and social care.

27. NICE is conscious of the impact it has on the life sciences industries that support the delivery of high quality care. We are aware of the extent to which the guidance we produce, particularly on new health technologies influences reimbursement decisions in other parts of the world. We will make sure that the way we work contributes to the long term health of the UK life sciences industries, through fair and objective evaluation of their products, by stimulating the NHS to adopt effective and cost effective products and services.

28. In a changing environment, it will be important for NICE to retain some important characteristics, which will remain relevant regardless of the nature of the changes taking place. This allows us to produce guidance that promotes better integration between health, public health and social care services.

    - *Unique contribution:* clarity about the nature and purpose of the evidence-based products we provide;
    - *Value:* products that address the needs of the people, inside and outside the NHS, local government and social care, and which meet the needs of patients, service users, carers and the public who use the NHS, public health and social care services.

- *Clear processes and methods:* securing transparency, rigour, inclusiveness, contestability;
- *Delivery*: providing guidance, related products and services in a timely and accessible fashion;
- *Flexibility*: the ability to respond flexibly to changes in the needs of the people and organisations we serve.

29. Wales, Scotland and Northern Ireland have each developed their own approach to the organisation and management of their health services. They use different combinations of the guidance and advice we produce in ways which reflect their priorities, the needs of their staff and the local resources they have available to inform evidence-based practice. We tailor our relationship to the needs of each country and have effective working and contractual arrangements with the agencies which undertake complementary functions. In 2013/14 we reviewed our partnerships with Wales, Scotland and Northern Ireland. Agreements have now been signed with each of them.

Programmes and objectives

Strategic Objectives

30. Our strategic objectives for 2015-18 are summarised below. Appendix 1 sets them out alongside their success criteria.

    Outputs: Maintain NICE as the national point of reference for advice on safe, effective and cost effective practice in health and social care, with guidance, standards, advice and evidence aligned to the needs of its users and the demands of a resource constrained system.

    System Partnerships: Create effective partnerships with national and local organisations in the health and social care system, including patients and service users and their associated professional bodies, and use them to inform and promote our guidance and advice. Work with government and industry to help promote innovation and growth in the life science industries, and with the research communities to ensure they are aware of the gaps in the evidence base underpinning our recommendations and of our methodological.

    Adoption and Impact: Enable and promote access to NICE guidance, advice and evidence, at the point of need and in formats that users want. Use conventional and innovative ways to support the adoption of our guidance and advice, and assess the impact it has on improving quality of care and outcomes. Build awareness and understanding amongst the broader public of the work of NICE and the role of our guidance and advice in high quality health and social care. Enable access by countries committed to using evidence to inform policy and practice, to NICE's experience and expertise.

Resource management: Secure the effective management of NICE's resources, exploring appropriate income generating opportunities and delivering the savings required to operate within a reducing resource envelope.

31. The Institute's planning principles are set out below and the business objectives together with the outputs for 2015-16 are in table 5. The 'balanced scorecard', which sets specific targets based on the objectives agreed by the Board with the Department of Health and monitored on a quarterly basis, is attached as Appendix 2. Details of the publication outputs for each programme are provided in Appendix 3.

Standards, guidance, advice programmes and other products and services

32. We operate a range of programmes generating guidance and advice for health and local government including quality standards, guidelines, interventional procedures, technology evaluation and indicators for the GP Quality and Outcomes Framework. These programmes are increasingly integrated as they share related aspects of our NHS, public health and social care agendas, are supported by an array of implementation support materials and activities, and are complemented by an outreach service, operating on a local basis. In addition, we also offer access to NICE experience and expertise to international clients on a fee for service basis. In 2014 the scope of our quality standards grew to encompass public health and from 2013, we extended them further to include social care, both as part of broad health and social care topics and as social care-specific standards. We will also support the development of a set of indicators based on quality standards on behalf of NHS England, for use by CCGs.

33. ***Quality standards:*** NICE quality standards provide clear descriptions of high-priority areas for quality improvement. They help organisations improve quality by supporting comparison of current performance, using measures of best practice to identify priorities for improvement, and can provide information for commissioners and providers on how best practice can be used to support high-quality care or services. The programme supports the integration of services by covering topics in health, public health and social care. Over 60 standard topics are in development at any one time, through a process that actively involves those with expertise and understanding of current services. Quality standards include content related to all three dimensions of quality – safety, effectiveness and patient experience.

34. Although quality standards are not mandatory, they are an important driver for change within the arrangements for commissioning and service delivery in health and social care. Both the Secretary of State and NHS England must have regard to NICE quality standards. In public health, NICE is working with Public Health England to support their use in local government, including actively encouraging an ongoing process of data collection. To facilitate use of

quality standards by commissioners, in response to feedback, we are reformatting quality standards to enable them to more easily be aligned to local priorities.

35. Quality standards have recently been adapted to provide the developmental aspect proposed in the Mid Staffordshire NHS Foundation Trust Public Inquiry. Within its quality standards, NICE will set out developmental statements where there is an appropriate evidence base in an emergent area of cutting edge service delivery or technology indicating outstanding performance. Developmental statements represent practice that has the potential to have wide-spread benefits in improving outcomes over time, but which require specific developments to be put in place.

36. Quality standards cover a broad range of topics (healthcare, social care and public health) and are relevant to a variety of different audiences, which will vary across the topics. Audiences will include commissioners of health, public health and social care; staff working in primary care and local authorities; social care provider organisations; public health staff; people working in hospitals; people working in the community and the users of services and their carers.

37. ***Guidance on health technologies****:* technology appraisals develop recommendations for the NHS and patients on drugs and treatments based on their clinical and cost effectiveness. We review only a subset of all new technologies offered to the NHS and we select them using criteria we have agreed with the Department of Health. Regulations provide for the mandatory funding of drugs and treatments which are recommended in a technology appraisal and that funding must normally be available within 3 months of a positive appraisal. Patient entitlement to these drugs is set out in the NHS Constitution. The programme will work on 105 technology appraisal topics and 5 highly specialised technologies topics in 2015/16.

38. Medical technologies (devices and diagnostics) are notified directly to NICE, usually by commercial sponsors, and the Medical Technologies Advisory Committee (MTAC) decides which technologies should be evaluated, and by which guidance programmes. NICE medical technologies guidance recommends to the NHS whether the sponsor's case for adoption is supported by the evidence. The guidance is based on advantages to patients and to the NHS, compared with current practice, and it includes detailed consideration of care settings and of the whole patient pathway. The programme will have 7 topics in development in 2015/16.

39. NICE diagnostics guidance advises the NHS and patients on the clinical and cost effectiveness of the diagnostic technologies assessed single technologies are referred by the Medical Technologies Advisory Committee and during scoping the assessment may be broadened to include a range of related technologies. The potential of technologies to provide a diagnosis at the "point of care" and to avoid attendances in secondary care is often an important

consideration. In 2015-16, subject to funding, the UK Genetics Testing Network (UKGTN) will be transferred to the NICE Diagnostics Assessment programme. The programme will have 8 topics in development in 2015/16.

40. In 2014, NICE began to produce Medtech Innovation Briefings (MIBs) to provide the NHS and social care with objective information on promising medical technologies as an aid to local decision making by clinicians, commissioners and procurement professionals, and to inform patients about new technologies. We will work collaboratively, particularly with NHS England, to develop MIBs as a rapid responsive resource where the need for information has been identified directly from the NHS. We will also exploit the potential of MIBs to address technologies across the whole spectrum of NHS and social care settings.

41. NICE also has responsibility for evaluating and providing advice to NHS England, on selected highly specialised technologies which have been developed for treating conditions which affect very small number of patients (in England. Regulations provide for the mandatory funding of drugs and treatments which are recommended in a highly specialised technologies and that funding must normally be available within 3 months of a positive evaluation. Patient entitlement to these drugs is set out in the NHS Constitution and covered by Regulations.

42. ***Interventional procedures guidance*** advises on the safety and efficacy of treatments and approaches to diagnosis. It includes procedures used in hospital, in the community and in patients' homes. An interventional procedure is one used for diagnosis or treatment that involves making a cut or hole in the body, entry into a body cavity or using electromagnetic radiation (including X-rays or lasers). Topics for this programme are referred by any source including, manufacturers, patients, other programmes at NICE and the health professionals who wish to use them and the outputs are applied with considerable consistency in the NHS and in the private health sector. The programme will have 32 topics in development in 2015/16.

43. **NICE guidelines:** make evidence-based recommendations on a wide range of topics, from preventing and managing specific conditions, improving health, and managing medicines in different settings, to providing social care and support to adults and children, safe staffing, and planning broader services and interventions to improve the health of communities. Guidelines covering clinical and social care topics aim to promote individualised care and integrated care, for example, by covering transitions between children's and adult services and between health and social care. There is also an emerging programme of service delivery guidance, complementing an earlier and highly influential programme of cancer services guidance which was completed in 2006.

    - ***Clinical guidelines*** consist of sets of recommendations on the appropriate treatment and care for patients with specific diseases and conditions. Though not covered by a funding direction or the NHS

Constitution, they are an important reference for patients, health and social care professionals and commissioners in the NHS. Like other NICE guidance, the recommendations in our clinical guidelines are assessed for both their clinical and cost effectiveness and they integrate other guidance outputs, such as technology appraisals, and interventional procedures, when these are relevant to the topic. Importantly, our clinical guidelines are also the primary source for our quality standards and form the main source for the development of NICE Pathways. Specific comorbidity clinical management issues are considered in the scope of each clinical guideline. A number of guidelines will be updated to take specific account of comorbidities, such as dementia and medical conditions. Social care guidance is particular focused on people with complex needs, often resulting from multimorbidity

- The current portfolio of clinical guidelines is approximately 150; the largest collection of clinical guidelines in the world. A further 30 topics have been referred to the programme by NHS England and these will be commissioned over the next two years. At any given time, between 60 and 70 guidelines (including updates) are in development.

- Maintaining the currency of the guidelines portfolio is a vital element of its relevance to the NHS and its suitability as the principal source for Quality Standards. As the portfolio has grown, reviewing and updating guidelines has become a major activity in the programme.

- ***Social care guidelines:*** The 2012 Health and Social Care Act established a new responsibility for NICE to develop guidance and quality standards for social care in England. This provides an opportunity to apply an evidence-based system to decision-making in the social care sector, similar to that provided for the NHS. It will also allow us to produce guidance that promotes better integration between health, public health and social care services, and will be developed in close partnership with, rather than imposed upon, service users and carers, practitioners and organisations working in social care. The programme currently has between 7 and 10 guidelines for social care in development at one time, produced through a Collaborating Centre based at the Social Care Institute for Excellence. 2015 will see significant engagement with stakeholders to understand their priority areas, and to inform a library of guidance topics for the future NICE work programme in social care.

- ***Public health guidelines*** NICE guidance in public health cover a range of topics largely addressing health improvement and wider determinants, such as tobacco cessation services and prevention of obesity. It is a significant programme of work that has between 20 and 24 topics under development at any one time. In 2014 we were referred a library of over 60 public health topics to inform future quality standards and guidance. These will cover a broad range of topics that will be prioritised with partners, including Public Health England, in the next three years.

- ***Guidelines on safe staffing***: provides evidence-based advice on productive, safe nurse and midwifery staffing levels to support local decisions at organisation, team and ward level. The guidelines will also be used to inform, and enable the updating, as required, of any tools that provide practical support for establishing safe staffing levels. NICE may also provide a formal system to enable tools to seek to be NICE guidance compliant. The programme will have 7 topics in development in 2015/16.

- ***Medicines Practice Guidelines*** provide advice for the NHS and social care on the safe and effecting management of medicines. This programme addresses some of the most pressing challenges facing health and social care including medicines optimisation and antimicrobial stewardship. The programme will merge with the clinical guidelines programme at the end of its current commissions in 2017.

44. ***Quality and Outcomes Framework Indicators*** provide a mechanism to incentivise general practitioners and the health professionals who work with them to improve the quality and consistency of the services they provide. The Quality and Outcomes Framework (QOF) is a points based incentive payment framework that rewards the achievement of thresholds for each indicator. NICE will work closely with NHS England to support planned changes to the QOF in England and the Devolved Administrations in Scotland, Wales and Northern Ireland.

45. ***Clinical Commissioning Group Outcomes Indicators***, derived from NICE quality standards will help identify areas for improvement against which CCGs can hold themselves to account and enable them to compare with other groups, locally and nationally. NICE will work closely with NHS England to ensure indicator development reflects plans for this framework

46. ***NICE Evidence Services*** are on-line evidence resources to help people from across the NHS and working in the wider public health and social care sector to make better decisions by providing them with access to clinical and non-clinical evidence-based information of the highest quality. It does this by engaging directly with health and social care professionals to identify and disseminate quality evidence-based information, including from those organisations accredited by NICE. The service draws on a comprehensive range of information sources (including local experience), providing easy access to information that has traditionally been hard to find. The system includes a 'simple search', built around a powerful search engine, as well as an advanced database search for researchers and information specialists to search content across a range of bibliographic databases. The BNF and BNFC, and the Clinical Knowledge Summary, which summarise practice recommendations for over 330 topics typically presenting in primary care, are also available as part of the evidence service of NICE. Access to these multiple services is now fully

integrated within the NICE website and signposted from any page of the website. This enables a seamless journey for our users, from one information source to another.

47. NICE Evidence Services are designed to meet the needs of users from across the NHS and social care, including (but not restricted to) clinicians, nurses, pharmacists, public health specialists, social workers, information specialists, other practitioners and commissioners. The service is built on an 'open-access principle' – as much content and functionality as possible will be freely accessible. Access to some full-text content requires users to log on because of commercial arrangements with the information providers, although this is being kept to a minimum and the log-on process is as simple as possible. Patients, service users and carers and the wider public are able to search NICE Evidence Services and access content (commercial arrangements permitting). NICE Evidence Services also includes patient information where this has been accredited by the Department of Health's Information Standard.

48. ***Accreditation***: NICE has a formal accreditation programme to recognise guidance producers that reach the highest standards – successful organisations are awarded an accreditation mark. This ensures users of NICE Evidence Services can readily identify the most trusted sources of evidence, and also drives up the quality of guidance production. Accredited guidance is important in the development of NICE quality standards, to supplement the evidence base in areas where there is no NICE guidance. NICE also provides a pre- and post-application accreditation advice service. In 2015/16 we will be actively engaging with 35 organisations who will be working towards accreditation.

49. ***NICE Pathways***: NICE will continue to produce and promote access to a range of interactive Pathways based on NICE guidance to ensure integration across topics and with guidance and quality standards. In 2014/15 we ensured that Pathways provide access to over 95% of all NICE guidance, including guidelines and guidance on technologies.

50. ***Medicine and prescribing***: We provide a comprehensive portfolio of medicines information to the NHS. This includes a horizon scanning function for new drugs (UK *Pharmascan*), plus information about new medicines, drug safety alerts and best practice prescribing advice. Most of this information is provided by functions that have transferred to NICE (from the National Prescribing Centre and the National Electronic Library for Medicines). Prescribing advice is commissioned through the British National Formulary (BNF), and information about licensed drugs is available through NICE's digital evidence resource. A programme of revisions to the structure and accessibility of the BNF will start to be implemented during 2015. In 2015/16, NICE will continue to maintain the Patient Group Directive website on behalf of the Department of Health on the understanding that the site and service will be transferred in year to a more appropriate provider.

51. We provide information about evidence for the use of unlicensed/off-label drugs in conditions where there is no licensed alternative. We also produce evidence

summaries for new medicines which are not the subject of a timely Technology Appraisal. These products do not constitute formal recommendations, but summarise the available evidence to facilitate local decision-making.

52. NICE will continue to provide an up-to-date closed discussion forum for Controlled Drugs Accountable Officers and their nominees to share learning.

Support Functions

53. ***Research and Development***: The R&D Programme leads NICE corporate scientific affairs, currently with a major focus on developing methods for the managed access to high value health technologies and support for broader life-sciences innovation strategy. The programme collaborates with the research community to resolve key uncertainties highlighted in Guidance produced by NICE advisory bodies. This includes close collaboration between NICE and the National Institute for Health Research (NIHR) as called for in the 2010 NHS White Paper. The programme also develops and maintains NICE's Research Governance infrastructure. Key activities are outlined below:

54. ***Implementation***: NICE guidance and advice needs to be effectively implemented to have any impact on the health and well-being of the population and the quality of care provided. Our job is to produce what is needed, when it is needed and then do all we can to encourage and support those who are in a position to apply it. This is a complex, challenging task for which an understanding of the evidence for effective ways of overcoming obstacles is an essential prerequisite. To support this process, NICE has an ongoing programme of implementation support and education to ensure appropriate support is provided for the quality standards programme.

55. The implementation strategy has four broad aims to: provide effective access, motivate and encourage change in practice by working through other organisations and systems within health and local government and their partner organisations to generate 'leverage'; provide practical support; and monitor and evaluate uptake of the recommendations to inform future work.

56. NICE provides or endorses specific implementation support products for three purposes: support for commissioning, support for service improvement and audit; and support for education and learning, all with the aim of making implementation more straightforward at a local level. Some examples of generic support include the web based 'Into practice' guide for organisations on how to put evidence into practice, a guide on how to change behaviour, a forward planner updated monthly to summarise our future work programme, provide indicative costs and highlight links with the tariff, and a Local Practice Collection which includes Shared Learning examples and Quality and Productivity case studies on the NICE website. We also have a team of implementation consultants to provide practical support and advice to NHS trusts, networks, CCGs, local authorities and social care providers, particularly in relation to effective processes for implementation and information about NICE. The NICE

Board will continue to receive an overview, through the Annual Uptake Report, of the information that NICE has about how our recommendations for evidence-based and cost effective care are being used.

57. In 2013, we undertook a comprehensive review of our implementation effort. This has resulted in a decision to refocus our investment in more face to face contact with the users of our guidance. We will work more actively with partner organisations to use their enthusiasm and support to encourage adoption of NICE recommendations. We will pay particular focus to challenging areas for implementation, highlighting them clearly in guidelines, and where quality standards point to key improvement areas support the work of others. The new approach will include a process of formal endorsement of externally produced implementation tools and resources, where these are in line with NICE recommendations, recognising the potential power of these channels to users and the lack of capacity to produce all that we might want to ourselves. Examples of new and existing collaborations to develop this approach include with the BMJ through their improvement and information platforms, issue based organisations or alliances representing the public, professional associations and networks such as AHSNs.

58. **Adoption of Health Technologies:** We facilitate the adoption of selected medical device and diagnostic technologies guidance across the NHS through engagement with clinical teams, commissioners, patients groups and social care. Included in this is focussed practical advice about how to measure impact. There are two types of practical adoption support: the first consolidates the learning that has taken place from a significant number of NHS sites that have already adopted the technology; the second focuses on technologies that are not widely used in the NHS or where complex redesign to services is required to successfully implement the technology.

59. We also support the uptake of new technologies in conjunction with the Academic Health Science Networks (AHSNs) and Innovation, Health and Wealth, including providing the secretariat for the NICE Implementation Collaborative Board and supporting the Innovation Scorecard.

60. In conjunction with NICE Scientific Advice, adoption support is provided to suppliers of medical and diagnostic technologies. This is designed to help them to identify market opportunities, improve outcomes for patients and benefit from the use of their products in the NHS.

61. **Communications**: The communications team explains what we do and why. Its role is to promote NICE's core aim of improving quality and productivity of healthcare, public health and social care. Over the past few years we have shifted our focus to digital platforms; a process that continues as technologies and ways of accessing information evolve. But our traditional remit of understanding audiences and delivering clear messages has changed little.

62. We will continue the work of understanding our audiences and helping them to reach the NICE products and services they need. We have improved the NICE

website to give users the opportunity to personalise and tailor information of most relevance to them; and we are developing ways to use new digital platforms, including social media and digital devices, to communicate with old and new audiences as people change the way they access information.

63. To stay abreast of the changes in this digital era, we will gather data about how our audiences engage with us to help inform what we do and spark new ways of working.

64. In all areas of communications work – from writing and editing guidance, through developing and maintaining the website, in public affairs work with government, and through the press and other media as well as reaching internal audiences – we will ensure that guidance and advice is easily accessible, simple to use and readily understood. Our aim is to explain NICE's key role in delivering excellence in health and social care.

65. ***Involving patients, services users and the public***: We have developed a service user and public-centred approach in the development of our methodologies across all our programmes. Our processes are designed to enable organisations that represent patients, service users, carers and the wider public to submit evidence, alongside health professionals and others, and to influence the formulation of guidance and other products and services. Individual patients, service users, carers and community members are involved in the development of each piece of NICE guidance, and other products. In addition, patients, service users and the public and the organisations representing their interests, are increasingly supporting the implementation of our guidance and advice. We are committed to seeking improvements in how we can better incorporate the views of lay people into our work and in disseminating our recommendations to a public audience. The Public Involvement Programme, which supports this activity, is an established part of NICE and we will continue to enhance its capacity to support the involvement of patients, services users, carers and the public in all aspects of our work.

66. We are committed to involving the public, patients, service users and their carers and organisations that represent their interests, such as Patients Involved in NICE (PIN), in developing our methods, our guidance and the NHS Evidence service, and we will continue to develop our capacity and our methodologies to do so. We are taking forward the pioneering work of our Citizens Council, which helps us make the social value judgements that inform much of our guidance and advice. The Council meets once a year and makes its contribution to our work through the internal advisory document Social Value Judgements, which helps guide our independent guidance-producing advisory bodies.

67. We are committed to encouraging and advising voluntary and community sector organisations to support the use of NICE guidance and standards. We will continue our work to include patient and voluntary sector organisations' contact details in our Information for the Public, to provide readers with additional sources of support. Voluntary and community sector organisations have formal

agreements with NICE to support the use of NICE quality standards and we will continue to work with NICE Implementation Programme and Healthwatch England to provide advice to local Healthwatch organisations on supporting the use of NICE guidance and standards

68. **I*nvolving health and social care professionals and organisations***: NICE recognises the important role that professionals play in driving change in health and social care. This is clearly demonstrated in the evidence base for changing in practice, and in numerous successful examples of implementing NICE guidance. The effective engagement of professionals, as members of guidance-producing advisory bodies and as external experts in the development and implementation of NICE guidance and advice is therefore of key importance. Both their professional experience and their ability to interpret evidence is an essential contribution to our work. Given the demands made on their time in their routine work, we will need to make sure that the opportunities we offer to become involved in our work are as attractive as possible. Our Fellows and Scholars programme is another way in which we can draw on the experience of health and social care professionals and managers from all disciplines, in undertaking our role. NICE's Student Champion programme continues to be an important mechanism for educating and informing students about NICE. The programme also helps students to understand the importance of using evidence and to help to embed a culture of evidence based thinking and practice that they can take with them into their future educational and professional lives.

69. Organisations that commission and deliver services are important external partners in our work. We want to ensure that they are encouraged to become involved in the development of our guidance as well as its implementation.

70. **A Digital strategy**: We will continue to implement the digital strategy approved by the Board in January 2013. The strategy provides a frame of reference to guide the continued digital transformation of the organisation.

71. The key objectives of the transformation include the need to widen and improve access and distribution of NICE guidance and evidence-based products and services to NICE core audiences using a range of digital channels including mobile platforms and third party platforms. We also need to make it easier to navigate the complex portfolio of NICE's products and services, and facilitate easy access to relevant and related content for users.

72. A key component of our Digital Strategy is also to improve the efficiency and productivity of NICE guidance development processes. Over the next 3 to 5 years, NICE intends to move away from managing its content in large 'document' format, towards managing smaller pieces of information and the relationships between them. This will allow our recommendations, evidence statements, and the underpinning evidence to be queried, updated, shared and repurposed more effectively, with benefits to internal and external users of NICE's content alike. Achieving this vision will require significant changes in the way content is developed, written and managed in guidance development systems.

73. The Digital Strategy programme has been structured around five key strands of work. The first strand focuses on investment in NICE's core channel, its website, including investment in enabling mobile technologies and personalisation features for users. The second strand supports continued investment in NICE's Pathways which allow users to navigate the breadth and depth of NICE recommendations on any subject. The third strand is about developing a capability to share our content with third party through a syndication application programming interface (API). This will improve the dissemination of NICE guidance to audiences at greater speed and lower cost than through direct communication by NICE. Syndication can also support the use of NICE content in decision support tools. Strand four is about further integrating and embedding the NICE Evidence Services (formerly NHS Evidence) into the information portfolio of NICE. This strand is also about maintaining and improving the quality of these services for NICE's core audience. The fifth and last strand of the strategy focuses on technically enabling the re-engineering of guidance development processes to deliver operational efficiency, to increase output productivity and to standardise NICE guidance product processes where possible.

NICE International

74. NICE International, established in 2008, offers fee for service advice to governments and government agencies outside the UK on building capacity for assessing and interpreting evidence to inform health policy and practice, and on using methods and processes to apply this capacity to their local setting. The primary objective of NICE International is to contribute to better health around the world through the more effective and equitable use of resources. It does this on a full cost recovery basis by providing advice on the use of evidence and social values in making clinical and policy decisions. The service is aligned with both the Department of Health and the Department for International Development's ambitions for improving global health, particularly in low and middle income countries, as well as wider Government policy to engage with emerging economies.

- NICE International applies rigorous analytic methodology to:
- Put patients and the public at the centre of health policy and practice
- Respond to the needs and priorities of decision makers at all levels
- Emphasise an understanding of the social and cultural context
- Encourage transparent and inclusive decision making processes.

75. NICE International also aims to undertake activities that have generic benefits (public goods), beyond the specific needs of individual countries. These include generation of knowledge products (such as case studies), preparation of tools for data collection and analysis, and facilitation of knowledge transfer among decision-makers across countries (such as through international meetings).

Core principles for product development

76. In the development of guidance and other advice, NICE operates a set of core principles. These principles inform the development of any new work programmes as well as the delivery of existing programmes. These principles state that:

    - A comprehensive evidence base**,** subject to rigorous assessment and analysis, will be used to inform the development of evidence summaries and guidance recommendations;
    - Input from the public, patients, people who use social care services and health and social care professionals will form part of all guidance development;
    - Independent advisory bodies will develop recommendations on behalf of the Board;
    - Transparent process and methods will underpin the development of all evidence summaries and guidance recommendations;
    - A consultation or process of contestability will enable external stakeholders to comment on and inform the development of our guidance;
    - A process of regular review and updating will ensure guidance recommendations are of continuing value.

77. These principles are supplemented by advice to NICE's advisory bodies on our approach to the application of social value judgements, and on the requirements to promote, within our guidance, equality of opportunity and to seek to eliminate unlawful discrimination on the grounds of any characteristic protected by equality legislation. It will be important for us to hold onto these principles during the changes facing us.

Resource assumptions

Funding and other income

78. NICE receives most of its funding directly from the Department of Health. This funding is known as grant-in-aid and is split into two key components, Administration and Programme funding. Administration costs are defined as non-frontline activities and support activities such as the provision of policy advice, business support services and technical or scientific advice and support. Programme costs are defined as costs incurred in providing frontline activities such as direct patient care.

79. The majority of NICE's activity (and funding) is classified as Administration – the exceptions are funding for supplying the British National Formulary (BNF) publications to the NHS and some costs associated with the Medical Technologies Evaluation Pathway programme.

80. It has been confirmed that NICE's 2015-16 administration funding will fall by 4% (£2.3m) in cash terms. This is in addition to the 3.5% (£2.0m) reduction delivered in 2014-15, giving a total of 7.5% reduction (at least 10% in real terms) from 2013-14 funding levels.

81. As in previous years, the Programme funding is ring-fenced and will remain the same for 2015-16.

82. Table 1 shows the grant-in-aid funding received in 2013-14 and 2014-15 compared with the indicative funding for 2015-16.

Table 1: NICE funding assumptions

Grant-in-Aid funding assumptions	2013-14 £m	2014-15 £m	2015-16 £m
Administration (Recurrent Baseline)	54.6	55.4	53.1
Administration (Recurrent funding for new activity)	2.8	-	-
Total recurrent administration funding from the DH	**57.4**	**55.4**	**53.1**
Administration (Non recurrent funding)	0.1	0.2	-
Programme (Recurrent Baseline)	8.9	8.9	8.9
Total Grant-in-Aid funding from the DH	**66.4**	**64.5**	**62.0**
Administration funding reduction on 2013-14 allocation		-2.0	-4.3
		3.5%	7.5%

83. In addition to the reduced level of funding, NICE agreed to absorb the cost of several new programmes (safe staffing guidance, highly specialised technologies and public health quality standards). This was a further cost pressure of £1.6m (equivalent to a 2.9% cost pressure in cash terms).

84. To deliver this new activity and achieve the savings target, the Institute has continued its work from previous years to identify strategic savings initiatives without impacting on the quantity and quality of outputs. These initiatives include reviewing current contracts and looking at ways of reducing the volume of contracted out work or bringing some activities in house, reviewing pay budgets and team structures, including removing vacant posts and closing the Liverpool office in 2013.

85. The lease on our Manchester offices in City Tower expires in December 2017. During 2014-15 NICE moved to flexible use of all workstations enabling us to now seek a sub tenant to ensure maximum use of the facilities. The Government Property Unit (GPU) has approved this strategy and has indicated that it will support an application to renew the lease since City Tower is regarded as a strategic hub for public sector office accommodation in the North West. This is not included in the income figures at the moment as negotiations are still ongoing, however it is expected that this will generate a net contribution of approximately £0.3m.

86. Much of these savings initiatives have already been implemented and NICE is able to deliver a balanced budget against its indicative funding for 2015-16.

87. In addition to the grant-in-aid funding that we receive from the Department of Health, we also bid for capital funding on an annual basis. Although subject to confirmation, the assumed capital requirement for NICE in 2015-16 is £0.5m. After work on altering the layout of the Manchester office to accommodate a sub-tenant in 2014-15 was completed, capital requirements are expected to be minimal for the next two years.

88. There is also a small non-cash limit associated with depreciation of assets. This has been £0.7m in previous years but due to the additional capital expenditure for altering the Manchester office, an uplift to £1.0m is required and has been requested for 2015-16 onwards. These resource limits are over and above the grant-in-aid funding set out above.

89. NICE receives income from sources other than the Department of Health. A large proportion of this income requires regular negotiations and agreements with the income providers, for which service level agreements and memorandums of understanding are in place. NICE also receives income in relation to its Scientific Advice and NICE International programmes.

90. NICE receives funding from the devolved administrations (Wales, Scotland and Northern Ireland) to contribute to the cost of selected guidance production, producing the BNF and some supporting services depending on which products and services they make use of locally. Service Level Agreements (Section 83 with Wales) set out the level of funding that will be provided and which outputs can be used by each country or support to be provided. It is anticipated that a total of £2.0m will be received from the devolved administrations in 2015-16.

91. Following the closure of all Special Health Authorities at the start of 2013-14, a memorandum of understanding was agreed between NICE and HEE setting out £2.1m income NICE would receive for the specific purpose of purchasing national journals and database content for use across the NHS via the NICE Evidence website. A memorandum of understanding has been agreed to cover the period up to 31 March 2015 for the extension of current NICE Services and Content provision and it is anticipated that this is likely to continue beyond 2015-16.

92. An MOU with NHS England currently agrees to provide £1.2m to support the Health Technology Assessment Programme, to produce Medical Technology Innovation Briefings and to launch the Commissioning through Evaluation programme by establishing the Observational Data Unit. However, on-going discussions with NHS England has put some of this funding at risk due to planned reductions of £0.2m going forward. This MOU will need to be renewed each financial year.

93. There are small amounts of income from other sources. This includes agreeing a licensing arrangement for clinical guidelines to be adapted in New Zealand and the syndication of NICE content overseas on websites for a fee.

94. The Scientific Advice and NICE International programmes of work are self-funding activities. Scientific Advice provides early advice to the pharmaceutical and medical technology industries and NICE International supports other countries to use evidence-based decision making in healthcare policy. Income from these areas is netted off against expenditure and overheads incurred on a full cost recovery basis.

How we apply our resources

95. Based on current funding assumptions, a balanced budget should be achieved in 2015-16. A summary of all sources and applications of revenue funding is shown below in Table 2.

Table 2: Sources and applications of funds

	2013-14 £m	2014-15 £m	2015-16 £m
Sources of Funding			
Administration (Recurrent Baseline)	54.6	55.4	53.1
Administration (New recurrent funding)	2.8	-	-
Administration (Non-recurrent funding)	0.1	0.2	-
Programme (Recurrent Baseline)	8.9	8.9	8.9
Income from Devolved Admins	2.0	2.0	2.0
Income from Health Education England	1.9	2.1	3.8
Income from NHS England	0.7	1.2	1.2
Other Income	-	-	0.2
Non-Cash Funding - Depreciation (Baseline)	0.7	0.9	1.0
Total Sources of Funding	**71.7**	**70.7**	**70.2**
Application of Funds			
Guidance and Advice	56.8	56.4	56.4
Corporate	12.1	12.4	12.5
Contingency reserve	0.7	0.2	0.3
Depreciation Charges	0.7	0.9	1.0
Revenue to Capital transfer	-	0.8	-
Total Applications of Funding	**70.3**	**70.7**	**70.2**
Net Position (- surplus / + deficit)	-1.4	0.0	0.0

96. The figures for application of funds shown in Table 2 is a summary of the table in Appendix 5.1, which shows in more detail how the budgets have been allocated across centres and directorates. This summary is based on current indicative budgets.

97. NICE continues to review the costs and resources applied to its corporate 'back-office' functions with the aim of remaining below all the mean benchmarks identified in the Benchmarking the back office: Central Government report as well as maintaining the quality of the corporate functions provided. The finance and HR teams are now predominantly located in Manchester where costs are lower. NICE currently outsources a variety of back office functions to NHS Shared Business Services to help achieve these efficiencies.

98. NICE is committed to staff training and development and will allocate £0.4m this year to staff training.

Table 3: Benchmarking the back office

Function	**Indicator (Benchmarking the back office: Central Government)**	**2015-16 plan**
HR	Number of wte staff per member of HR staff. Mean 50, adjusted average 51	Current plan is for 7.8 wte HR staff which equates to a ratio of 80:1 ratio of staff to HR employee. (Based on 622wte – final headcount figure tbc).
Finance	Cost of finance function as a percentage of total cost. Mean 2.2%, adjusted average 1.9%	Cost of finance function is £658,000 which equates to 1.0% of total funding.
Estate	GPU requirement is for 8m2 per desk, with an 8:10 ratio of desks per staff.	London: 7.4m2 per desk, 8:10 ratio. Manchester: TBC. Is currently not achieving GPU benchmark, but part of the space will be sublet to another organisation 2014-15 onwards.
IT	Cost of IT as a percentage of total cost. The mean is 6.1% of the total, adjusted average is 4%	Cost of IT is £1,104,000 which equates to 1.6% of total funding.

Human Resources

99. There are two members of staff expected to earn more than £142,500 during 2015-16. Overall, the ratio of staff on the very senior managers (VSM) pay framework to total staff complement is 1 VSM for 57 staff.

100. NICE will continue to ensure that it recruits and deploys a high quality workforce so that it is able to effectively deliver on the objectives set out in this business plan. Over the past year NICE has been re-organising its back office infrastructure so that it is correctly positioned to enable the development and implementation of a new organisation-wide workforce strategy. This workforce

strategy will consider the design and deployment of the existing workforce and make necessary changes to ensure that it is fit for purpose whilst being affordable within the current budgetary constraints.

101. In order to do this each Centre/Directorate will develop workforce plans that identify where improvement can be achieved through more efficient resourcing, role redesign, change management and the use of low cost, high impact training and development options.

102. We will be taking forward our work on developing talent, engaging in sector wide talent management programmes and introducing graduate training programmes into roles that NICE has found hard to recruit to in the past. We will also be increasing the use of apprenticeship schemes in administrative level roles across the organisation and encouraging the sharing of resources that have a common skills and knowledge base.

103. NICE is committed to staff engagement and will build on the excellent relationship it has with its staff side partners by developing staff partnership strategies, health and well-being at work and improving staff involvement and communication for non-unionised staff. In particular NICE will review how it listens to its staff and responds to concerns and complaints that are raised. We will ensure that we have updated grievance and whistle-blowing policies that are accessible, procedurally clear and in which staff can be confident that matters they raise will be taken seriously, treated confidentially and acted on appropriately.

Procurement

104. We aim to comply with the Government's policy objectives in relation to procurement and efficiency controls. We already comply with the target of 18% of procurement spend to be with small and medium enterprises (SMEs) by 2015, use Government LEAN sourcing principles for all significant procurements and undertake most procurements within 120 days. We are aware of the Greening Government agenda and comply with Government buying standards as well as using central contract solutions where appropriate for procurement of common goods and services. We also conform to the Efficiency Reform Group controls and procedures where applicable. The procurement activities proposed for 2015/16 can be found in Appendix 6.

Sustainable development

105. We are committed to supporting and promoting climate change issues across all our offices. We will continue to focus our efforts on areas where the carbon impact is most significant. These include: electricity use, staff and non-staff business travel, printing of guidance and the British National Formulary (BNF),

office waste and recycling. In addition, we intend to explore ways in which the sustainability of health the interventions we are asked to consider might feature in the guidance we produce. We will do this in conjunction with the Centre for Sustainable Healthcare. Any changes to our methods or for the presentation of guidance would need to be the subject of discussion and consultation.

Equality

106. In April 2013, NICE's Board approved a policy statement for the period 2013 to 2016 setting out NICE's approach to complying with the Public Sector Equality Duty, and agreed two equality objectives. Central to compliance is an equality analysis process for each item of NICE guidance (which includes quality standards and indicators for the Quality and Outcomes Framework and Clinical Commissioning Group Outcomes Indicator Set). The purpose of the process is to try and ensure that, wherever there is sufficient evidence, NICE's recommendations support local and national efforts to advance equality of opportunity and narrow health inequalities.

107. NICE meets the Equality Act's specific duty on publication of information through its annual equality report on the impact of its equality programme. NICE's Board will consider the next annual equality report in September 2015. We expect to continue to implement changes arising from work on NICE's current equality objectives early in 2015-16. These objectives are about achieving more effective participation of disabled people on NICE's advisory bodies, and supporting NICE's policies on diversity by improving the quality of equality monitoring information about NICE's employees and advisory body members.

Risk management

108. We actively consider the risks associated with the achievement of our strategic and business objectives. The senior management team regularly review risks to ensure that appropriate mitigating action is being taken to reduce the risks associated with the achievement of our objectives. The Audit and Risk Committee receives regular assurance on behalf of the Board concerning the identification and management of risks. The main vehicle for this assurance is the risk register but the Audit and Risk Committee also receives reports on significant incidents resulting from unforeseen or unmitigated risks.

109. The principal risks associated with achieving the 2015-16 business objectives and appropriate mitigation actions are set out in Appendix 4.

110. The Board receives assurance on these from a number of sources but primarily through the Chief Executive's regular report. The Department of Health regularly assesses the extent to which NICE has met its statutory obligations at quarterly accountability meetings.

Business Objectives 2015-16

Table 4: Business objectives for 2015/16

Objective	Output
Support the health and care system to make the best use of its resources and to improve outcomes by producing authoritative, evidence-based guidance, quality standards and evidence services	• Deliver guidance, standards and evidence services in accordance with the schedule set out in Appendix 3
Capitalise on NICE's expertise to support the health and care sector in delivering quality outcomes within a constrained envelope. In particular, develop proposals setting out how we can better support de-commissioning from services and healthcare processes that are less effective.	• Review our current approach to identifying and promoting opportunities for disinvestment in interventions with poor or insufficient evidence of effectiveness • Develop and consult on proposals for new or additional outputs
Particpate in the NHS England review of the management of the Cancer Drugs Fund.	• The process for appraising the clinical and cost effectiveness of new cancer drugs is aligned with the arrangements put in place for the Cancer Drugs Fund from 2016
Continue to implement the digital strategy of NICE with emphasis on transforming internal guidance development systems while continuing to maintain and enhance our externally facing digital services.	• Continue investment in the NICE website with a focus on personalisation functionalities benefiting all NICE services. The legacy NICE.org systems will be retired. • Introduce new internal systems to improve the efficiency and productivity of NICE guidance development processes, in line with the development and implementation of a new vision for managing NICE content. • Continued development of the Syndication Service to increase the reach and penetration of our products through third party systems
Redesign and future-proof the clinical guidelines programme.	• Introduce a new surveillance product which replaces the existing programmes for guideline surveillance and Evidence Updates

Objective	Output
	• Expand the Standing Committee Updates programme to meet the needs identified by the surveillance process • Evaluate the new surveillance and Standing Committee Update processes for clinical guidelines • Commission two new Guideline Development Centres to replace existing external providers and implement from 2016.
Ensure that the BNF contract delivers quality and timely products within budget	• Deliver the revised contract for providing the BNF in digital and print formats • Work with the BNF publisher to ensure that its processes are compliant with NICE accreditation requirements • Reduce printing and distribution costs as budgeted • Integrate NICE Guidance with BNF content • Improve prescribing indicator metrics
Consolidate the integration of the methods and processes for the development of guidelines (clinical, public health and social care), and continue to consider improvements	• Support the consistent implementation of the NICE guidelines manual • Consider possible improvements and required revisions and amendments to the NICE guidelines manual • Seek efficiencies in guideline development processes across NICE and its contractors. • Achieve NICE accreditation status for the NICE guidelines manual
Help to ensure that NICE products are of the highest quality, are readily understood and are presented in formats and through channels that meet the needs of our audiences.	• Plan and deliver projects aimed at improving NICE content • Provide editorial quality assurance to guidance, quality standards, and other products to ensure they are readily understood and meet the needs of the audience • Facilitate digital guidance integration by effective presentation and delivery of NICE's outputs in digital formats. • Continue to enhance the NICE website as the key channel for all NICE content including guidance and related products, information for the public and corporate information
System Partnerships	

Objective	Output
Maintain and operate the partnership agreements with the main national agencies in the health, public health and social care system	• Formal agreements are in place and actively managed
Contribute to the delivery of the National Information Board's Framework for Action	• In conjunction with Public Health England, explore options for an endorsement scheme for health apps • Identify opportunities to evaluate eHealth technologies and apps within its guidance programmes, where evidence is available
Engage with NHS England in the implementation of their 5 Year Forward View	• Review the plan and identify opportunities for contributing to its implementation • Support integration across the health, public health and social care sectors through the development of guidance that spans all three sectors wherever relevant, and providing support to put NICE guidance into practice
Continue to develop arrangements with local government and social care organisations to raise their awareness of relevant NICE products and to help them apply guidance, standards and advice in the commissioning and delivery of services.	• A needs assessment is conducted to establish what services and tools local government needs to use NICE outputs successfully • A programme of development for these services and tools is initiated
Develop the offer to the medtech industries to improve the value proposition of their products and to promote the UK as a good place to business, through help in targeting unmet need, advice on developing a value proposition and more product reviews.	• Expand the programme of technical workshops and scientific advice programmes for the pharmaceutical, medical device and diagnostics industries • Consider the development of an Office for Market Access to support engagement with NICE and NHS technology adoption processes
Engage with the Accelerated Access Review announced by the Department of Health of the development, regulation, evaluation and adoption of new health technologies.	• Take advantage of all available opportunities to influence the design and execution of the review • Respond to consultation on its emerging recommendations • Develop an implementation plan for NICE-specific

Objective	Output
	recommendations • Contribute fully to the development of the MHRA Early Access to Medicines Scheme • Consider establishing an Office for Market Access • Relevant NICE methods and processes are reviewed to facilitate a rapid pathway for the introduction of new and innovative, cost-effective technologies • Contribute to the development of methods and processes for Adaptive Licencing pilots
Adoption and Impact	
Actively engage with partner organisations to support the adoption of NICE guidance in key areas.	• Endorsement of implementation support tools produced by external organisations • Continue to ensure that NICE guidance is relevant to the system by developing the economic, quality, and best outcomes case for using our guidance. • Consider what more NICE can do to support excellence in practice in the social care sector through for instance the production of tailored tools to support understanding and implementation of standards and guidelines, and engaging across the sector to agree a library of prioritised topics for NICE's future work programme
Explore with CQC how to ensure that NICE quality standards and guidelines complement and reinforce essential standards, building on existing work to map NICE Quality Standards into the CQC inspection work.	• Complete the work of mapping NICE Quality Standards to CQC's inspection framework and agree a process for assessing the utilisation of the standards in CQC inspections
Improve digital distribution of and access to NICE products and services via syndication to third party organisations	• Promote and further extend the use of the NICE syndication service by approved third parties • Identify further strategic syndication opportunities with third

Objective	Output
	party electronic decision support systems and support the adoption of the service as required
Take into account the views and concerns expressed by key stakeholders in the 2012-2013 reputation research project	• Continue to develop current communication methods and channels to ensure that the reach and impact of our work is in line with NICE's changing remit and new audiences.
Improve the uptake of our guidance in primary care	• Implement a strategy for improving the use of NICE guidance in primary care which will involve determining the areas of concern and potential improvement in NICE resources for GPs, using senior leaders from NICE to engage with GP leaders and their representative bodies, provide targeted and focussed messages to the GP audience and enhance impact at scale through engagements with groups of practices and selectively with individual GPs and practices
Work with NHS England to support uptake of NICE guidance following the Innovation, Health and Wealth 'refresh'	• Provide secretariat support for NICE Implementation Collaborative Board.
Track uptake of NICE guidance using routine data and metrics, including feedback from national audits	• Launch refreshed uptake database demonstrating uptake by recommendation
Communicate a narrative about NICE's unique selling points within the new health and social care system.	• Provide support and advice to our policy related activities, use external speaking arrangements and events to articulate messages about our role and actively engage with the media.
Resource Management	
Operate within resource and cash limits in 2015-16. Actively manage	• Operate within the Institute's resource and cash limits in 2015-

Objective	Output
the appropriate application of any non-recurrent funding as early as practicable in the financial year.	16.
Plan for a balanced budget for 2016-17, taking account of anticipated significant grant in aid reductions.	• Centres and directorates identify efficiency savings in order enable the Institute to deliver year-on-year efficiency gains which allow it to live within a reducing resource envelope.
Enthuse and enable staff to deliver on the Institute's objectives, ensuring that every member of staff has a clear set of personal objectives, a personal development plan and an annual appraisal.	• Ensure that all staff have clear objectives supported by personal development plans • Maintain effective internal communication arrangements both at corporate level and within individual teams • Ensure that staff are fully briefed on the nature and timing of any changes directly affecting NICE and major changes in the NHS and social care. • Maintain or improve the current global job satisfaction index in the annual staff survey
Contribute to and develop an action plan to implement the recommendations of the Triennial Review and the priorities of the new Government	• Actively engage with the review • Implemantation plan developed for recommendations emerging from the review • Communications plan agreed to explain and publicises our response to the recommendations • Assess, and take action on any impact on NICE's programmes of the new Government, in conjunction with the Department of Health.

APPENDICES

1 **Strategic objectives for 2015-18**

2. **Balanced Scorecard for 2015-16**

3. **Activity Analysis for 2015-18**

4. **High Level Risk Register**

5. **Revenue budget allocations for 2015-16**

6. **Board and Senior Management Team**

7. **Organisational Chart**

APPENDIX 1 – STRATEGIC OBJECTIVES 2015-18

Objective	Success criteria
Outputs	
Maintain NICE as the national point of reference for advice on safe, effective and cost effective practice in health and social care, with guidance, advice and evidence aligned to the needs of users and the demands of a resource constrained system.	• Evidence of uptake of main outputs and selected recommendations, using the internally-developed uptake metrics and those developed by the NICE Implementation Collaborative. • NICE, guidance, standards and evidence resources retain the confidence and support of the Department of Health, NHS England and the main representative bodies for local government and social care. • NICE retains the confidence and active engagement of professional, patient and user, and industry groups. • NHS quality accounts, and other reports of the quality of care, use NICE guidance and Quality Standards as a means of measuring and reporting on the services they provide.
System Partnerships	
Create effective partnerships with national and local organisations in the health and social care system, including patients and services organisations and their associated professional bodies, and use them to inform and promote our guidance and advice.	• Partnership agreements are in place with NHS England, Public Health England and our other national partners to secure NICE guidance as the primary reference on good quality, cost effective health and social care and to support the implementation of the recommendations in the Francis report. • Partnerships and partnership agreements are developed with service user and other relevant professional groups in health and social care, including the academic health science networks. • Partnership agreements are in place with Northern Ireland, Wales and Scotland.
Work with the government and companies to help promote innovation and growth in the life science industries, and with the research community to ensure they are aware of the gaps	• NICE technology evaluation, in its current or an adapted form, continues to form the evaluative basis for the adoption of new technologies into the NHS, following the publication of the Department of Health's review of the

Objective	Success criteria
in the evidence base underpinning our recommendations and of our methodological needs.	arrangements for the development and adoption of new technologies. Effective engagement with the Department of Health and the Department for Business, Industry and Skills to help promote Britain as a place for life sciences companies to do business • Effective engagement with the process and the outcome of the review of the development, regulation, evaluation and adoption of life sciences products initiated by the Government in 2015.
Adoption and Impact	
Enable and promote access to NICE guidance, advice and evidence, at the point of need and in formats that users want.	• NICE Evidence Services are used as a primary evidence resource by health and social care staff. • NICE guidance, quality standards and implementation materials are presented through an interactive set of on-line pathways covering health, public health and social care. • NICE quality standards are searchable, enabling the identification and collation of individual statements from topics across the library into bespoke products focussed on users' needs. • All NICE guidance is available for use in approved third party electronic decision support systems, through a syndication service.
Use conventional and innovative ways to support the adoption of our guidance and advice, and assess the impact it has on improving quality of care and outcomes.	• Design and deliver year-on-year improvements in performance against metrics for the use of NICE Evidence Services by health and social care users. • Achieve year-on-year improvements against the metrics used to measure the impact of the education and local implementation engagement programme.
Build awareness and understanding amongst the broader public and relevant bodies of the work of NICE and the role of our guidance and advice in high quality health and social care.	• The level of the public's understanding of our purpose and NHS' and local government's awareness of our products is maintained or increased and measured through a rolling programme of user feedback. • A broad community of advocates, from professional communities in the NHS and local government, is engaged in promoting and explaining our

Objective	Success criteria
	work.
Enable access by countries committed to using evidence to inform policy and practice, to NICE's experience and expertise.	• NICE International remains financially viable and recoups its costs, as it continues to serve a resource for developing capacity in the use of evidence-based policy and practice in selected global settings. • The Institute contributes successfully to the Government's programmes to promote the UK health and social care system •
Resource management	
Secure the effective management of NICE's resources, exploring appropriate income generating opportunities, and delivering the savings required to operate within a reducing available resource envelope.	• Staff continue to feel enabled and supported to deliver on their full potential, as measured through the global job satisfaction measure in the annual staff survey • Centres and directorates actively seek efficiency savings and consider areas where activity might be scaled back without impacting significantly on NICE's overall objectives • Centres and directorates operate within their reducing resource limits • Programmes are delivered in accordance with the commissions and resources received from the Department of Health and NHS England

Appendix 2 - Balanced Scorecard 2015-16

The structure of the balanced scorecard as determined by the Department of Health and is set out into four domains. These are then supported by strategic objectives and specific measures, which will be reported on throughout the year. The four domains are:

- Outcomes: Delivering services and improvements
- Investment: Investing in the organisation
- Reputation: Improving stakeholder satisfaction
- Change and Business Improvement: Improving the way we work

The proposed objectives and measures are set out in the tables below.

Outcomes: Delivering services and improvements

Success Criteria	Key Measures	Target
Development and publication of guidance and evidence outputs		
Publish 55 guidelines • Clinical areas, including updates (38) • Public health (7) • Medicines practice guidelines(2) • Safe staffing (4) • Social care (4)	Publication within stated quarter	75%
Publish 8 local government briefings	Publication within stated quarter	75%
Publish 45 technology appraisals guidance	Publication within stated quarter	75%
Publish 34 interventional procedures guidance	Publication within stated quarter	75%
Publish 7 diagnostics guidance	Publication within stated quarter	75%
Publish 3 highly specialised technologies guidance	Publication within stated quarter	100%

Success Criteria	Key Measures	Target
Publish 8 medical technologies guidance	Publication within stated quarter	75%
Publish 40 medtech innovation briefings (MIBs)	Publication within stated quarter	75%
Submit advice to Ministers on 12 Patient Access Schemes	Publication within stated quarter	75%
Publish 45 evidence surveillance reviews	Publication within stated quarter	75%
Publish 30 evidence summaries – new medicines, unlicensed and off-label medicines	Publication within year	80%
Publish 36 quality standards	Publication within stated quarter	75%
Publish 1 NICE menu for QOF	Publication within year	100%
Publish 1 NICE menu for CCGOIS	Publication within year	100%
Publish 12 accreditation reports	Publication within stated quarter	75%
Publish 10 new and updated quality and productivity case studies	Publication within stated quarter	80%
Publish at least 6 Cochrane quality and productivity commentaries	Publication within stated quarter	80%
Publish 50 shared learning examples	Publication within stated quarter	80%
Published guidance is accessible via NICE Pathways	Publication within stated quarter	95%
Publish 16 endorsement statements	Publication within stated quarter	80%
Provision of support products for the effective implementation of guidance		
Provide 12 adoption scoping reports to NICE scoping meetings	Publication within year	100%
Conduct a minimum of 30 first adoption engagements	Publication within year	100%
Complete a minimum of 6 adoption support products	Publication within year	75%
Deliver 15 Student Champion training events	Publication within year	80%
Development and publication of evidence awareness services		
Publish 12 monthly evidence alerts via Eyes on Evidence	Publishing within stated quarter	100%
Publish 5 new Clinical Knowledge Summaries topics	Publishing within stated quarter	80%
Publish 12 monthly updates of the BNF and BNF C content	Publishing within stated quarter	80%
Publish a regular medicine awareness service	Publishing to regular weekly and daily (working day) schedule	90%

Success Criteria	Key Measures	Target
Publish 16 Medicines optimisation key therapeutic topics	Publishing within stated quarter	80%
40 medicines evidence commentaries	Publishing within stated quarter	80%
5 education and dissemination events for NICE medicines and prescribing associates	Publishing within stated quarter	80%

Investment: Investing in the organisation

Critical Success Factors	Key Measures	Target
Delivering programmes and activities on budget		
Effective management of financial resources	Revenue spend	To operate within budget
Effective management of Scientific Advice income generated activity	Net income and expenditure total	To recover all direct costs and overheads
Effective management of other non-exchequer income sources such as NICE International	Expenditure within anticipated income from grants and other sources	To operate within allocated resource
Produce the annual report and accounts within the statutory timeframe	Publications	100%
Maintaining and developing a skilled and motivated workforce		
Management of recruitment	Proportion of posts appointed to within 4 months of first advertisement	80%
Management of sickness absence	Quarterly sickness absence rate is lower than NHS average rate (3.7% Apr-Jun 2011) or general rate for all sectors (2.8%)	90%
Management of training	% of allocated funds for training spent within the year on identified personal development needs	90%
Staff satisfaction	Proportion of staff reporting in staff survey that the Institute is a good, very good or excellent place to work (global job satisfaction index)	75%
Staff involvement	Hold monthly staff meetings	80%

Critical Success Factors	Key Measures	Target
Sustainable Development		
Recycled waste	% of total waste recycled	50%

Reputation: Improving stakeholder satisfaction

Critical Success Factors	Key Measures	Target
Improving stakeholder satisfaction		
Improved satisfaction	Complaints fully responded to in 20 working days	80%
	Enquiries fully responded to in 18 working days	90%
	Number of Freedom of Information requests responded to within 20 working days	100%
	PQs contribution provided within requested time frame	90%
	DPA requests responded to within 40 calendar days	100%
Ensuring stakeholders have access to our websites as the main communication channel	Percentage of planned availability, not including scheduled out of hours maintenance	98%
Interest in opportunities for lay people (patients, carers, service users, community members) to sit on our advisory reflected by ratio of applications to positions.	2 to 1 (or greater) each quarter	100%
Maintaining and developing recognition of the role of NICE		
Examples of CCGs working with NICE quality standards identified	50% of CCGs inform quality improvement in primary care providers based on at least 1 piece of NICE guidance or use of a quality standard	100%

Critical Success Factors	Key Measures	Target
Examples of Trusts working with NICE quality standards identified	80% of trusts are using quality standards to improve clinical services	100%
Understanding user requirements	Web analytics performance monitoring report delivered monthly to each digital Service Group	80%
	Evidence of adherence to the Government Digital Services development standards of engaging in user needs analysis: • Numbers of users tested per month on average:10 • Number of focus groups or lab testing sessions per year:10	50%
Ensure ongoing awareness of NICE equality strategy and implementation across all programmes	Produce an annual Equality Report	100%
Coverage of NICE in the media	% of positive coverage of NICE in the media resulting from active programme of media relations	80%

Change and Business Improvement: Improving the way we work

Critical Success Factors	Key Measures	Target
Improving efficiency and speed of outputs		
Speed of production	% STAs for all new drugs issuing an ACD or FAD within 6 months of the product being first licensed in the UK	90%

Critical Success Factors	Key Measures	Target
	‘‘% of multiple technology appraisals from invitation to participate to ACD in 41 weeks, or where no ACD produced to FAD in 44 weeks’	85%
	% of Appeal Panel decisions received within 3 weeks of the hearing	80%

Appendix 3 - Activity Analysis 2015-18

(These figures only show the publication outputs from each programme and are therefore not the full measure of the activity in each programme)

Output analysis	2015-16	2016-17
	Published	Published
Social Care Guidance	4	1
Clinical guidelines, including rapid updates	38	34
Public health guidance	7	7
Medicine practice guideline	2	2
Staffing guidance	4	3
Quality standards (including Social Care and Public Health)	36	36
Public Health Local Government Briefings	8	8
Technology appraisals	45	45
Highly specialised technologies guidance	3	3
Medical technologies guidance	8	12
Medtech Innovation Briefings	40	40
Diagnostics guidance	7	9
Interventional procedures guidance	34	42
Evidence Summaries - New Medicines, Unlicensed / Off label Medicines	30	30
QOF menu	1	1
CCGOIS menu	1	1

Publish new quality and productivity case studies	10	10
Publish new shared learning examples	50	50
Publish endorsement statements for guidance support tools/ resources	16	16
Guidance accreditations	12	12
Guidance surveillance reviews	45	75
New Cochrane topics	6	6

Appendix 4: Strategic risks

NICE actively considers the risks associated with the achievement of strategic and business objectives. The SMT regularly reviews risk to ensure that appropriate mitigating action is being taken to reduce the risks associated with the achievement of our objectives. The Audit and Risk Committee receives regular assurance on behalf of the Board concerning the identification and management of risks. The main vehicle for this assurance is the risk register but the Audit and Risk Committee also receives reports on significant incidents resulting from unforeseen or unmitigated risks.

The Board receives assurance on these from a number of sources but primarily through the Chief Executive's regular report.

High level risks associated with achieving the 2015-16 business objectives are set out in the Institute's risk register. These specific operational risks are considered by the Board in the context of the following strategic risks:

Strategic risk	Mitigation
1. Changes taking place in the new health and social care system cause the Institute to lose visibility and impact.	As new structures and relationships, at national and local level in the new health and social care architecture, begin to settle, there is a continuing risk that the corporate memory of the detail of what NICE offers might degrade. And as people move jobs, the personal relationships which are so important in maintaining effective business relationships may be lost. In order to mitigate these risks, we are actively engaging with NHS England and Public Health England, at a national and a local level, together with other NHS, local government and social care organisations using partnership agreements, which are now in place with most of the national agencies with which we work. In particular, the agreements we have with NHS England and Public Health England set out our respective roles and responsibilities and make clear the commitment of both organisations to use NICE guidance to inform their policy and commissioning functions. NICE executive directors and senior managers meet regularly with their counterparts in both these and the other national organisations with which we work, to actively manage our relationships with them. In addition, our Field Team is working directly with their local structures. And we have worked with the Care Quality Commission to respond to the standard-setting recommendations in the Francis report.

	Local government is now the primary audience for our public health guidance. We are working to better understand the services and tools it needs to take advantage of public health guidance and the other work from NICE which local authorities can use to discharge their service delivery and oversight responsibilities. All this work is led by the Chief Executive and the Deputy Chief Executive and tracked by the Senior Management Team (SMT) and the Board. In addition, the Chair and Chief Executive will continue to connect with their counterparts in other Arms' Length bodies, to maintain a strategic dialogue with them.
2. New programmes added to the Institute's portfolio strain the available corporate management capacity.	The Institute has grown each year as new programmes have been commissioned from us. We have considerable experience of assessing the resource consequences of additional activity and we do not accept new commissions without being clear about where the funding will come from (even if it is to be funded from our own savings programme) and that we will be able to deliver the work involved. The concern associated with this risk is that although we are always clear about the direct consequences of new activity, the operational corporate support functions (finance, human resources, IT, facilities, communications) and our governance capacity in the form of the director team may be taken for granted. To mitigate against this, we have a process in place which engages the leaders of the functions involved who are asked to assess the impact on their teams. This is monitored by the SMT. The Board is responsible for assessing the impact of programme growth on the director community. It was last reviewed in detail in October 2011 and considered again in March 2013, in advance of the Institute's transition to becoming a non-departmental public body and it continues to monitor the impact of a broadening range of commissioned work.
3. We fail to engage sufficiently with social care audiences, including local government compromising the impact of our new social care guidance	To deal with this, we are engaging actively with the social care leadership, involving them in our corporate advisory structures, and on the Board, and in the development of individual guidance and standards. We are using the combined resources of our Field Team, Communications Team and the social care team to promote the value of advice at a local level, with local government and care providers. They are supported by the new social care collaborating centre, a partnership of organisations with extensive knowledge of local government and its social care partners. We have also established a Social Care External Network, a partnership of over thirty social care organisations, to help shape our engagement with the sector.

and standards.	We have been working with local government since 2005 when we launched our public health programmes. Awareness of what NICE can offer local government has been gradually increasing since then. With the publication of our first social care guidance and standards, we need to accelerate the process. Evidence, from our Field Team and elsewhere indicates that this is now happening. Engagement with local government and social care and the support that NICE can give to better integrate health and social care services will be a continuing feature in the work of the Board.
4. Our guidance, standards and evidence services and the way they are made available are not sensitive enough to changes in the needs of users and so their utility and value for money reduces.	Each of our existing programmes has been carefully developed in conjunction with the people they are designed to support (professionals and patients and service users), and are based on the commission we have received from the Department of Health or NHS England. We are confident at the point of launch that they are fit for purpose. The fact that our guidance and other advice is developed by the people who use it, gives us added confidence that it is meeting the needs of the communities from which they come. Nevertheless, we need to ensure that the outputs themselves, the way we present them and the way they are used by our partner organisations remain aligned to the needs of users. Our partnerships with NHS England and Public Health England and with the social care communities will ensure that we are engaged with both the NHS and local government commissioning systems and the work of the public health communities. The Field Team provide intelligence on local reaction to our guidance. In addition, in October 2014, the Board devoted its annual strategic retreat to exploring whether the principles and methods of evidence based practice and by extension, the guidance we produce, has kept pace with and continues to best serve the needs of people using our health and care services. The question arises periodically, as we update our methods and processes and also as our advisory groups meet the challenge of formulating guidance on contentious or difficult topics, which can polarise views and create significant implementation challenges particularly for the NHS.
5. Our position as the preferred provider of guidance and standards is compromised by the development of new	The extent of this risk will only become apparent once the structures and processes in then other main national agencies in health and social care are fully in place. The risk exists because the functions of some of these organisations require access to an interpreted evidence base for a substantial part of their roles and although we can supply much of that, they will inevitably have to create what we can't, or can't immediately offer. Once that capacity for developing evidence-based guidance is in place, setting boundaries around what it does becomes more challenging.

analytic capacity in other national agencies in health and social care.	Our partnership agreements with the national agencies go a considerable way towards mitigating this risk. They set out respective roles and responsibilities and identify the work we do which they will take into account. In addition, the agreements provide the means for uncertainty and disputes to be discussed and resolved. The early experience of this facility is encouraging. The Five Year Forward View, published by NHS England in the autumn of 2014 provides NICE with the opportunity to further clarify the extent and nature of its analytical support to national and local commissioning decisions
6. That reduction in the Institute's funding from the DH result in failure to achieve financial targets or that actions needed to maintain financial balance seriously compromise the quality and volume of planned outputs.	The Institute operates effective financial planning, monitoring and reporting systems. A close dialogue is maintained with DH about the likely financial settlement over the next 2 years and the implications of this are regularly reviewed by the SMT. This has resulted in an organisation-wide programme of budget scrutiny to identify areas where reductions in budgets can be achieved without significant effect on outputs. It is likely that anticipated further reductions in funding will result in the necessity to reduce outputs. However we expect to be in a position to anticipate this and ensure that any activity reductions are consistent with the priorities of the DH and our other commissioners in the health and social care system.
7. The Triennial Review challenges the existence of the organisation, or proposes major changes in its functions or their management.	Senior staff have engaged closely with the Review Team in the design of the review. Board members will have the opportunity to contribute to the evidence gathering stage and the Board will receive details of the emerging findings at its Board meeting in January 2015. An implementation plan, for any changes recommended, will need to be agreed with the Department of Health and will need to be aligned with the other priorities we have agreed with ministers and NHS England.

Appendix 5.1 - Centre and directorate budget allocations 2015-16

2015-16 Budgets	*wte*	Pay £'000	Non-pay £'000	Total £'000
Guidance and advice				
Centre for Clinical Practice	*112.00*	6,305	13,005	19,310
Centre for Health Technology Evaluation	*121.50*	7,018	4,009	11,027
Health and Social Care Directorate	*164.00*	9,247	3,868	13,115
Evidence Resources Directorate	*112.65*	6,834	6,136	12,970
Corporate				
Communications Directorate	*79.40*	3,838	428	4,266
Business Planning and Resources Directorate	*48.15*	2,450	5,704	8,154
NICE International	*11.33*	643	-593	50
Reserves			284	284
Depreciation			1,000	1,000
Total Budget	***649.03***	**36,335**	**33,841**	**70,176**

Appendix 5.2 - Revenue projections in financial statements format

Statement of comprehensive net expenditure	
	2015-16 £'000
Expenditure	
Staff costs	36,335
Depreciation & Amortisation	1,000
Other expenditure	32,841
	70,176
Income	
Income from activities	-7,171
Other income	
Net Expenditure	**-63,005**

Note 3 - Staff numbers and related costs	2015-16 Total £'000	Permanently Employed Staff £'000	Other £'000
Salaries and wages	30,150	28,750	1,400
Social security costs	2,430	2,430	
Employer contributions to NHSPA	3,855	3,855	
Other pension costs			
	36,435	**35,035**	**1,400**
Less recoveries in respect to outward secondments	-100	-100	
Total net costs	**36,335**	**34,935**	**1,400**

Appendix 5.3 - Balance sheet projection 31 March 2016

Statement of Financial Position to 31 March 2016	
	Total 31 March 2016 £000
Non-current assets	
Property, plant and equipment	3,000
Intangible assets	200
Non Current Receivables	0
Total non-current assets	**3,200**
Current assets	
Trade and other receivables	1,800
Other current assets	1,500
Financial Assets	0
Cash and cash equivalents	2,000
Total current assets	**5,300**
Total assets	**8,500**
Current liabilities	
Trade and other payables	-2,500
Other liabilities	0
Provisions for liabilities and charges	0
Total current liabilites	**-2,500**
Non-current assets less net current liabilities	**6,000**
Non-current liabilities	
Provisions for liabilities and charges	-1,000
Other payables	0
Financial Liabilities	0
Total non-current liabilities	**-1,000**
Assets less liabilitites	**5,000**
Taxpayers' equity	
General fund	4,400
Non-exchequer trading reserves	600
	5,000

Appendix 5.4 - Cash flow projection

Projected cash flow statement for year ending 31 March 2016	
	£'000
Cash flows from operating activities	
Net surplus after cost of capital and interest	-63,005
Adjustments for non-cash transactions	1,000
(Increase)/Decrease in trade and other receivables	0
Increase/(Decrease) in trade and other payables	0
Use of provisions	-1,800
	-63,805
Cash flows from investing activities	
Purchase of property, plant and equipment	-400
Purchase intangible assets	-100
Proceeds of disposal of property,plant and equipment	0
Proceeds of disposal of intagibles	0
	-500
Cash flows from Financing Activities	
Payments in respect of finance leases and PFI contracts	0
Net Cash inflow/(outlow) before financing	-64,305
Net Parliamentary Funding	64,305
Net increase/(decrease) in cash equivalents	0
Cash and cash equivalents at the beginning of the period	3,000
Cash and cash equivalents at the end of the period	3,000

Appendix 6 – Procurement pipeline for 2015/16

Team title for project/work	Brief description of work	Procurement classification
Technical Support Unit Tender	To re-tender the contract currently held by Bristol University to deliver expert technical support to our guideline development teams	R&D
Research Support Unit (RSU) contract	Undertake commissioned projects to support NICE's identified research priorities	R&D
Citizen Council membership recruitment	Recruit 30 members of the public to sit on NICE's Citizens Council	Events
Board management contract	Management of 12 board meetings over a 2 year period	Events
Evidence search and tag service	Evidence Hubs 1&2	R&D
Medical Journal Supply (Lancet)	The Lancet Elsevier	Publication
Evidence library link resolver	Link Resolver and Knowledge base supplied by OCLC	IT service
Athens authentication system	OpenAthens by Eduserv for authenticating NHS user and so access to electronic journals and databases	IT service
NICE Framework Agreement for National Core Content Procurement	The NICE Electronic and Print Content Framework Agreement r – re-procurement of the current national core content resources	Publication for the NHS
Clinical Knowledge Summaries	Clinical Knowledge Summaries from Clarity	Publication
Access to and use of the Cochrane Library	Cochrane library through the Wiley agreement	Publication
Document Supply	Demand for full-text articles is anticipated to increase alongside demand for copyright cleared articles to permit the sharing, copying and electronic storage of articles.	Publication
Disinvestment for the NHS	Cochrane disinvestments from Belfast Univresity	R&D
Evidence Management	Procurement(s) resulting from the Evidence Management Project	IT licences
Project management	Mingle Licences	Licences

software for IM&T Licences		
Evidence Search	A replacement for FAST search for the evidence service content on the website	Licences
Metadata and tagging software Licences	Extension to current Semaphore licences	IT licences and support
User Research/ Monitoring Facilities	Time in Ux research labs	Market testing
Variance testing services	User research design tools	Market testing
CLAS Consultancy and Penetration Testing	Website and IM&T system security services	IT security
Website Hosting	Hosting of website and IM&T services	IT hosting
Raven Database Licences	Renwal of 20 x RavenDB support licenses	IT licences
Server Maintenance	Hardware maintenance and support	IT maintenance
Microsoft OS and Office Licencing	Licences for software (OS & Office & Server)	IT licence
BNF Mailing Database and Enquiry Handling	Management of BNF mailing lists and enquiry handling	Postal services/distribution
Economic analysis for Management and organisational approaches to safe staffing	Economic analysis procurement for organisational factor	R&D
Economic analysis for Safe staffing in community nursing care settings	Economic analysis for community nurses	R&D
The NICE – Decision Support Unit contract	Decision Support to the appraisals team and other centres within CHTE on technical aspects	R&D

Estimated value of all procurements is £9.2M

Appendix 7: Board and Senior Management Team

The members of the Board and the Senior Management Team are listed below.

Professor David Haslam CBE	Chair
Dr Maggie Helliwell	Non-Executive Director
Professor David Hunter	Non-Executive Director
Professor Finbarr Martin	Non-Executive Director
Professor Rona McCandlish	Non-Executive Director
Mr Bill Mumford	Non-executive Director
Mr Andy McKeon	Non-Executive Director
Ms Linda Seymour	Non-Executive Director
Mr Jonathan Tross CB	Non-Executive Director
Sir Andrew Dillon CBE*	Chief Executive
Professor Mark Baker	Director: Centre for Clinical Practice
Mr Ben Bennett*	Director: Business Planning and Resources
Ms Jane Gizbert	Director: Communications
Professor Gillian Leng CBE*	Director: Health and Social Care
Professor Carole Longson*	Director: Centre for Health Technology Evaluation
Ms Alexia Tonnel	Director: Evidence Resources

Note: * Executive Directors

Appendix 8 – Organisational Chart