

NATIONAL INSTITUTE FOR HEALTH AND CARE EXCELLENCE

Business Plan: objectives and performance measures 2017 - 2018

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Introduction

1. This plan sets out our business objectives and performance measures for 2017-18.
2. Our purpose is to help improve the quality, sustainability and productivity of health and social care. We do this by producing guidance and information on effective practice and public health interventions, which enable 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 interventions. Our objectives also support the delivery of NHS England's Five Year Forward View and the Department of Health's priorities.
3. We promote our guidance and information using our own as well as a range of third party channels, including digital media and we help people to use it by providing practical support tools. NICE has a unique role in the health and care system transformation given its remit across health care, public health and social care and is therefore well placed to adopt this system-wide perspective.
4. 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 developing and maintaining clinical and public health indicators in the Quality and Outcomes Framework (QOF). At the same time, our technology evaluation programme was extended and we added more capacity to evaluate medical devices and diagnostics. Since 2013, our remit has included guidance and quality standards for adults' and children's social care, and highly specialised technologies for very rare conditions.
5. Our objectives are framed around our three strategic objectives which bring together our priorities:
 - Delivering guidance, standards, indicators and evidence, helping to achieve high quality, sustainable services, supporting the health and care system to use its resources efficiently, and contributing to a thriving life sciences industry;
 - Supporting adoption and impact by working with others to provide practical tools and support to help people make the most of our work and to measure its use;
 - Operating efficiently, by using our resources productively and sustainably, and by supporting our staff to deliver on their full potential.

The context in which we work

The health and care system

6. Demographics, constrained resources, public expectation and a wave of new technologies are combining to present the health and care system with both challenges and opportunities. Much of what is needed can be done by the NHS, but much too will require collaboration with local government, voluntary organisations and employers. This argues for a renewed effort to do what we know will help to promote good health and prevent ill-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 2015-20 Spending Review

7. The Government Spending Review, published in November 2015, sets a challenging agenda for the public sector. Although the NHS settlement provides for small real terms growth and some front loaded investment in service transformation, the outlook is still difficult and the position for local government is even more so, with funding constraints likely to impact significantly on those aspects of social care for which we are producing guidance. NICE, too, is affected by the Review. The Department of Health has confirmed that our strategic savings challenge will be a real terms reduction of 30% in our Grant-in-Aid administration funding and a 10% reduction in our programme funding, from our 2015-16 baseline to be achieved by 1 April 2019. This amounts to a reduction of around £14m off our projected 2016-17 baseline. Although achieving savings of this magnitude will require significant changes to the nature and extent of what we can offer, we believe that we can nevertheless keep the essential shape of our offer, combining a range of guidance, standards and indicators, with an array of evidence services, adoption support and added value, fee for service programmes. We have developed a strategic savings programme which is currently underway.

Working with our system partners

8. 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 and professional bodies, 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 and supports a sustainable future.

9. 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 for 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 in the sustainability and transformation plan (STP) footprints, and sharing of services and resources at local level;
 - Designs and delivers services in conjunction with patients and users, and external partners;
 - Is devolving resources and decision-making to local communities;
 - 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;
 - Is experimenting with a range of service delivery models;
 - Offers choice to those using it, with that choice being defined in different ways in different settings.

Supporting decommissioning

10. In the next 5 years, as the health and care system faces significant financial challenges, NICE will continue to help drive the optimal use of resources. To do this, we will build on the existing portfolio of disinvestment work, including developing our offer to support appropriate care. We will continue to support the optimal use of medicines and 'deprescribing' through the work of the Medicines and Technologies Programme, including focussed work on specific medicines. We also provide a 'forward view' that will show anticipated costs, by quarter, for future technology appraisal guidance. This will support the commissioning process, particularly for specialised products.
11. We will continue to actively engage with partner organisations to identify and improve uptake of disinvestment opportunities. In particular, we are working with NHS England's RightCare, NHS Improvement and the CQC to coordinate and align medicines optimisation activities. Mapping our medicines optimisation work and other disinvestment opportunities into the RightCare approach of maximising value by reducing variation will help provide greater traction across the system. NICE is also supported by the Healthcare Financial Management Association (HFMA) policy and research committee, which has a reputation for demonstrating how disinvestment in services can result in better clinical outcomes and patient experiences.
12. Another strand of NICE work to optimise NHS expenditure relates to 'Shared Decision Making', in which patients and clinicians work together to determine a test or treatment package that reflects patients' preferences. This approach has the benefit of improving patient satisfaction and, in many cases, of also

reducing the use of more expensive, invasive technologies. NICE is working with NHS England to support this agenda, through a number of strands of work. This includes making the evidence base for NICE guidance more accessible, considering a guideline on shared decision making, and providing a repository for a range of online tools.

Digital health and care services

13. Expectations regarding the potential of digital interventions and services to transform the delivery of care, improve access and save costs remain high across the health and social care system. In practice however, whilst the evidence base for digital technologies is improving, it remains limited and the confidence of decision makers to recommend or fund these technologies continues to be low. NICE is committed to supporting the evaluation of digital technologies going forward with a number of initiatives. In early 2017, NICE piloted the development of Health App Briefings (unfunded) to provide a summary of the evidence available on apps with a relatively mature evidence base. These briefings would be available to health professionals, commissioners and the public to help understand the strengths and weaknesses of the digital product they cover. In a separate initiative, NICE is preparing to support NHS England deliver the digital IAPT pilot programme. NICE will continue to engage with NHS England to identify and support other high priority digital programmes.

Public expectations of NICE

14. 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 arrangements for public health in England to promote that message.
15. 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. In 2017 we will work closely with NHS England to improve support for shared decision making between patients and professionals. 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. In 2016, we reviewed our arrangements for engaging patients, service users and the public. The actions arising from this review will be implemented during 2017-18, following a public consultation on our proposals.
16. What we offer is enhanced by 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. This includes an on-line portal for easy access to evidence, accredited guidance and other products, an evidence service targeted at primary care and specialist information services for accessing bibliographic content purchased by the NHS.

17. Work to develop the digital presentation of all NICE products, including standards, will continue to improve and widen access to our content. This includes a pathway presentation on the NICE website and the ability to personalise access to our advice.

Public health

18. Since the transfer of most of the local responsibility 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, which continues to deliver many public health interventions and programmes.
19. Working through the STP footprints, we will support local authorities to 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. Health and Wellbeing Boards also have responsibility for producing Health and Wellbeing Strategies which are informed by joint strategic needs assessments (JSNAs) but which should be evidence-based in terms of setting out priorities. NICE guidance, advice and standards, on clinical practice, public health and social care, provide an important resource for the local government and NHS leaders responsible for these arrangements. NICE Evidence Services, with its remit to support health, public health and social care, will provide rapid access to evidence and best practice advice.
20. The partnership agreement between NICE and Public Health England (PHE), refreshed and updated in early 2016, sets out 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 working with PHE to jointly badge guidelines, and to actively support implementation of recommendations for public health at a local level. We will continue to work with PHE to ensure that there is no duplication in our roles in compiling evidence on effective public health interventions.
21. NICE is leading and contributing to a number of work areas to support the fight against antimicrobial resistance. These include the development of a series of short clinical guidelines on the management of common infections and a new product, Antimicrobial Prescribing Advice, to support the stewardship of new antimicrobials coming to market. Work areas also include considering the potential role for Technology Appraisal guidance for some antimicrobials and exploring how links to up-to-date information on resistance rates can be included in the BNF.

Social care

22. NICE guidance and quality standards for social care are commissioned by the Secretary of State for Health and, in the case of children's social care, the Secretary of State for Education. The first of these quality standards for social care was published in 2013. 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 also support the work of local Health and Wellbeing Boards and help local people hold commissioners and providers to account.
23. We recognise that resource allocation decisions are a matter for local councils and believe 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.
24. Ministers want the standards to be flexible enough to support the 'social care context'. Our social care quality standards therefore 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. To ensure they are designed and presented in a way that meets the needs of the individuals who deliver social care and the organisations they work for, we produced two 'short guides' in 2016. These were well received by the social care sector, and we will roll these out further during 2017.
25. 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. NICE has experience in developing guidance across the health and social care interface in areas such as dementia. As arrangements for integration continue to develop within STP footprints, and within the devolution arrangements in Manchester, we will support this important emphasis on integration with our guidance and standards.

Life sciences industry

26. NICE has an important relationship with the life sciences industry. Much of our guidance is based on data generated by the pharmaceutical, biotechnology, medical devices and diagnostics companies, as they develop and prepare their products for market. Most of our programmes make recommendations about or provide information on new and existing health technologies. Our guidance has an impact on the commercial prospects of companies in the life sciences sector, in this country and internationally.
27. Our relationship with the industry is complicated. Our primary responsibility is to help those who use the health and care services and those who care for them get the best outcomes and to use the resources available effectively. However, because of the impact we have on the companies whose products we review, we also have a responsibility to consider the impact of our work on them. This requires a delicate balance but we can help the industry make it more likely that

the products they bring to the NHS will address the needs of patients in an affordable way and, as a result, enhance their prospects in the market.

28. 2017 will be a challenging year for the NHS, as it enters one of the most difficult periods in its history. With marginal real terms funding increases, resources will need to go further and every opportunity for more efficient ways of working will need to be deployed. Spending on drugs, devices and diagnostics will inevitably come under ever greater scrutiny. At the same time, the Government is developing a life sciences industrial strategy, in recognition of the importance of the sector to the UK economy, as the country prepares to leave the European Union. And Government and industry will discuss future medicines price regulation arrangements after the 2014 Pharmaceutical Price Regulation Scheme comes to an end in December 2018.
29. We want to reduce the risk for companies introducing products to the UK market by helping them focus their value proposition on the most compelling data. We want to work with companies and the NHS to design and manage novel evidence generation processes and new data-driven funding models for fast-track approval and reimbursement which provide benefits to patients and make the best use of NHS resources. Building on the international value of a positive NICE appraisal, we want to extend our support for companies by increasing the visibility and accessibility of the Office for Market Access and Scientific Advice Programme outside the UK. And we want to support the UK in developing a world-leading approach to using data to track outcomes and manage early access to worthwhile new technologies.
30. Our vision for a thriving relationship between the industry regulators and the NHS is an environment which enables and promotes adaptive, integrated regulatory approval, followed by the fast, data-driven evaluation, reimbursement and adoption of compelling, affordable value propositions. In 2017, subject to the outcome of consultation, we will be implementing changes to better manage access to new drugs and medical technologies (devices and diagnostics) by simplifying and speeding up the appraisal process. These changes will benefit patients by providing access to the most effective and cost effective new treatments more quickly and will help the life sciences industry by increasing the opportunities for companies to help manage the introduction of their new technologies into the NHS.

NICE's unique offer

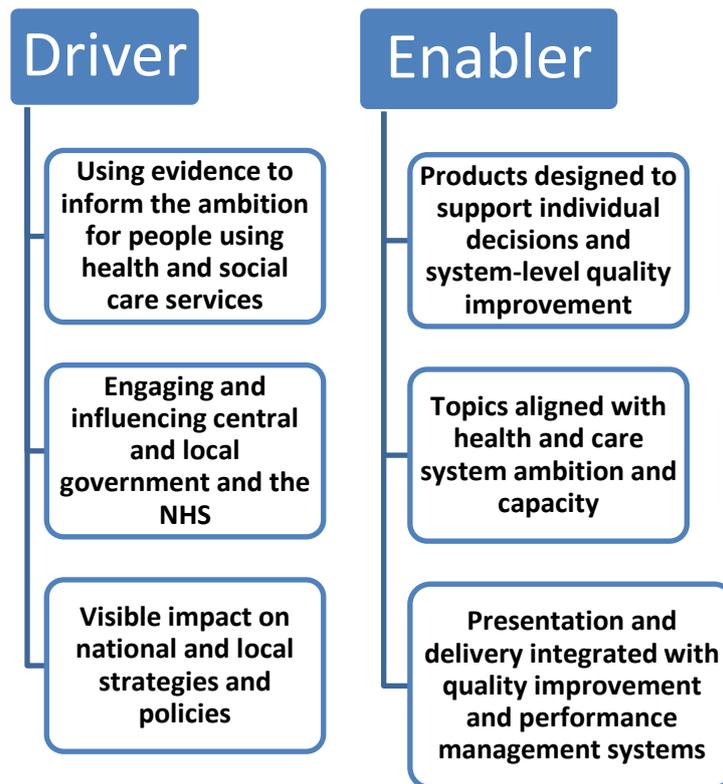
31. In a changing environment, it will be important for NICE to display some important characteristics, which will remain relevant regardless of the nature of the changes taking place. This allows us to produce guidance and standards that promote better integration between health, public health and social care services. Our work will therefore be:
 - *Distinct*: delivering 'only from NICE' recommendations and services;
 - *Aligned*: informing and enabling the ambitions and capacities of the health and care system;

- *Robust*: working with transparency, rigour, inclusiveness and contestability;
 - *Efficient*: using our resources carefully, delivering our work when it is needed and responding to changes in the needs of the people and organisations we serve.
32. Wales, Scotland and Northern Ireland have each developed their own approach to the organisation and management of their health and care 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.

Programmes and objectives

Strategic Objectives

33. Our strategic objectives for 2017-20 are to:
- Deliver guidance, standards, indicators and evidence, helping to achieve high quality, sustainable services, supporting the health and care system to use its resources efficiently, and contributing to a thriving life sciences industry;
 - Support its adoption and impact by working with others to provide practical tools and support to help people make the most of our work and to measure its use;
 - Operate efficiently, by using our resources productively and sustainably, and by supporting our staff to deliver on their full potential.
34. NICE has the potential to both drive and enable the design and the effective delivery of services provided by the health and care system. Our knowledge of the evidence for good quality care and outcomes and our ability to convert it into guidance and other forms of information which those working in both systems can use to improve their decisions, puts us in a unique position to influence the nature and shape of services into the future.
35. The graphic below summarises our ambition for NICE.



36. The business objectives together with the accompanying actions for 2017-18 are on page 29. The ‘balanced scorecard’, which sets specific targets based on these objectives, is presented in Appendix 1. Details of the publication outputs for each programme are provided in Appendix 2.

Programmes, products and services

Content

37. **Quality standards:** NICE quality standards provide clear, concise statements of high-priority areas for quality improvement. In 2013, following publication of the Health and Social Care Act, the scope of our quality standards grew to encompass public health and social care. They help organisations improve quality by providing measures of best practice to support ongoing performance improvement, and can provide information both for commissioners and providers. The programme supports the integration of services by covering topics in health, public health and social care. Over 30 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 – and take into account overall cost impact.
38. 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. Quality standards are also identified as

a key tool for bringing clarity to and measuring quality, as part of the National Quality Board's Shared commitment to quality. 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.

39. 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 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. The presentation of quality statements allows users to define and select the statements relevant to their particular area of interest, for example in terms of setting, audience, condition, or population.
40. **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 appraise all new drugs for cancer, and significant license extensions for cancer drugs. We consider a subset of all other new technologies offered to the NHS. 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.
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 evaluation 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.
42. NICE will continue to lead on the topic selection programme for the technology appraisal and highly specialised technologies evaluation programmes for the Department of Health. We will build a strong working relationship with the new contract holder for the NIHR Horizon Scanning functionality; National Institute for Health Research Innovation Observatory (NIHRIO) based in Newcastle.
43. Medical technologies (devices and diagnostics) are notified directly to NICE, usually by commercial sponsors and sometimes by clinical leads, and the Medical Technologies Advisory Committee (MTAC) decides which technologies should be evaluated, and by which guidance programmes. Our **medical technologies guidance** aims to identify cost saving interventions and recommends them to the NHS when 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 costs, care settings and of the whole patient pathway.

44. Our **diagnostics guidance** advises the NHS and patients on the clinical and cost effectiveness of diagnostic technologies. The Diagnostic Advisory Committee produces guidance on a range of related technologies that have the potential to transform clinical diagnosis pathways to achieve better outcomes. 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.
45. 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.
46. Since July 2016, a team at NICE is working with colleagues in NHS England to support the arrangements laid out for the ‘Appraisal and Funding of Cancer Drugs (including the new **Cancer Drugs Fund**); a new deal for patients, taxpayers and industry’. We will continue this work in 2017-18, and in particular will be appraising a number of cancer drugs currently on the fund that we have not looked at before. We will also support the consideration of data collection agreements for drugs that have the potential to be included in the new fund, and work with Public Health England and NHS England to monitor data collection during the CDF period.
47. From 2017 onwards, NICE will be developing outputs and activities to support NHS England’s commissioning of specialised services through the new **Commissioning Support Programme (CSP)**. NICE will develop a statement outlining its involvement in NHS England’s clinical policy consideration process at the start of the 2017-18 business year.
48. NICE will continue to provide advice to the Department of Health on the feasibility of operating patient access scheme proposals put forward by companies through the **Patient Access Schemes Liaison Unit (PASLU)**. We will explore with colleagues in NHS England how PASLU can support the consideration of commercial access agreements proposed as part of the Cancer Drugs Fund.
49. **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. The outputs are applied with consistency in the NHS and in the private health sector.

50. **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, 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 requirement 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.
- The current portfolio of clinical guidelines is approximately 200; the largest collection of clinical guidelines in the world. A further 10-15 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 55 and 65 clinical 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. The nature and extent of the library, in the longer term, will need to be agreed with the Department of Health and NHS England.
- **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. Following significant engagement with stakeholders, to understand their

priority areas and the specific needs of our social care audiences, an extended list of topics will enter the scoping and development phase during 2017.

- **Public health guidelines:** NICE guidance in public health covers 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 final agreement on the guidelines portfolio will be reached in 2017, covering a broad range of topics that have been prioritised with partners, including Public Health England. Included in this work is a programme of new guidance on the management of common infections which will be additional to the portfolio of quality standards and will assist the national strategy to reduce antimicrobial resistance.
51. **Medicines and prescribing:** We provide a comprehensive suite of guidance, advice and support for optimal use of medicines. These include a horizon scanning function for new drugs (*UK Pharmascan*), evidence summaries, key therapeutic topics, medicines awareness services and the associates programme. Prescribing advice is commissioned through the British National Formulary (BNF), and information about licensed drugs is available through NICE's digital evidence resource. We are working with the BNF on data structure and standardisation, and on the section on antimicrobial use to support the drive to reduce antimicrobial resistance.
 52. Evidence summaries provide information 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 commissioning policies and local decision-making.
 53. **NICE menu of indicators** provide a range of evidence-based indicators to support national and local measurement of quality improvement. NICE has a robust process in place for developing indicators, which was recognised in 2015 through two independent reviews carried out by the King's Fund and the Health Foundation.
 54. Indicators developed by NICE are used in the QOF to reward general practice for the provision and to standardise improvements. NICE will work closely with NHS England to support planned changes to general practice indicators in England.
 55. NICE also produces indicators for public health, and to help Clinical Commissioning Groups identify areas for improvement, to enable them to compare their care processes and outcomes with other groups, locally and nationally. NICE will work closely with NHS England to ensure indicator development reflects their priority areas.

56. **NICE Evidence Services** are online 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 Summaries, 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.
57. 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 information for patients where this has been accredited by the Department of Health's Information Standard.
58. **Improving Access to Psychological Therapies (IAPT) Assessment Briefings:** To support NHS England's programme to improve access to psychological therapies, we will evaluate selected, digitally assisted therapies for depression and anxiety using ongoing data collection to determine whether there are improvements in service efficiency, with patient outcomes that are at least as good as those achieved with NICE recommended non-digital therapy. We will identify potential digital products, which will be screened in line with NICE recommendations and address a condition currently managed by the IAPT programme, and produce an assessment briefing that will be considered by an expert panel for inclusion in the IAPT programme. Suitable products will be allocated to a set of local IAPT services, and data collected as part of routine data collection and reviewed on a regular basis by the panel, and become part of mainstream IAPT service after 2 years if their performance is at least as good as NICE recommended non-digital therapy and there is a reduction in the unit cost allowing an increase in activity within current resources.

Engagement

59. **Communications:** The communications team explains what we do and why. It protects and enhances our reputation. 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.
60. Work continues to improve 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.
61. Through our audience insights programme we will regularly monitor and evaluate what our audiences think about NICE's products and services, how they use them and what we can do to improve their interactions with us.
62. In all areas of communications work – from writing and editing guidance, responding to enquiries about our work, developing and maintaining digital content, through to our public affairs work with government, and engagement with the press and other media as well as 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.
63. **Involving patients, services users and the public:** We have 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. To this end, we reviewed our approach to engaging with the public and service users and consulted on proposals to improve how patients and the public can help develop NICE guidance and standards. Subject to comments from the consultation we will begin implementing the proposals during 2017-18.
64. 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.

65. We are also 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 refer people to appropriate patient and voluntary sector organisations' as part of our guidance 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
66. ***Involving 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 practice, and in numerous successful examples of implementing NICE guidance in the Local Practice collection. 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 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.
67. 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.
68. ***Science Policy and Research:*** The Science Policy and Research Programme leads NICE corporate scientific affairs, and develops and maintains NICE's research governance infrastructure. The programme collaborates with the research community and participates in key research projects of strategic importance to NICE, including spearheading our involvement with national health research funders such as the Medical Research Council (MRC) and the National Institute for Health Research (NIHR). Good progress has been made in collaborating with the NIHR on research recommendations from NICE advisory bodies, including the implementation of a "NICE Key Priority" designation in 2015 to signal particular importance. So far, five research recommendations have been accelerated through NIHR using the new arrangements. In addition, there has also been a substantial increase in requests from committee Chairs and Centre Directors for NIHR advice relating to research recommendations across all areas of NICE guidance production. In collaboration with NIHR

colleagues, the Science Policy and Research team also tracks the NIHR spend on research resulting from NICE advisory body research recommendations.

69. The programme also leads on managing NICE's relationship with the MHRA. Good collaboration has been established through quarterly meetings and on-going engagement in several areas of mutual interest. We now have a much greater understanding of interactions between the two organisations. Real value is also derived from a key issues log which is kept up to date with review at the quarterly meetings. We also have clear agreement of the mechanisms and contacts for collaboration between NICE and the Commission on Human Medicine (CHM) as recommended in the Triennial Reviews of both organisations. These arrangements allow NICE to actively seek CHM input on NICE guidance and evidence summaries. We are currently working with MHRA and industry on mechanisms for sharing regulatory information with NICE to support the early appraisal of health technologies – this is particularly important in the context of cancer medicines where almost the entire appraisal process is completed in advance of Marketing Authorisation. Joint work to implement recommendations from the Accelerated Access Review and to consider potential implications of Brexit has also started. Through European collaborative activities, we are also developing strong links with the European Medicines Agency.
70. In recent years the Science Policy and Research programme has also focused on playing a more direct role in delivering NICE's research needs through seeking funding to set up research projects within the programme. Strong progress has been made resulting in significantly increased research activities despite reduced grant in aid funding. We currently have a team of 7 staff working on research projects fully funded through research grant income. Current activities include collaborative research on Adaptive Pathways and the use of "real world" evidence which we are engaged in via 5 European Innovative Medicines Initiative (IMI) funded projects. We are also engaged in research on patient preferences through a research grant from Myeloma UK. Learning from these projects is translated to practice through the guidance producing teams and life sciences companies engaged in developments through the Office for Market Access and NICE Scientific Advice. The team is also engaged in exploring other research funding opportunities.

Adoption and impact

71. **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. There is a growing body of research evidence and an accompanying literature on not merely what change is desirable in health systems but how to achieve it so it is embedded and sustained. It is possible that the messages about how to effect change may not be getting across to policy-makers and managers in ways which help them or in terms they find

useful. NICE needs to be both a user of, and contributor to, the evidence on how to effect large-scale transformational change in complex health systems. To support this process, NICE has an ongoing programme of implementation support to ensure appropriate support is provided for uptake of guidance and quality standards, including specific support for the sustainability and transformation footprints (STPs).

72. The implementation strategy has five specific objectives, to: produce guidance and standards that are fit for the audience's needs; ensure relevant audiences know about the guidance recommendations; motivate and encourage improvement; highlight practical support to improve local capability and opportunity; and evaluate impact and uptake. NICE has an Implementation Strategy Group comprised of academic leaders in the field of health, care and social science who help us to achieve the aims of the implementation strategy. The Group advises on new areas of implementation science and engaging with the research community to stimulate evaluation of significant areas of implementation and improvement science to inform our work.
73. NICE provides or endorses relevant implementation support products for a range of purposes, including 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 support from NICE include the web based 'Into practice' guide for organisations on how to put evidence into practice, 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.
74. We also have a regional team that 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. During 2017-18 we will be refocusing the work of the regional team, to align it with the regional structures of NHS England and Public Health England. This will facilitate a strategic approach of working more closely with partner organisations, and of using new technologies such as webinars, to increase the impact of the team.
75. We also have an active programme of strategic engagement at a national level, as well as locally and regionally. Progress in engagement – and its effect on use of NICE guidance and standards - will be reported against standard metrics in the 6 monthly Uptake and Impact report. This will also include information that NICE has about how our recommendations for evidence-based and cost effective care are being used.
76. ***Adoption of Health Technologies:*** We facilitate the adoption of selected guidance across the NHS through engagement with clinical teams, commissioners, patients groups and social care. Included in this is focused 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 a 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 a technology.

77. We also support the uptake of new technologies in conjunction with the Academic Health Science Networks (AHSNs), the Office for Life Sciences and NHS England including providing the secretariat for the NICE Implementation Collaborative Board and supporting the Innovation Scorecard.
78. **Endorsement and accreditation:** To support users of NICE Evidence, we introduced a formal accreditation programme, enabling 'kite-marking' of high quality independent guidance producers. We now also have a process of formally endorsing externally produced implementation tools and resources, where these are in line with NICE recommendations. This process helps users of guidance to identify high quality resources, recognising the potential power of these channels 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, and organisations or alliances representing the public, professional associations and networks such as AHSNs. In 2017-18 we will be considering whether these programmes can operate on a fee-for-service basis.
79. **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. Pathways now provide access to all NICE guidance, including guidelines and guidance on technologies, making them the most comprehensive route to identify related guidance on the NICE website.
80. **Digital strategy:** We will continue to implement the digital strategy approved by the Board in January 2013 and updated in September 2015. The strategy provides a frame of reference to guide the continued digital transformation of the organisation.
81. A key component of our digital strategy is to improve the efficiency and productivity of NICE guidance development processes. Over the next 3 to 5 years, NICE will transform the way its content is developed, written and managed with a view to produce much more structured guidance content. 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.
82. Other key objectives of digital 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. We will strive to continually improve our website, to ease the navigation of NICE's complex portfolio of products and services, and facilitate access to relevant and related content for users. We will continue to improve mobile access to our services and introduce some personalisation features for

our users. Finally, we will seek to identify partners for joint working on digital initiatives which support the distribution and re-use of NICE content in decision support and other third party systems.

83. In delivering its digital strategy NICE is creating important links with digital teams across the Arms' Length Body sector. NICE will continue to develop these connections and explore opportunities to inform, and where suitable, influence the design of system-wide digital information services and products. This will ensure that the effort invested by NICE in producing its information assets is not duplicated and that NICE material is used as source reference material in digital systems developed by the health and care sector wherever suitable.

Core principles for product development

84. 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.
85. 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

86. NICE receives most of its funding directly from the Department of Health. This funding is known as grant-in-aid (GIA) 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.

87. The majority of NICE’s activity (and Department of Health 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 Medical Technologies Evaluation. NICE receives other funding from Health Education England and NHS England which is also treated as Programme.
88. The table below shows the planned sources of funds for 2017-18 and how they will be applied. It also shows how these compare with the 2016-17 plan.

Table 1: Sources and application of funds

	2016-17 £m	2017-18 £m
<u>Sources of Funding</u>		
Administration - GIA	49.4	46.0
Programme - GIA	8.7	8.5
Income from Devolved Administrations	2.0	1.8
Income from Health Education England	3.8	4.1
Income from NHS England	5.9	6.4
Other operating income	2.8	3.1
Non-Cash Funding - Depreciation	1.0	1.0
Total Sources of Funding	73.6	70.9
<u>Application of Funds</u>		
Guidance and Advice	58.3	56.1
Corporate	12.8	12.8
Reserves	1.5	1.0
Depreciation Charges	1.0	1.0
Total Applications of Funding	73.6	70.9

Sources of funds

89. It has been confirmed that the 2017-18 administration funding will fall by 7% (£3.3m) in cash terms. This is the second year of an overall straight line phased real terms reduction of 30% in our administration funding over the current Spending Review (SR) period to 2019-20. The programme budget will also reduce from £8.7m to £8.5m which gives a total reduction in GIA funding of £3.6m (6%). It has also been confirmed that the programme element will have a phased reduction over the SR period to £8m (10%).

90. In addition to GIA funding there are a number of other sources of income. In total these are projected to be £15.4m, an increase of £0.9m from 2016-17.
91. We anticipate that NHS England will continue to provide funding to support a number of existing programmes such as our work to support the Cancer Drugs Fund. There are also a number of new programmes that are proposed to begin in 2017-18. These are subject to confirmation and any potential income and expenditure associated with these are excluded from the Table 1 above. Details of funding received from NHS England is set out in the table below.

Table 2: NHS England funding

Funding from NHS England	2017-18 £m
<u>Ongoing activity</u>	
Cancer Drugs Fund	3.0
Evidence based treatment pathways in mental health	1.5
Commissioning Support Programme	0.8
Commissioning Through Evaluation	0.6
MedTech Innovation Briefings	0.5
Rapid Evidence Summaries	<u>0.1</u>
Total confirmed activity	6.4
<u>Proposed / planned work (funding to be confirmed)</u>	
Shared Decision Making support (Patient decision aids)	0.7
Develop new MedTech Horizon Scanning Database	0.5
Produce evidence summaries for Regional Medicines Optimisation Committees	0.1
Evaluation of digital therapies within the IAPT programme	<u>0.4</u>
Total proposed activity	1.7

92. Other income sources are expected to rise to £3.1m. These sources include the Scientific Advice programme which is self-funding. Scientific Advice provides early advice to the pharmaceutical and medical technology industries. These activities will generate £1.4m to cover direct costs and contribute to overheads where appropriate.
93. Rental income is also included in other income and will remain around £0.8m for 2017-18. Our London office will continue to host the Human Fertilisation and Embryology Authority (HFEA) and we will continue to generate income from the sub-lets in our Manchester office to the Homes and Communities Agency and the Care Quality Commission.
94. Funding of £4.1m will come from Health Education England under the service arrangements in place whereby NICE procures and provides the national core content for the NHS.
95. NICE receives income from the devolved administrations in Wales, Scotland and Northern Ireland. This contributes 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 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 expected that this income will reduce from £2.0m to £1.8m as Scotland have indicated they no longer require Multiple Technology Appraisals and QOF from NICE.

96. 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 2017-18 is £0.5m as per previous years. It is anticipated this will be used to upgrade office facilities (Manchester toilet refurbishment) and IT hardware and software.
97. There is also a non-cash limit of £1m associated with depreciation of assets. These capital and depreciation budgets and resource limits are over and above the grant-in-aid funding set out above.
98. There are also small amounts of funding from other sources anticipated to contribute £0.7m for income generating activities within Science Policy and Research, the Office for Market Access (OMA) and IP and Business Content. Science Policy and Research have secured a number of European research grants to help fund on-going projects and staff resource spanning over a number of years.

How we apply our resources

99. The proposed reduction in GIA funding over the spend review period presents significant challenge to the organisation. The Senior Management Team and Board agreed a strategic savings programme to deliver these savings in the four financial years from April 2017. The Board also agreed a strategic vision for NICE that seeks to retain the broad scope of NICE's offer at the end of this period.
100. The pay budget for 2017-18 is currently £35.9m, excluding contingency reserves and inflationary pressures (see appendix 3.1 for full breakdown). This is a reduction of £1.1m (3.1%) compared to 2016-17. The budgeted wte is 648, down from 656 wte in 2016-17. This has been achieved by restructuring within Evidence Resources in September 2016 and the Centre for Guidelines, Health and Social Care and Communications directorates in the final quarter of the 2016-17 financial year.
101. The non-pay budget for 2017-18 is £33.9m, a reduction of £1.1m (3.1%). This is due to a reduction in the number of External Assessment Centres working with the Medical Technologies programme (reduced from four to three centres) and reductions in the budget for the NCC Social Care contract in the Centre for Guidelines. This contract will be closed at the end of 2017-18 as work is being brought in house.
102. The reserve balance for 2017-18 is currently £1.1m. Of this, £0.4m is set aside to cover potential cost pressures such as the pay award increases and the

apprentice levy. The balance £0.7m has arisen due to front-loading of some savings programmes, this will be used to fund any non-recurrent cost pressures and transition costs arising in 2017-18.

Human Resources

103. There are two members of staff expected to earn more than £142,500 during 2017-18. Overall, the ratio of staff on the executive senior managers (ESM) pay framework to total staff complement is 1 ESM for 86 staff.
104. The Board approved a three year workforce strategy in July 2015 which we will continue to implement in 2017-18. This was developed in the context of the anticipated workforce challenges associated with the funding reductions expected. The strategy recognises the staffing issues associated with such significant change and has been developed to provide the support that managers will need. We will undertake a mid-term review in the summer of 2017 to ensure that we remain on track and that the objectives arising out of the strategy remain fit for purpose.
105. As part of the implementation of our workforce strategy, each Centre and Directorate has been developing workforce plans which have helped with our programme of organisational change and will continue to help us achieve more efficient resourcing and enable us to better direct our training and development resources.
106. We have also started to roll out a talent management programme, successfully completing career conversations with all staff at 8d level and above. We will progress this work in 2017-18 by rolling out career conversations to all staff at Band 8 level with the ultimate aim that by the end of the 2018-19 we will have talent management embedded at NICE and in operation for all staff groups.
107. In 2017-18 we will design and build the system infrastructure that will enable us to translate the information obtained from our talent management programme into succession plans, strategic resourcing, targeted development programmes (such as the Department of Health and Civil Service Leadership programmes and Reach Higher leadership programmes for BAME staff) and the creation of opportunities for “stretch” projects, both internal to NICE and external across the sector for staff who are looking to develop into their next role.
108. We have been developing our apprenticeship programme and this will continue in 2017-18. We currently have 10 wte apprentices in post, 6 of whom were recruited in 2016-17 and count towards our annual recruitment target, with several more posts in recruitment. We aim to achieve our target of 14 wte apprentices during 2017. We will be developing an apprenticeship strategy to ensure we continue to use apprenticeships as part of our talent and succession plans, maximise the use of the apprenticeship levy, and achieve the national recruitment target that requires us to ensure that apprentices form 2.3% of our workforce.

109. We are committed to staff engagement and will build on the excellent relationship with 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.
110. In 2016 the Senior Management Team approved an investment in an online learning management system (LMS). The LMS provides a central point for online learning and enables managers and staff to record and maintain all their learning and development activities. In 2017-18 we will be continuing to embed, tailor and improve the system and will launch our new e-appraisal system.

Estates

111. All NICE's office facilities now operate on a totally flexible working model with ratios that achieve or exceed the Government Property Unit (GPU) metrics. Since April 2016, the Human Fertilisation and Embryology Authority is co-located in our London office. This provides an income stream to offset against our savings targets.
112. The lease on the London office runs through to the end of 2020 when it is expected that the freeholder will redevelop the site. At that point NICE would expect to move to one of the London public sector 'hub' sites. The lease on our Manchester office comes up for renewal at the end of 2017. The GPU has given us permission to renew the lease for a 10 year term with a break opportunity at year 7 for which we have negotiated favourable terms. In the longer term, but no earlier than 2024, the GPU is planning a North West hub, which is why the break at 7 years in our new lease was negotiated.

Procurement

113. We continue to comply with the Government's policy objectives in relation to procurement and efficiency controls. We use Government LEAN sourcing principles for all significant procurements and undertake to complete them within the 120 day target. We also comply with Government buying standards and use the central contract solutions where appropriate for procurement of common goods and services. We will also take part in aggregated procurements for common goods and services. We conform to the Efficiency Reform Group controls and procedures where applicable.

Sustainable development

114. We are committed to supporting and promoting sustainability and climate change resilience issues.
115. We will continue to consider our own direct impact, focusing our efforts on areas where 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.

116. In addition, we intend to explore ways in which the sustainability of health interventions we are asked to consider might feature in the guidance we produce. A sustainability steering group has been established that will develop a generic statement on sustainability to be incorporated in NICE products. It will also consider how sustainability factors (social and environmental) can be incorporated into the cost impact analysis work. We will do this in conjunction with the Centre for Sustainable Healthcare and the Sustainable Development Unit. Any changes to our methods or for the presentation of guidance would need to be the subject of discussion and consultation. We will also develop a Board-approved, Sustainable Development Management Plan (SDMP).

Equality

117. As part of NICE's compliance with the Public Sector Equality Duty there 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). This seeks to ensure that, wherever there is sufficient evidence, NICE's recommendations support local and national efforts to advance equality of opportunity and narrow health inequalities.
118. NICE meets the Equality Act's specific duty on publication of information through its annual equality report on the impact of its equality programme. In March 2016 the Board agreed equality objectives for the period 2016 to 2019 in accordance with the Public Sector Equality Duty.

Risk management

119. 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. 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.
120. 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 accountability meetings.

Principal business objectives 2017-18

Objective	Actions
Guidance, standards, indicators and evidence	
Publish guidance, standards and indicators, and provide evidence services against the targets set out in the Business Plan and in accordance with the metrics in the balanced scorecard	<ul style="list-style-type: none"> • Deliver guidance, standards, indicators and evidence products and services, in accordance with the schedule set out in the Business Plan • Ensure performance meets the targets set in the balanced scorecard
Implement changes to methods and processes in the technology appraisal programme	<ul style="list-style-type: none"> • Obtain stakeholders' perspectives on methods related to managing uncertainty and structured decision making • Deliver further improvements to the operation of Committee decision making • Subject to the outcome of consultation, implement the joint NICE-NHSE proposals for changes to the technology appraisal and highly specialised technologies programmes, introducing more flexible, rapid, risk-based appraisal processes • Develop methodological guidance, and internal capacity and capability for 'real world' data development and analysis
Refine and implement new methods and processes to accelerate the development of updated clinical, public health and social care guidelines	<ul style="list-style-type: none"> • Establish 6 internal capacity slots for updating guidelines, using new accelerated methods and processes • Implement new staffing structure and functions in the Centre for Guidelines • Review and revise methods and processes for accelerated update outputs • Develop and implement new scoping and post-consultation validation methods and processes to support the development of guideline updates in-house.

Objective	Actions
	<ul style="list-style-type: none"> • Establish pre-development recruitment of guideline committee chair and expert members to support scoping
Enhance methods for developing and maintaining guidelines	<ul style="list-style-type: none"> • Continue to develop the methods and processes of guideline development to maintain and enhance NICE's reputation for methodological quality and efficiency in guideline development. • Establish and maintain links and networks with external research initiatives, organisations and projects to address our methodological needs and ensure our methods continue to reflect internationally-recognised best-practice. • Establish new staffing structure and functions to support health economics across the Centre for Guidelines • Develop a NICE GP Reference Panel to advise on the scoping of guidelines. • Implement any changes agreed following the consultation on the NICE approach to patient and public engagement
Deliver the suite of NICE evidence services, which meet the evidence information needs of health and social care users and partner agencies	<ul style="list-style-type: none"> • Maintain and make measurable improvements to the component services of NICE Evidence Services • Procure and maintain the underpinning Link Resolver and Identity Management services • Manage content procurement contracts (CKS, Cochrane), including those on behalf of HEE (National Core Content), to plan
Implement the relevant aspects of the Government's industrial strategy for the life sciences industries, taking account of the recommendations in the final report of the Accelerated Access Review	<ul style="list-style-type: none"> • Assess and report to the Board on the financial, operational and reputational implications of the Accelerated Access Review and the Government's life sciences strategy, for NICE guidance programmes • Develop an implementation plan and report to the Board on progress

Adoption and Impact	
Deliver a programme of strategic and local engagement	<ul style="list-style-type: none"> • Work with local health and care systems to promote the use of NICE guidance and quality standards, measured against agreed standard metrics • Support the use of NICE guidance and standards through the work of other national organisations in health, public health and social care, measured against agreed metrics
Evaluate the impact and uptake of Health and Social Care products and services and ensure that guidance and standards meet the needs of our audiences	<ul style="list-style-type: none"> • Produce a twice yearly uptake and impact report • Consult with the research community through the Implementation Strategy Group to stimulate evaluation of implementation and improvement science
Promote NICE's work and help users make the most of our products by providing practical tools and support, using innovative and targeted marketing techniques. Contribute to demonstration of impact through regular evaluation	<ul style="list-style-type: none"> • Develop the use of graphics and images to help explain guidance and related products • Building on the new Social Care Quick Guides, develop new online summaries for other forms of guidance which are short, concise and use infographics and multimedia techniques • Redesign the current resource used by practitioners to help make savings, improve productivity and promote optimal use of interventions • Support shared decision making within NICE through delivery of commitments in the action plan of the Shared Decision Making Collaborative • Develop the resource impact support team to enable it to deliver the budget impact assessments required as part of the changes to the TA and HST programmes
Promote collaboration on digital initiatives and content strategy across ALBs and with academic establishments and other external stakeholders	<ul style="list-style-type: none"> • Support NHS Digital in the development and adoption of common standards, taxonomies and language across ALBs • Maintain an ongoing relationship with the nhs.uk project (re-development of NHS Choices) • Identify partners for joint working on digital initiatives which support the distribution and re-use of NICE content in decision support and other third party systems. This may involve academic and regional collaborations • Fully capitalise on existing relationships with specialists in the evidence management field and extend to other potential partners

	<ul style="list-style-type: none"> • Support NHS England to deliver the digital IAPT pilot programme (Improving Outcomes in Psychological Therapies)
Create a structured and coordinated approach for working with and listening to stakeholders	<ul style="list-style-type: none"> • Roll out a customer relationship management (CRM) system to support and monitor engagement with stakeholders and to help deliver tailored communications • Develop a new interactive online newsletter with content tailored for key audiences • Explore opportunities to develop personalisation functionality on the NICE website (working with the digital services team) that allows visitors to tailor content to their needs • Implement a social media strategy to increase engagement and drive traffic to corporate content • Further develop a system to capture audience insights (including Twitter and Website analytics) and provide regular reports to senior management • Develop metrics to measure the extent and impact of our engagement with social care audiences
Deliver new digital service projects, maintain NICE's existing digital services and implement service improvements based on user insights and service performance	<ul style="list-style-type: none"> • Deliver digital service projects in line with the agreed investment priorities for 2017-18 • Maintain the NICE Digital Services to agreed service levels (service availability and time to defect resolution) • Maintain digital services performance indicators in line with business priorities and user insights • Translate data and observations about the performance of NICE Digital Services into actionable improvement proposals and implement in line with business priorities
Operating efficiently	
Operate within resource and cash limits in 2017-18. Actively manage the appropriate application of any non-recurrent funding as early as practicable in the financial year.	<ul style="list-style-type: none"> • Deliver performance against plan for all budgets monitored and reported to the Senior Management Team and the Board

<p>Implement the second year of a three year strategy to manage the reduction in the Department of Health's Grant-In-Aid funding and plan for a balanced budget in 2017-18</p>	<ul style="list-style-type: none"> • Centres and directorates identify the savings expected from them in order enable the Institute to manage within the reduced Grant in Aid funding received from DH, by April 2018 • Management of change exercises completed in accordance with the schedule determined by the Senior Management Team
<p>Subject to Ministerial approval put in place arrangements to charge the cost of the technology appraisal programme to industry users, from April 2018</p>	<ul style="list-style-type: none"> • If approved, put in place designed and tested financial and operational arrangements by December 2017 • If approved, ensure that charging arrangements are able to go live from April 2018
<p>Actively pursue revenue generation opportunities associated with international interest in the expertise of NICE and the re-use of NICE content and quality assurance</p>	<ul style="list-style-type: none"> • Articulate and promote NICE's value propositions associated with the re-use of NICE content outside of the UK, including permissions to use content overseas, adaptation of guidance, quality assurance services and syndication services • Articulate and promote NICE's value propositions involving knowledge sharing with international organisations interested in NICE's expertise and experience
<p>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</p>	<ul style="list-style-type: none"> • All staff have clear objectives supported by personal development plans • Put in place implementation plans for relevant NICE workplace guidance • Actively manage staff with the objective of ensuring that the global job satisfaction index in the annual staff survey is maintained or improved from its 2016 level • Put in place resources to support staff through Management of Change exercises

Promote a culture of continuous improvement within the organisation and uphold the ambition to remain a world-renowned organisation, benchmarking where possible its systems, processes and outcomes against best players internationally

- Identify the programmes which might be suitable for benchmarking and assess what, if any, international benchmarking is possible by September
- Identify 10 publications in peer reviewed international journals which assess and provide an opinion on one or more aspects of NICE's work and submit to the Board for consideration in December

APPENDICES

- 1. Balanced Scorecard for 2017-18**
- 2. Activity Analysis for 2017-18**
- 3. Revenue budget allocations for 2017-18**
- 4. Board and Senior Management Team**
- 5. Organisational Chart**

Appendix 1 - Balanced Scorecard 2017-18

The balanced scorecard is structured into three domains reflecting NICE's strategic objectives:

- Delivering guidance, standards, indicators and evidence, helping to achieve high quality, sustainable services, supporting the health and care system to use its resources efficiently, and contributing to a thriving life sciences industry;
- Supporting adoption and impact by working with others to provide practical tools and support to help people make the most of our work and to measure its use;
- Operating efficiently, by using our resources productively and sustainably, and by supporting our staff to deliver on their full potential.

Guidance, standards, indicators and evidence

Success Criteria	Key Measures	Target
Development and publication of guidance and evidence outputs		
Publish 34 guidelines <ul style="list-style-type: none"> • Clinical areas, including updates (25) • Public health (3) • Social care (3) • Management of common infections (3) 	Publication within stated quarter	80%
Publish 55 technology appraisals guidance	Publication within stated year	100%
Publish 30 interventional procedures guidance	Publication within stated quarter	80%
Publish 6 diagnostics guidance	Publication within stated quarter	80%
Publish 3 highly specialised technologies guidance	Publication within stated year	100%

Success Criteria	Key Measures	Target
Publish 7 medical technologies guidance	Publication within stated year	80%
Publish 36 medtech innovation briefings (MIBs)	Publication within stated year	80%
Submit advice to Ministers on up to 30 Patient Access Schemes	Publication within stated year	100%
Deliver up to 25 Commissioning Support Documents to NHS England	Publication within stated quarter	80%
Publish 56 evidence surveillance	Publication within stated quarter	80%
Publish 10 evidence summaries ¹	Publication within year	80%
Deliver 7 quick guides for social care	Publication within year	100%
Deliver 20 quality standards	Publication within stated quarter	80%
Deliver 1 indicator menu	Publication within year	100%
Deliver 4 Evidence Based Treatment Pathways (EBTP) to NHS England	Delivery to NHS England within stated quarter	100%
Deliver 30 endorsement statements	Publication within stated quarter	80%
Deliver 50 shared learning examples	Publication within stated quarter	80%
Publish 12 monthly updates of the BNF and BNF C content	Publication within stated quarter	80%
Deliver a regular medicine awareness service	Publication to regular schedule	90%
Deliver 16 medicines optimisation key therapeutic topics	Publication within stated quarter	80%
Deliver 25 medicines evidence commentaries	Publication within stated quarter	80%
Deliver 6 IAPT assessment briefings	Deliver within stated quarter	80%

¹ This number may increase by up to 10 in a year, dependent on new work and funding to support NHS England Regional Medicines Optimisation Committees

Adoption and impact

Success Criteria	Key Measures	Target
Provision of support products for the effective implementation of guidance		
Complete a minimum of 5 adoption support products	Publication within year	80%
Publish 96 resource impact products	Publication within year	80%
Maintaining and developing recognition of the role of NICE		
NICE guidance and standards support the new STP Footprints	NICE products referenced in STP footprint implementation plans within year	80%
NICE products help to inform CQC inspections	NICE guidance and quality standards referenced in the new health and adult social care assessment frameworks for the CQC's key question around effectiveness	100%
Coverage of NICE in the media	% of positive coverage of NICE in the media resulting from active programme of media relations	80%

Operating efficiently

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 non-exchequer income	Net income received from non-exchequer income sources measured against business plan targets	90%
Produce the annual report and accounts within the statutory timeframe	Publications	100%

Critical Success Factors	Key Measures	Target
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%
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%
Staff well-being	Implementation of NICE's quality standard for healthy workplaces: improving employee mental and physical health and wellbeing in respect of own staff	80% of quality statements
Sustainable Development		
Recycled waste	% of total waste recycled	50%
Improving stakeholder satisfaction		
Improved satisfaction	Complaints 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%
Ensuring stakeholders have access to our websites as the main communication channel	Percentage of planned availability, not including scheduled out of hours maintenance	98%

Critical Success Factors	Key Measures	Target
Interest in opportunities for lay people to sit on our advisory committees reflected by ratio of applications to positions	2:1 (or greater) each quarter	100%
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%
	% 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 2 - Activity Analysis 2017-18

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

Programme	2016-17 published outputs	2017-18 planned outputs
Social care guidelines	1	3
Clinical guidelines, including updates	24	25
Public health guidelines	6	3
Management of common infections guidelines	0	3
Social care quick guides	2	7
Quality standards	37	20
Indicator menu	1	1
Technology appraisals guidance	53	55
Highly specialised technologies guidance	1	3
Medical technologies guidance	5	7
Medtech innovation briefings	38	36
Health app briefings	0	2
Diagnostics guidance	5	6
Commissioning support documents	n/a	25
Patient Access Scheme advice	34	Up to 30
Interventional procedures guidance	26	30
Evidence summaries	20	10
Medicines optimisation key therapeutic topics	15	16
Medicines evidence commentaries	34	25
Adoption support products	7	5
Resource impact products	81	96
Shared learning examples	70	50
Endorsement statements	25	30
Guidance surveillance reviews – clinical	43	56
Guidance surveillance reviews – public health	8	
Guidance surveillance reviews – social care	0	
IAPT assessment briefings	n/a	6
Medicine awareness service	50	50

Appendix 3.1 - Centre and directorate budget allocations 2017-18

	2017-18			Total £'000
	wte	Pay £'000	Non-pay £'000	
Guidance and advice				
Centre for Guidelines	112	6,490	13,599	20,089
Centre for Health Technology Evaluation	179	10,016	5,056	15,072
Health and Social Care Directorate	127	7,146	2,179	9,325
Evidence Resources Directorate	99	5,979	5,617	11,596
Corporate				
Communications Directorate	72	3,625	425	4,050
Business Planning and Resources Directorate	59	2,684	5,990	8,674
Contingency Reserves	0	554	0	554
Inflationary other cost pressures	0	504	0	504
Depreciation	0	0	1,000	1,000
Total Budget	648	36,998	33,866	70,864

Appendix 3.2 - Revenue projections in financial statements format

Statement of comprehensive net expenditure			
	2017-18		
	£'000		
Expenditure			
Staff costs	36,998		
Depreciation & Amortisation	1,000		
Other expenditure	32,866		
	<u>70,864</u>		
Income			
Income from activities	-15,419		
Other income			
Net Expenditure	<u>55,445</u>		
 Note 3 - Staff numbers and related costs			
	2017-18	Permanently Employed	
	Total	Staff	Other
	£'000	£'000	£'000
Salaries and wages	30,236	29,036	1,200
Social security costs	3,014	3,014	
Employer contributions to NHSPA	3,848	3,848	
Other pension costs			
	<u>37,098</u>	<u>35,898</u>	<u>1,200</u>
Less recoveries in respect to outward secondments	-100	-100	
Total net costs	<u>36,998</u>	<u>35,798</u>	<u>1,200</u>

Appendix 3.3 - Balance sheet projection

Statement of Financial Position to 31 March 2018	
	Total 31 March 2018 £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	2,000
Other current assets	1,500
Financial Assets	0
Cash and cash equivalents	1,500
Total current assets	5,000
Total assets	8,200
Current liabilities	
Trade and other payables	-2,000
Other liabilities	0
Provisions for liabilities and charges	0
Total current liabilities	-2,000
Non-current assets less net current liabilities	6,200
Non-current liabilities	
Provisions for liabilities and charges	-1,000
Other payables	0
Financial Liabilities	0
Total non-current liabilities	-1,000
Assets less liabilities	5,200
Taxpayers' equity	
General fund	4,500
Non-exchequer trading reserves	700
	5,200

Appendix 3.4 - Cash flow projection

Projected cash flow statement for year ending 31 March 2018	
	£'000
Cash flows from operating activities	
Net surplus after cost of capital and interest	-55,445
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	-250
	-54,695
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 intangibles	0
	-500
Cash flows from Financing Activities	
Payments in respect of finance leases and PFI contracts	0
	-55,195
Net Cash inflow/(outflow) before financing	-55,195
Net Parliamentary Funding	55,445
Net increase/(decrease) in cash equivalents	250
Cash and cash equivalents at the beginning of the period	1,250
Cash and cash equivalents at the end of the period	1,500

Appendix 4 - Board and Senior Management Team

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

Professor David Haslam CBE	Chair
Professor Sheena Asthana	Non-Executive Director
Dr Rosie Benneyworth	Non-Executive Director
Professor Angela Coulter	Non-Executive Director
Professor Martin Cowie	Non-Executive Director
Ms Elaine Inglesby-Burke	Non-Executive Director
Mr Tim Irish	Non-Executive Director
Dr Rima Makarem	Non-Executive Director
Mr Andy McKeon	Non-Executive Director
Mr Tom Wright CBE	Non-Executive Director
Sir Andrew Dillon CBE*	Chief Executive
Professor Mark Baker	Director: Centre for Guidelines
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 MBE*	Director: Centre for Health Technology Evaluation
Ms Alexia Tonnel	Director: Evidence Resources

Note: * Executive Directors

Appendix 5 – Organisational Chart

