

NATIONAL INSTITUTE FOR HEALTH AND CARE EXCELLENCE

Senior Management Team

Minutes of the meeting held on 6 February 2018

Present

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| Andrew Dillon | Chief Executive |
| Ben Bennett | Director – Business Planning and Resources |
| Jane Gizbert | Director – Communications |
| Gill Leng | Director – Health and Social Care |
| Mirella Marlow | Acting Director – Centre for Health Technology Evaluation |
| Alexia Tonnel | Director – Evidence Resources |

In attendance

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| David Coombs | Associate Director – Corporate Office (minutes) |
| Chris Carson | Programme Director and Deputy Centre for Guidelines Director |
| Nick Crabb | Programme Director – Centre for Health Technology Evaluation (item 5.5) |
| Grace Marguerie | Associate Director – Human Resources (item 5.5) |
| Leeza Osipenko | Associate Director – NICE Scientific Advice (item 5.5) |
| Elaine Repton | Governance Manager: risk assurance (item 5.2) |

Apologies (item 1)

1. Apologies were received from Mark Baker who was represented by Chris Carson.

Freedom of Information and publication scheme (item 2)

2. The final minutes will be made available on the NICE website subject to the redaction of any exempt material.

Notes of the previous meeting (item 3)

3. The minutes of the meeting held on 30 January 2018 were approved.

Matters arising (item 4)

4. The actions from the meeting held on 30 January 2018 were noted as complete or in hand.
5. Andrew Dillon noted that this morning's ALB Chief Executive's meeting discussed and welcomed the proposed Guideline Resource and Implementation Panel.

Social value judgements (item 5.1)

6. Andrew Dillon introduced the item and outlined the proposal to replace NICE's social value judgements (SVJ) document with a list of principles that outline how NICE approaches its work. He summarised the background to the proposal, which arose from work undertaken by a sub-group of SMT members to seek to update the SVJ document. The group concluded that it is challenging to produce a refreshed SVJ document relevant to all of NICE's guidance programmes, and much of the content of the existing SVJ document is now reflected in NICE's methods and process guides.

7. SMT discussed the principles and supported the proposal to use these as a replacement to the SVJ document. The proposal will now be discussed with the Board in February. The cover paper should reference the evolution of the principles from the existing SVJ, and the underpinning literature.

ACTION: AD

8. It was noted that the principles should be read alongside the statutory framework for NICE's work, including for example, the Equality Act and public sector equality duty.

Risk register (item 5.2)

9. Elaine Repton presented the paper and asked SMT to review and agree the proposed risks for 2018/19. She highlighted the risks identified from the draft 2018/19 centre and directorate business plans, and the proposed action in relation to the risks in the existing risk register.
10. SMT reviewed the proposed new risks for 2018/19 and agreed:
 - Risk 02/18 was a medium level risk, with a target to reduce this to low given the work planned to implement the new policy on declaring and managing interests for advisory committees
 - Risks 13/18 and 14/18 relating to Communications Directorate capacity could be merged
 - Risk 16/18 should be broadened to cover recruitment to technical roles across NICE, and designated to Ben Bennett as an HR risk
 - Risk 17/18 could be removed in light of the resources provided by NHS England to the technology appraisal programme.
11. It was agreed that risks 5, 7, 13, 14, 21, 22, 25 and 27 from the 2017/18 risk register would not be brought forward to the 2018/19 risk register as these had now either been closed, or reduced in magnitude so could be monitored at centre/directorate level. It was agreed that a new risk should be added relating to the proposed NICE Scientific Advice business unit not achieving the planned income.
12. The consolidated list of risks for 2018/19 with the above amendments should be brought to next week's SMT meeting, prior to the medium and high risks being presented to the February Board Strategy meeting.

ACTION: ER

Business plan (item 5.3)

13. SMT reviewed the draft business plan for 2018/19, noting the feedback received from the Department of Health and Social Care (DHSC).
14. SMT discussed the outstanding queries from the DHSC and agreed to maintain the target of providing the contribution to parliamentary questions within the requested timeframe in 90% of instances given the very short timeframe for some requests. It was agreed that the equality section should note the gender pay gap is regularly reviewed and data published. It was noted that Ben Bennett would clarify to DHSC the reason for the increased pay spend between 2018/19 and 2019/20.

ACTION: BB

15. Subject to these amendments, the business plan was agreed for submission to the February Board Strategy meeting. The cover paper will outline the financial assumptions underpinning the plan and the risks to achieving a break-even position.

ACTION: BB

NHS England and NHS Improvement planning guidance for 2018/19 (Item 5.4)

16. Item deferred to next week's meeting.

Proposals for NICE Scientific Advice business unit implementation (item 5.5)

17. Nick Crabb presented the key governance and operational changes proposed for the new NICE Scientific Advice (NSA) business unit, including the actions and timescales required for implementation. He stated that the proposals are consistent with previous SMT and Board discussions, and he believed they are affordable, particularly given the reserves accumulated by NSA to date.
18. Andrew Dillon reminded SMT of the context for the proposals and the decision to retain NSA as part of NICE, but with more autonomy to help NSA maximise its potential.
19. SMT reviewed the affordability modelling, in particular the income growth forecasts. Leeza Osipenko clarified that the increase reflects the ability to reallocate staff resources from developing new services in 2017/18 to income generating activities in 2018/19. In response to questions from SMT, Leeza outlined the mitigations to the potential risks to NSA's income following the UK's withdrawal from the European Union. SMT agreed that the financial section of the report should include a cash flow analysis to demonstrate the impact of the downside scenarios identified in the sensitivities. This would clarify the level of risk exposure to NICE. The paper should also refer to the META and PRIME tools.
20. SMT discussed the role and membership of the proposed NSA management board. It was agreed that the management board should develop proposals for NSA's business plan and strategy, and recommend these to SMT, and potentially NICE Board, for approval. SMT discussed the proposal for the management board to include two advisory members with extensive senior experience in the life sciences industry. It was noted that any such individuals may hold extensive shareholdings in the life sciences industry and therefore be subject to the restrictions in NICE's conflicts of interest policy. It was agreed to instead ask a NICE Non-Executive Director (NED) with experience in the life sciences industry to sit on the management board, with the option to engage additional advisory expertise as and when required on specific business development matters. Whilst it would not be usual to involve a non-executive in operational matters which report to SMT, in this case the NED input would be helpful given the novel nature of the business unit and the arising risks. The membership and chairing of the management board will be reviewed in light of proposals to establish a new Science Policy and Research Directorate.
21. SMT discussed the governance framework and confirmed that the business unit will operate under existing NICE policies and delegations. Options for a talent management system specific to NSA will be explored further with HR, and brought to SMT for consideration. In the interim, the HR section in the governance framework should be removed. It was agreed that recruitment to the new structure

should not take place until the Board has reviewed and approved the establishment of the business unit.

22. It was agreed that the proposed paper to the March Board, with the above changes, should be brought to SMT for prior review.

ACTION: MM / NC / LO

Weekly staff SMT updates (item 6)

23. SMT agreed the staff updates.

ACTION: DC

Any other business (item 7)

24. None.

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