**National Institute for Health and Care Excellence**

Senior Management Team

# Minutes of the meeting held on 14 April 2020

## Present

Gill Leng Chief Executive

Meindert Boysen Director – Centre for Health Technology Evaluation

Jane Gizbert Director – Communications

Alexia Tonnel Director – Evidence Resources

Catherine Wilkinson Acting Director – Business Planning and Resources

## In attendance

David Coombs Associate Director – Corporate Office (minutes)

Nick Crabb Programme Director – Science Advice and Research (item 7.3 onwards)

Martin Davison Acting Associate Director – Finance (items 7.1 to 7.3)

James Fitton Management Accountant (item 7.1)

Fiona Glen Programme Director and Deputy Centre for Guidelines Director

Helen Knight Programme Director – Centre for Health Technology Evaluation (item 7.4)

Linda Landells Associate Director – Technology Appraisals (item 7.4)

Iain Moir Programme Manager – Intellectual Property, Content and Business Management - Evidence Resources (item 7.5)

John Pegington Senior Management Accountant (item 7.2)

Mark Salmon Programme Director – Evidence Resources (item 7.5)

Nichole Taske Associate Director – Methods and Economics – Centre for Guidelines (item 7.5)

Victoria Thomas Head of Public Involvement

## Apologies (item 1)

1. Apologies were received from Paul Chrisp and Judith Richardson who were represented by Fiona Glen and Victoria Thomas respectively.

## Freedom of Information and publication scheme (item 2)

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

## Declarations of interest (item 3)

1. The previously declared interests were noted. There were no conflicts of interest relevant to the meeting.

## Notes of the previous meeting (item 4)

1. The minutes of the meeting held on 7 April 2020 were agreed as a correct record.

## Matters arising (item 5)

1. The actions from the meeting held on 7 April 2020 were noted as complete or in hand.

## Coronavirus (item 6)

1. It was noted that the gold group would review the outstanding actions from the daily meetings at its meeting tomorrow.

## Technology appraisal (TA) and highly specialised technologies (HST) income recognition and refunds (item 7.1)

1. Catherine Wilkinson presented the proposed changes to the way income is recognised from TA and HST charging. Previously income was recognised equally over an 11 month period. However the delays to guidance production arising from the COVID-19 disruption mean that a revised approach, based on milestones, is required to ensure income is allocated to the correct financial year. The changes lead to a reduction in the recognised TA/HST income in 2019/20. James Fitton explained the proposals further and noted that the milestones will be used to calculate the amount to be refunded where such a scenario arises.
2. SMT discussed and supported the proposed milestone-based approach for recognising TA/HST income and identifying the appropriate amount for any refunds. SMT discussed the circumstances in which a refund was appropriate and agreed that as a general principle, a company would not be able to request a refund once detailed work on the topic has begun and resources have been committed. Any later refunds would usually only be appropriate if there were exceptional circumstances that meant NICE could not proceed with the appraisal. SMT understood that this would most likely be the technical engagement stage, but was keen for the finance and CHTE teams to discuss and agree the appropriate cut-off point for allowing refunds based on this principle and finalise the arrangements accordingly. SMT further advised to seek information on the MHRA’s approach to this issue in their cost recovery arrangements. Once finalised, it was agreed that the milestones and weightings should be added to the finance manual and shared with the sponsor team at the Department for Health and Social Care (DHSC) for information.

ACTION: CW/MB

## Provisions and contingent liabilities (item 7.2)

1. John Pegington presented the overview of the current provisions to be included in the 2019/20 accounts. In addition to reviewing the provisions in the 2018/19 accounts, new provisions have been included in the 2019/20 accounts following discussion at SMT in March and the Coronavirus Response Group. The finance team have reviewed existing contracts for potential issues and contacted Beachcroft for their assessment of any liabilities arising from current and potential Judicial Reviews.
2. SMT reviewed the paper and noted the proposed new provisions relating to the potential impact of COVID-19 including the potential delay to the Stratford office move, new potential Judicial Reviews, and the potential cost of dual running of two IT contracts. In addition, it was agreed that the scope for including a provision relating to the need for additional technical expertise to roll-out MS Teams and remote working at pace following the office closures should be explored.

ACTION: JP

1. Martin Davison highlighted that the above provisions are subject to review by external audit and may therefore change proper to finalisation of the 2019/20 annual accounts. It was noted that any further significant cost pressures that come to light prior to signing of the annual report and accounts may need to be included in the narrative disclosure of post-balance sheet events.

## Finance update (item 7.3)

1. Martin Davison presented a draft set of slides to inform a discussion at the April Board Strategy meeting on the financial impact of the COVID-19 pandemic on the business plan. He noted that since the slides were prepared, he has received further information from the DHSC on NICE’s indicative capital allocation for 2020/21. The capital allocation is higher than usual and there is a need to clarify the extent it is intended for fitting out the new London office on behalf of the other DHSC ALBs and how the allocation fits with NICE’s usual approach to capitalising expenditure.
2. SMT discussed the slides and agreed that a revised version should be produced for the Board Strategy meeting that summarises the reasonable worst case scenario and the high level options for mitigating this, which would include restricting the uncommitted non-pay budget, delaying recruitment to non-critical posts and undertaking a strategic review of NICE’s programmes. It was agreed that Catherine Wilkinson and Martin Davison would liaise with Gill Leng to finalise the updated slides, which would be a precursor to a paper to the May Board meeting on the financial position.

ACTION: CW/MD

1. Meindert Boysen stated that in order to provide greater stability, it might be appropriate to raise with DHSC whether in the longer term a top slice of the rebate from the voluntary scheme for branded medicines pricing and access could replace charging individual companies for TA appraisals and HST evaluations.

## Temporary changes to technical engagement in the technology appraisal programme (item 7.4)

1. Linda Landells and Helen Knight presented the proposed changes to the technology appraisal process that seek to alleviate the operational burden arising from the technical engagement step introduced in 2018. While the number of topics requiring only 1 committee meeting has increased slightly and the technical engagement step is popular with companies, it is very resource intensive to the extent that a topic with 1 meeting under the new process requires more resources than a topic needing 2 meetings under the old process.
2. SMT discussed and supported the proposed changes to the technical engagement step. It was agreed these should be framed as interim changes, while options for longer term solutions are developed to enable the key performance indicators for timely guidance production to be met.

ACTION: MB

## Rationale and criteria for the inclusion of NICE content in international ‘non-commercial’ guidance research repositories (item 7.5)

1. Iain Moir presented the proposed principles for providing and maintaining NICE guidance on international guidance research repository platforms which are not currently subject to international charges or a licensing framework. The proposed single licence for non-commercial guidance research repositories would be available when certain criteria are met, including that the repository gains no commercial or financial advantage from NICE content. The licence would make clear individual repositories’ responsibility to update and maintain NICE content on their platforms, and that the repositories should aim to receive NICE guidance content via the NICE syndication feed to ensure they hold up to date information. The paper also included a linked proposal for the Centre for Guidelines to decide on a case-by-case basis whether to participate in schemes that review and rate the quality of individual NICE guidelines on particular platforms.
2. SMT discussed the proposals. In response to a query about the level of work required in setting up and operating the new arrangements, Iain Moir stated that the licence would be largely based on the existing current international content licence and would apply to a limited number of repositories. SMT supported the proposals in the paper, subject to ensuring the terms and conditions for the reuse of NICE’s content is clearly set out alongside NICE’s guidance on the research repositories.

ACTION: IM

## EU exit (item 8)

1. No further update.

## NICE Connect (item 9)

1. Gill Leng highlighted that tomorrow’s steering group is due to discuss the approach to prioritising the NICE Connect work programme over the coming year.

## London office move (item 10)

1. Catherine Wilkinson confirmed that a paper will be prepared for SMT on the options for mitigating the likely delay to the move, informed by upcoming discussions with the British Council and DHSC.
2. It was agreed that the options for holding committees in the medium and longer term should be considered and presented to SMT for consideration and agreement. It was agreed that given the disruption from COVID-19 is likely to continue for some time, the longer-term model for committees is likely to include a combination of remote and physical attendees and this should inform the provision of IT and meeting room facilities.

ACTION: MB/CW

## Weekly staff SMT updates (item 11)

1. It was agreed to remove this from the agenda, with David Coombs continuing to draft the weekly staff messages and sending these to internal communications.

ACTION: DC

## Other business (item 12)

1. None.