

NATIONAL INSTITUTE FOR HEALTH AND CARE EXCELLENCE

Public Board Meeting held on the 16 March 2016 at Morriston Hospital, Heol Maes Eglwys, Morriston, Swansea, SA6 7TU

These notes are a summary record of the main points discussed at the meeting and the decisions made. They are not intended to provide a verbatim record of the Board's discussion. The agenda and the full documents considered are available in accordance with the NICE Publication Scheme.

Present

Professor David Haslam	Chair
Dr Rosie Benneyworth	Non-Executive Director
Professor David Hunter	Non-Executive Director
Tim Irish	Non-Executive Director
Professor Finbarr Martin	Non-Executive Director
Professor Rona McCandlish	Non-Executive Director
Andy McKeon	Non-Executive Director
Bill Mumford	Non-Executive Director
Linda Seymour	Non-Executive Director
Jonathan Tross	Non-Executive Director

Executive Directors

Sir Andrew Dillon	Chief Executive
Professor Gillian Leng	Health and Social Care Director and Deputy Chief Executive
Ben Bennett	Business Planning and Resources Director
Professor Carole Longson	Centre for Health Technology Evaluation Director

Directors in attendance

Jane Gizbert	Communications Director
Alexia Tonnel	Evidence Resources Director

In attendance

David Coombs	Associate Director – Corporate Office (minutes)
Christine Carson	Programme Director – Centre for Clinical Practice

16/019 APOLOGIES FOR ABSENCE

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

16/020 CONFLICTS OF INTEREST

2. None.

16/021 MINUTES OF THE LAST MEETING

3. The minutes of the meeting held on 20 January 2016 were agreed as a correct record subject to the amendment of paragraph 32 to clarify that the implementation of the proposals for the reconsideration of drugs currently funded through the Cancer Drugs Fund (CDF) was subject to the outcome of the public consultation on the changes to the CDF.

16/022 MATTERS ARISING

4. The Board reviewed the actions arising from the Board meeting held on 20 January 2016. It was noted that:
 - The NICE website will be updated shortly to include both the revised presentation of the quality standards and the mapping of the NICE quality standards to the Care Quality Commission's (CQC) inspection framework.
 - Chapter 7 of the guidelines manual has been updated following the Board's discussion on resource impact considerations, and these amendments are in place for draft guidelines issued for consultation from 1 April 2016.

16/023 CHIEF EXECUTIVE'S REPORT

5. Andrew Dillon presented his report, describing the main programme activities to the end of February 2016 together with a summary of NICE's financial position to the end of January 2016.
6. Following a question from Bill Mumford regarding NICE's response to the Triennial Review, Andrew Dillon confirmed that NICE is required to submit a report in July 2016 on progress with the recommendations. This will be presented to the Board prior to submission.
7. David Hunter asked about progress with the 'RepTrak' study and the outcomes of the work on decommissioning and disinvestment. Andrew Dillon briefed the Board on the recent event to explore NICE's support for decommissioning. The event noted the limited scope for 'quick wins' beyond implementation of NICE's existing 'do not do' recommendations. The initial work undertaken by NICE on potential savings from reducing inappropriate prescribing of a number of drugs to elderly patients will though be explored further. Jane Gizbert briefly updated the Board on the RepTrak pilot and agreed to provide further information on the timescales for this work.

ACTION: Jane Gizbert

8. The Board received the report.

16/024 FINANCE AND WORKFORCE REPORT

9. Ben Bennett presented the report which outlined the financial position as at 31 January 2016 and provided an update on the workforce strategy. At the end of this period there is an underspend of £3.8m, which is consistent with the position previously reported to the Board. He stated that HM Revenue and Customs (HMRC) has recently challenged NICE's practice of reclaiming the VAT on journals and evidence resources purchased on behalf of the NHS. NICE has previously been advised by professional VAT advisors that this was allowable under NHS VAT rules and indeed HMRC has not raised it at previous inspections. NICE will be appealing this decision but it will be necessary to make a provision in this year's accounts of approximately £1.8m, which reduces the year-end projected position to an under spend of £2m. If the appeal is unsuccessful then it will lead to an unplanned cost pressure in future years although most of this will be recovered in the re-charge NICE makes to Health Education England for these services.
10. The Board received the report and noted the impact of the recent HMRC decision.

16/025 BUSINESS PLAN 2016-17

11. Andrew Dillon presented the proposed Business Plan 2016-17 for the Board's approval. He highlighted that the plan reflects the outcomes of a series of Board discussions and also the priorities for NICE identified by the Department of Health (DH).
12. Andrew Dillon highlighted two further comments from the DH on this final draft of the business plan. Firstly, a suggestion that NICE should seek to recover the costs from the Highly Specialised Technology programme from industry in addition to the proposal to charge industry for the Technology Appraisal programme. Secondly, that the business plan should include an indicator in the 'speed of production' section of the balanced scorecard on the timescales for considering products under the Early Access to Medicines (EAMS) scheme.
13. The Board reviewed the business plan and approved the document subject to the amendments to reflect the two points raised by the Department of Health, plus further points raised by the Board including additional reference to national policy initiatives such as the Sustainability and Transformational Plans, the clarification of paragraph 54 and the correction of appendix 4. The Board delegated authority to Andrew Dillon to approve these and any other required amendments.

ACTION: Andrew Dillon

14. The Board noted and welcomed the intention to develop a microsite on NICE's website for the finalised business plan, similar to that for the annual report. This will include the topics of the NICE guidance that will be published in the year ahead.
15. Given the priority placed on NICE's support for decommissioning by key stakeholders, the Board requested a mid-year progress report on these activities.

ACTION: Gillian Leng

16/026 CANCER DRUGS FUND

16. Carole Longson presented the report that outlined the relevant themes for NICE from the recent public consultation on the proposed changes to the Cancer Drugs Fund (CDF).
17. Carole Longson summarised the key themes from the consultation and noted that the majority of the responses welcomed NICE's proposed role in the CDF. Several consultees suggested further amendments to NICE's methods. However, NHS England has not indicated that it wishes to change the proposals in this area, and therefore NICE is not proposing to amend its methods. Consultees also raised the question of whether NICE will have sufficient capacity to undertake its new role. In relation to this issue, Carole Longson noted that NHS England has approved a business case to fund additional capacity at NICE, and the funding is anticipated shortly.
18. Board members raised a number of questions on the report, in particular on whether NICE will have sufficient capacity in place by September as envisaged in the report. Carole Longson confirmed that recruitment is underway for the additional staff. There are further contingency options available, including utilising staff with the required skills currently employed by NICE and commissioning support from the Decision Support Unit under the existing contract. In response to questions from the Board, Carole Longson clarified that the Standard Operating Procedure to be developed in conjunction with NHS England will include further information on the data collection process and the budgetary control mechanisms in the CDF, which will both be central to the successful implementation of the revised CDF. The Board noted that NHS England has agreed to reconsider the proposals for this latter point in light of the consultation feedback.
19. Following discussion of the report, the Board:
 - Agreed the proposals set out in the report for how NICE will respond to the issues raised in the consultation.
 - Agreed that NICE should engage with NHS England to implement the proposed arrangements for the Cancer Drugs Fund (CDF) from 1 July 2016, subject to the resolution of the matters identified as outstanding in the CDF Standard Operating Procedure.

- Authorised Carole Longson to liaise with NHS England to establish the methods, processes and joint working arrangements in support of the CDF.

ACTION: Carole Longson

16/027 CANCER DRUGS FUND: UPDATE ON TRANSITION ARRANGEMENTS

20. Carole Longson presented the update on the work being undertaken by NICE to support the transition to the new Cancer Drugs Fund (CDF) following the public consultation discussed under the preceding agenda item. She highlighted the amendments to the process for the reconsideration of the drug indication pairs that are currently in the CDF and for which NICE has published guidance (group 1), in light of the feedback from the short consultation.
21. Andy McKeon noted that the amendments to the process for the group 1 indication pairs could further increase the work-load on NICE. Carole Longson stated that the impact of reviewing new clinical evidence will fall on the Evidence Review Groups, which have indicated ability to undertake this additional activity.
22. The Board noted the paper and supported the work underway as part of the transition to the new Cancer Drugs Fund. The Board thanked Carole Longson and her team, in particular Meindert Boysen and Jenniffer Prescott, for their outstanding contributions in this area.
23. A representative from the Association of the British Pharmaceutical Industry (ABPI) stated that the association and its members would be willing to help develop the data collection arrangements that will be included in the Standard Operating Procedure (SOP). She asked for an impact assessment of the new CDF and the transition to the new arrangements is undertaken. Carole Longson stated that she would discuss with NHS England whether to include in the SOP a 12 month review of the changes.

ACTION: Carole Longson

16/028 NICE EQUALITY OBJECTIVES

24. Ben Bennett presented the proposed equality objectives for NICE for the period 2016 to 2020, which have been developed in line with NICE's statutory responsibilities.
25. Linda Seymour welcomed the proposal to engage with the Department of Health in order to seek to increase the diversity of the non-executive directors. She also highlighted that the 2015 equality forum suggested NICE produces a statement of its values on equality and diversity, in particular in relation to committee recruitment. Ben Bennett stated that information on this matter is included on the website, but he would review whether it could be developed further.

ACTION: Ben Bennett

26. The Board discussed a proposal from Tim Irish that the two objectives should include specific measures for the level of improvement required. Whilst Board members agreed it could be helpful if the objectives included specific targets, it was noted that it is challenging to identify the appropriate benchmark population - for example, whether this should be the English population or the NHS medical and dental workforce.
27. The Board agreed the proposed equality objectives, subject to the following amendment:
 - To increase the proportion of advisory body position applications that are from individuals who describe themselves as from black, Asian and minority ethnic groups.
 - To increase the **proportion** of staff from black, Asian and minority ethnic groups in senior roles (**agenda for change band 7 and above**) across the organisation.
28. It was agreed that objectives should seek year on year improvements in each of these proportions. Further consideration should be given to more specific targets for measuring performance, and performance should be included in the annual equality reports.

ACTION: Ben Bennett

16/029 TRIENNIAL REVIEW RECOMMENDATION: GOVERNANCE OF NICE'S INDEPENDENT ADVISORY COMMITTEES

29. Andrew Dillon presented the paper that set out NICE's response to the issues raised in the Triennial Review regarding the governance of NICE's advisory committees. He asked the Board to note the issues raised by stakeholders and reported in the Review, and consider whether the arrangements for operating and quality controlling the work of NICE's advisory bodies and committees are sufficiently robust and transparent, or whether further action is required to either strengthen or publicise these arrangements.
30. Jonathan Tross stated that he felt the issues reported in the review had been addressed, in particular through the revised Conflicts of Interest Policy. Finbarr Martin agreed that the shift to non-expert chairs following the revised policy has helped address the issues raised but recommended that NICE further publicises this change in practice. He stated that this would help NICE attract applicants for chair positions and also address ongoing perceptions around conflicts of interest.
31. Andy McKeon suggested that the reference to the way in which conflicts of interests were handled by the advisory committees could be made clearer, with

a specific reference to the publication of the explanation and handling of conflicts being made available through the minutes, on the Institute's website.

ACTION: Andrew Dillon

32. The Board noted the issues raised in the Triennial Review and agreed that the arrangements for operating and quality controlling the work of NICE's advisory bodies and committees are sufficiently robust and transparent. The Board supported further publicising these arrangements.

16/030 ENGAGEMENT SUCCESS CRITERIA

33. Gillian Leng presented the proposed success criteria for NICE's external engagement activities delivered by the Field Team in 2016-17, which reference a range of high profile national initiatives such as the Sustainability and Transformation Plans and Five Year Forward View vanguards.
34. In response to questions from the Board, Gillian Leng and Chris Connell, Interim Associate Director, Field Team, confirmed that the measures are felt to be deliverable and had been discussed at the Implementation Strategy Group (ISG). David Hunter noted that the non-executive directors were not aware of the meeting, despite previously having been invited to the ISG. Gillian Leng stated that this was an oversight following transfer of the responsibility for the ISG meetings to a different member of staff and she would follow this matter up.

ACTION: Gillian Leng

35. Bill Mumford noted that the measures are segmented into target groups, such as public health. He suggested that it would be helpful to look at NICE's impact across health and social care. Gillian Leng stated that she would look at whether a suitable example could be identified.

ACTION: Gillian Leng

36. The Board approved the success criteria and the process measures, and noted that progress against these will be included in the six monthly Board reports on impact. Gillian Leng confirmed that these reports will also include feedback gathered by the Field Team, and evidence on NICE's impact from third party sources such as Care Quality Commission reports.

16/031 NICE AND PUBLIC HEALTH ENGLAND: PARTNERSHIP AGREEMENT AND PRINCIPLES FOR JOINT WORKING

37. Gillian Leng presented the partnership agreement between NICE and Public Health England (PHE). She declared a personal interest in that her spouse is an Executive Director at PHE.

38. The Board noted and welcomed the partnership agreement and the associated principles for joint working. The Board noted though the need to continue to minimise duplication between NICE, PHE and other public health partners including the Local Government Association. It was agreed that the Board should be kept updated on partnership working with Public Health England.

ACTION: Gillian Leng

16/032 REVISIONS TO THE NICE STANDING ORDERS, STANDING FINANCIAL INSTRUCTIONS AND RESERVATION OF POWERS TO THE BOARD AND SCHEME OF DELEGATION

39. The Board agreed the changes subject to the amendment of the proposed revision to the Reservation of Powers to the Board to state *'the establishment and dissolution of committees'*.

ACTION: Ben Bennett

16/033 DIRECTOR'S REPORT FOR CONSIDERATION

40. Carole Longson presented the update from the Centre for Health Technology Evaluation (CHTE). She drew the Board's attention to key items of note in the report, including the work of the MTEP research facilitation function and the Science Policy and Research (SP&R) programme. The SP&R programme has several funding bids in progress, which if approved, could lead to the programme attracting income of £1m next year.
41. Following a request from Tim Irish, Carole Longson agreed to provide an update on the 'safe harbour' pilot to a future meeting.

ACTION: Carole Longson

42. The Board received the report and thanked Carole Longson for the work of the Centre.

16/034-16/037 DIRECTORS' REPORTS FOR INFORMATION

43. The Board received the Directors' Reports.
44. Bill Mumford noted and welcomed the inclusion of members with learning disabilities on a guideline committee for the first time.

16/038 COMMITTEE MINUTES

45. The Board received the unconfirmed minutes of the Audit and Risk Committee held on 27 January 2016.

16/039 ANY OTHER BUSINESS

46. David Haslam noted that this was Rona McCandlish's last Board meeting. On behalf of the Board he paid tribute to Professor McCandlish's outstanding contribution as a non-executive director.

NEXT MEETING

47. The next public meeting of the Board will be held at 1.45pm, 18 May 2016, in the Deafblind UK Conference Centre, Cygnet Road, Hampton, Peterborough, PE7 8FD.