

**NATIONAL INSTITUTE FOR HEALTH AND CARE EXCELLENCE**

**Public Board Meeting held on the 18 May 2016 at the National Centre for  
Deafblindness, Cygnet Road, Peterborough, PE7 8FD**

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
Elaine Inglesby-Burke	Non-Executive Director
Tim Irish	Non-Executive Director
Professor Finbarr Martin	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
Professor Carole Longson	Centre for Health Technology Evaluation Director

Directors in attendance

Professor Mark Baker	Centre for Clinical Practice Director
Jane Gizbert	Communications Director
Alexia Tonnel	Evidence Resources Director

In attendance

David Coombs	Associate Director – Corporate Office (minutes)
Catherine Wilkinson	Associate Director – Finance and Facilities

**16/040 APOLOGIES FOR ABSENCE**

1. Apologies were received from Ben Bennett who was represented by Catherine Wilkinson.

## **16/041 CONFLICTS OF INTEREST**

2. None.

## **16/042 MINUTES OF THE LAST MEETING**

3. The minutes of the meeting held on 16 March 2016 were agreed as a correct record.

## **16/043 MATTERS ARISING**

4. The Board reviewed the actions arising from the Board meeting held on 16 March 2016. It was noted that:
  - The 2016-17 business plan was updated in line with the Board's discussion and subsequently approved by the Department of Health.
  - NICE has continued to work with NHS England to finalise the Standard Operating Procedure for the Cancer Drugs Fund, which is due for NHS England's approval shortly.
  - Andrew Dillon is reviewing how NICE's commitment to equality and diversity is publicised on the NICE website.
  - The target for the two equality objectives will be to seek year on year improvements in the relevant proportions.
  - The minutes of the advisory bodies, which are available on the NICE website, set out any interests declared by committee members and the action taken in response.
  - In future, the Non-Executive Directors will be informed of upcoming Implementation Strategy Group meetings.
  - Consideration is still being given as to a suitable engagement success criteria indicator relating to integrated care.
5. It was agreed that given the level of interest in this issue, the planned update on NICE's support for disinvestment should be brought forward to the next Board meeting.

**ACTION: Gillian Leng**

## **16/044 CHIEF EXECUTIVE'S REPORT**

6. Andrew Dillon presented his report, describing the main programme activities and financial position to the end of March 2016.
7. Linda Seymour asked that the diabetes prevention strategy takes account of the increased rates of diabetes amongst adults with mental health conditions.

8. Linda Seymour also asked that the appeal panel members are informed when the final technology appraisal guidance following an appeal is published. Andrew Dillon agreed that such a process would be put in place.

**ACTION: David Coombs**

9. The Board received the report.

## **16/045 FINANCE AND WORKFORCE REPORT**

10. Catherine Wilkinson presented the report which outlined the financial position as at 31 March 2016 and provided an update on the workforce strategy. Subject to completion of the external audit, the year-end financial position was an underspend of £0.5m against the revenue budget. A £3.7m underspend on expenditure, largely due to pay underspends, was offset by two significant liabilities. One was the provision for potential redundancy costs of staff affected by future management of change exercises, whilst the other was the accrual for the backdated VAT liability that was noted at the last Board meeting.
11. The Board discussed the underspend against the pay budgets. Whilst this provides a positive platform for the reductions in income in 2016-17, Board members noted the potential impact of these vacancies on staff, particularly in the guidance producing programmes. Mark Baker, Carole Longson, Gillian Leng and Alexia Tonnel outlined their perspective of staff morale in these programmes. The Board noted that the forthcoming staff survey will be an important insight into the impact on staff of the financial challenges. Likewise, sickness absence is also an important measure; whilst this increased slightly in 2015-16 it still compares very favourably to the NHS. In the context of the financial challenges and the upcoming management of change exercises, it was noted that staff appraisals will be particularly important in maintaining morale. It was agreed to provide the Board with the appraisal completion rate.

**ACTION: Ben Bennett**

12. Linda Seymour welcomed the launch of the workforce planning and change management guidance and stated that it would be helpful for the Board or Audit and Risk Committee to receive a report next year on the guidance's impact.
13. Andy McKeon highlighted NICE's performance against the Better Payment Practice Code. Catherine Wilkinson confirmed that 2015-16 was the first year NICE did not meet the target within the code. She explained the reasons for this, noting that the primary factor was the delay in paying two large invoices for the National Collaborating Centres. In addition, there were some resourcing issues within the finance department. She confirmed that additional monitoring has been put in place to improve performance.
14. The Board received the report.

## **16/046 PUBLIC INVOLVEMENT PROGRAMME ANNUAL REPORT 2015**

15. Gillian Leng presented annual report from the Public Involvement Programme and Victoria Thomas, Head of Public Involvement, summarised the key points of note.
16. Bill Mumford welcomed the work with local Healthwatch organisations, which he hoped would be rolled out nationally. He asked how the impact of this could be measured. Victoria Thomas confirmed that the aim is to extend the pilot to other Healthwatch organisations, utilising NICE's Field Team. Gillian Leng stated that she would look at how this work could be incorporated into the six monthly impact reports to the Board.

**ACTION: Gillian Leng**

17. The Board received the report and approved it for wider publication.
18. The Board discussed the review of public involvement that is due to conclude and report to the Board shortly. Board members suggested a number of issues to be included when the review reports back to the Board. In particular, Board members asked that the review sets out who NICE is seeking to engage with and the benefits of doing so. It was requested that the review puts the public involvement team's activities in the context of wider public involvement across NICE. Also, given the resource constraints, there should be an evidence-based approach to targeting the public involvement activities.
19. A patient group representative in the audience highlighted the importance of closing the feedback loop and advising the public of the outcome of their contribution to NICE.

## **16/047 ABBREVIATED TECHNOLOGY APPRAISAL PROPOSAL**

20. Carole Longson presented the proposal for an abbreviated technology appraisal (ATA) process for health technologies that provide similar or greater health benefits at a similar or lower cost than technologies already recommended in NICE guidance for the same indication.
21. Carole Longson responded to a number of queries from the Board on the proposals. She assured the Board that no reduction in the robustness of the scrutiny of the data is proposed. The ATA process will usually be for technologies that have recently received marketing authorisation and therefore the NICE appraisal will draw heavily on the scrutiny of technology's benefits during that process. The ATA will only be used for technologies that provide similar or greater health benefits at the same or lower cost; this cost will take account of the full costs to the NHS, such as administering the technology. Arrangements will be in place to transfer the technology to the standard appraisal process if in the course of the ATA, it becomes apparent that the costs are higher than an existing technology and / or the benefits are less. The topic

selection processes to identify technologies suitable for consideration under the ATA will in general be the same as the equivalent processes for the single technology appraisal.

22. The Board:

- Supported the development of a new process to appraise health technologies that provide similar or greater health benefits at a similar or lower cost than technologies already recommended in NICE guidance for the same indication.
- Approved the accompanying process and methods statements for public consultation.
- Noted that the final proposals will be brought back to the Board for approval following the consultation.

**ACTION: Carole Longson**

23. Following a question from a member of the audience, Carole Longson provided further information about the circumstances whereby it may be appropriate to switch to the standard technology appraisal process once an ATA is underway. However, such circumstances are not envisaged to be frequent.

#### **16/048 CITIZEN'S COUNCIL**

24. Carole Longson presented the report from the 2015 Citizen's Council which considered the use of anonymised information derived from personal care records as part of the evaluation of treatments and the delivery of care. She highlighted the direct relevance of the topic to NICE's guidance production and stated that the report, and the consultation responses, raise important issues regarding communicating with patients on the collation and use of 'real world' data.
25. Calvin Beck, a member of the Citizen's Council, gave his perspective on the topic and highlighted the differing views amongst Council members.
26. In response to a question from the Board, Carole Longson advised that the refresh of the social value judgements document and the development of accompanying scientific value judgements have been delayed by resource constraints within the Centre for Health Technology Evaluation. The scope for utilising additional capacity for this work is therefore being explored.
27. The Board received the report and approved it for wider publication. The Board placed on record its thanks to the Citizen's Council.
28. A member of the audience from a local Healthwatch noted NICE's extensive work to engage with the public through activities such as joining the Citizen's Council or committees. He asked though how NICE is engaging with members of the public who may prefer shorter and more informal engagement. David Haslam agreed that it is important to proactively engage with members of the

public who are less inclined to participate in formal mechanisms such as joining committees, and stated that the Board continues to be mindful of this issue.

#### **16/049 AUDIT AND RISK COMMITTEE ANNUAL REPORT 2015-16**

29. Jonathan Tross presented annual report from the Audit and Risk Committee, which set out the committee's work over the 2015-16 financial year and its conclusions on the risk and control framework. He outlined the risks and challenges identified by the committee and stated that overall the committee's conclusions on NICE's governance and management arrangements are positive.
30. Jonathan Tross outlined the committee's two recommendations to the Board. Firstly, that the Board engages more regularly with the risks facing NICE and specifically, reviews the strategic risks facing NICE once these have been updated. Secondly, that the Board should agree early warning indicators to identify stresses in three areas: loss of impact in terms of the guidance products, delivery of the work plan in terms of timeliness or quality, and stress or morale in the workforce.
31. Elaine Inglesby-Burke welcomed the report and the recommendations, particularly in relation to risk management. She stated that it would be helpful for the Directorate reports to include greater reference to risk management.
32. Andrew Dillon stated that he would give further consideration to the potential indicators that could be used in respect of the issues raised by the committee. Also, he agreed that it would be helpful to review the format for the Directorate reports to ensure greater consistency and reference to risk management.

**ACTION: Andrew Dillon**

#### **16/050 DIRECTOR'S REPORT FOR CONSIDERATION**

33. Alexia Tonnel presented the update from the Evidence Resources Directorate. She drew the Board's attention to key items of note in the report, including the strengthening of the processes to maintain and continuously improve NICE's digital services, the collaborations with key stakeholder organisations on the provision of evidence services, and the establishment of a small business development team to explore commercial opportunities.
34. The Board received the report and thanked Alexia Tonnel for the work of the Directorate.

#### **16/051-16/054 DIRECTORS' REPORTS FOR INFORMATION**

35. The Board received the Directors' Reports.

### **16/055 COMMITTEE MINUTES**

36. The Board received the unconfirmed minutes of the Audit and Risk Committee held on 20 April 2016.

### **16/056 ANY OTHER BUSINESS**

37. None.

### **NEXT MEETING**

38. The next public meeting of the Board will be the Annual General Meeting held at 1.45pm on 20 July 2016, in the Education Centre, Conquest Hospital, The Ridge, Saint Leonards-on-sea, TN37 7RD.