National Institute for Health and Care Excellence

Report from the Executive Team

This is the Executive Team (ET) report to the Board. It updates the Board on the key priorities and areas of progress since the last Board meeting. NICE is in the process of agreeing new priorities for 2022/23 and going forward the report will be structured around these areas. It sits alongside the integrated performance report, which provides data on the status of our key performance indicators and business plan deliverables.

The Board is asked to review the report.

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Introduction from the Chief Executive

1. In my last report I set out what it is that NICE needs to do, if we are to become the organisation we want to be; supporting the delivery of the best health and care to people and patients. Based on conversations with our stakeholders, I am clear we need to do 3 things: actively draw in the most cutting-edge improvements, rapidly and robustly translate these into useful, useable advice, and purposefully influence the system to adopt the best possible care.
2. Since my last report, NICE has been working hard to translate these 3 fundamental evolutions into a set of tangible business priorities for 22/23. In 22/23 NICE will look to achieve 4 things:
   1. Improve the usefulness and usability of our guidelines by publishing digital living guideline recommendations in a non-COVID topic, with a new model of support for adoption of best practice
   2. Expand our capacity for technology appraisal guidance for medicines by 20% through developing a more proportionate approach
   3. Provide quicker assessments of early value to identify the most promising medical devices, diagnostics and digital products - conditional on further evidence generation
   4. Transform the way we work, including our technology, processes and behaviours
3. To develop these priorities we have carried out extensive internal and external engagement. This has included 5 staff workshops over a 3-week period, attended by nearly 400 members of NICE staff, as well as an all-staff survey to gather feedback. The results have been overwhelmingly positive, with 81% of respondents agreeing with the proposed set of priorities and staff providing valuable feedback on how they can be improved. I’m very grateful for all the NICE staff that made the time to take part.
4. Alongside agreeing these priorities, we have also taken tough decisions as to what new projects we should not take forward, at least in the short-term. In the ongoing restricted financial context, NICE simply cannot do everything, and we need to focus on those things that only we can do and where we add the most value. For example, we have decided to pause any significant updates to NICE methods and processes to give time for our updated manual published in January to bed in. Within guidelines we will take a more prioritised approach to new topics, updates and standards, focussing efforts and resources on updating topics that bring the greatest benefits to people and patients and are the highest priority for the system. This will help to manage workloads on teams, which are still under significant pressure.
5. While I believe our priorities are achievable, the scale of what we are trying to achieve should not be underestimated. Across the board we are trying to do things that few anywhere in the world have yet successfully achieved, in keeping with NICE’s world leading status within the technology assessment and guidance ecosystem. I am clear that in trying to deliver these lofty ambitions there may be times when we fall short, but that should be ok. Teams at NICE should and will be supported to learn from setbacks, enabling an overall culture of empowerment and risk taking, as we seek to break new ground.
6. Having agreed these priorities our focus is now very much on laying the plumbing that will support the overall organisational transformation. Senior Responsible Officers for each priority have been agreed alongside a sponsor, or sponsors, from the non-executive director team. Key milestones and KPIs for each objective have been agreed and these are laid out in the business plan.
7. We are currently in the process of finalising essential pieces of the transformation puzzle; setting up our governance structures, crafting our change story, creating communications plans and agreeing reporting. This is all designed to be as light touch as possible, to give teams the time to focus on what really matters – getting on and delivering our priorities.
8. 22/23 is set to be an exciting year for NICE as we continue to evolve as an organisation. I am looking forward to working closely with the rest of the board, as well as internal and external stakeholders, as we embark on this journey.

NICE highlights

Integrating NGA and NGC into NICE

1. On 1 April, 77 staff from the National Guideline Alliance and National Guideline Centre successfully joined NICE. All legal and contractual elements required by the Transfer of Undertakings (Protection of Employment) (TUPE) regulations were delivered alongside the transfer of programme and HR data, IT access and payroll whilst business as usual guideline development continued, and staff satisfaction was maintained. We conducted a survey of transferring staff in April; 88% staff agreed or strongly agreed that they felt welcome at NICE. People felt the induction process was well run and valued the opportunities to visit the NICE offices.
2. Work across the project was complex and wide ranging and included: completion of a formal consultation process required under the TUPE regulations; delivery of new hardware and software; transfer of a significant amount of guideline data; transfer of payroll data; enrolment of incoming staff onto the NHS pension scheme; extension and novation of several contracts of service required for business continuity; implementation of a new document supply service; detailed business continuity mapping to mitigate risk of delays to business-as-usual guideline development; and delivery of a full programme of induction for staff once they had transferred to NICE.
3. A key factor to the success of the project was the dedicated team focussed on delivery and work across functions without significant impact on business as usual. Matrix working and cross-team collaboration also proved to be essential to deliver a project of this size.

Supporting the UK’s efforts to tackle antimicrobial resistance

1. Two new antimicrobial drugs - cefiderocol and ceftazidime–avibactam - are close to becoming the first to be made available as part of the UK’s innovative subscription-style payment model after NICE published draft guidance estimating their value to the NHS on the 12April.
2. The new subscription-style payment model has been designed to try and address the poor commercial incentives to develop new antimicrobials, as a result of strict controls to restrict their usage, and the growing threat posed by antimicrobial resistance. In 2020, only 41 new antimicrobials were being tested in clinical trials compared with about 1,800 immuno-oncology drugs. The new payment method overcomes this by ensuring a fixed annual fee is paid to the company regardless of how many prescriptions are issued, reflecting the value of holding back new antimicrobials that infections have not become resistant to.
3. NICE is the first health technology assessment organisation anywhere in the world to attempt to estimate the full value of an antimicrobial in this way. The draft NICE guidance will inform commercial discussions between NHS England and NHS Improvement and the companies to agree payment levels in subscription-style contracts.

Signing new contracts for the commissioning of External Academic Groups

1. NICE’s Centre for Health Technology Evaluation recently completed a yearlong tender process to award contracts to suppliers for the following services:

* Provide independent assessments for the development of medical technologies guidance
* Support for continuous development of NICE’s methods for evaluating technologies
* Support to Managed Access arrangements in technology appraisals
* Commission research for devices, digital and diagnostics technologies
* Technical training services for NICE staff and committees

1. The new contracts commence on 1 July 2022, providing services initially for 3 years with the option to extend for a further year.  Contracts have been awarded to 7 suppliers.  There are 4 suppliers on the current contracts, and we have broadened the skills and expertise available to NICE to support us in meeting the new demands on NICE particularly with regards to digital technologies and data collection in managed access arrangements.

2021 / 22 Final report

1. Since our strategy ‘Dynamic, Collaborative, Excellent’ was released in April 2021, we have made real progress in delivery across the 4 pillars. Looking at the year as a whole, we have delivered 26 out of the 28 objectives that we set ourselves, achieving 182 milestones along the way. We have also started to embed a real culture of change and transformation into NICE, that will serve us well going forward.
2. In the following section we highlight some (but by no means all) areas of success over the last year across each of the 4 pillars.

Pillar 1 - rapid, robust, and responsive technology evaluation

Implementing new methods in CHTE

1. Having successfully published our methods and processes update at the beginning of 2022, focus in now turning to implementation to ensure it is successfully bedded in with internal and external stakeholders. Our implementation activity will be based around 4 areas; communicating the need and benefit, capability building, systems and processes and advocacy and best practice.
2. Over the next 6 months we plan to undertake a range of activity in support of these 4 areas including; engaging with academic groups, creating further technical resources, providing training to NICE committees, internal teams, stakeholders and patient groups, and undertaking a proactive communications campaign to clearly explain the benefits. Towards the back end of 2022, we want to move to a programme of ongoing support and monitoring to ensure we continue to identify and improve any implementation challenges and review any methodological issues.

Innovative Licensing and Access Pathway

1. The operational service for the Innovative Licensing and Access Pathway (ILAP) is in place. In the last year over 100 innovation passport applications have been received, with 55 awarded. In addition, 17 target development profile (TDP) applications were received. The business plan objective for 21/22 as stated has therefore been met.
2. Challenges remain for the volume of applications being higher than the resource available and the approach and alignment of ILAP and Innovative Devices Access Pathway (IDAP). In 22/23 we will seek to consolidate the gains made, focussing on the underlying architecture to ensure it meets industry needs, before looking to expand in coming years.

Innovative Medicines Fund

1. NHS England and NICE have finalised the thematic analysis of the Innovative Medicines Fund (IMF), with 96% of respondents supporting the stated aims and objectives. The draft response to the thematic analysis of stakeholder feedback is being finalised. Both the thematic analysis and the IMF principles document (for publication) will be presented to the Executive Team on 17 May 2022 and to NICE Board for information in June 2022.
2. The launch the of the IMF is anticipated by the end of June 2022 – as this is a government manifesto commitment, its release was paused until after the local election purdah period. The launch will see the publication of the IMF principles document, the response to the consultation and a series of frequently asked questions on NHS England’s website (NICE will establish links on our website to relevant documents e.g. NICE health technology evaluations: the manual).

Pillar 2 - dynamic, living guideline recommendations

A consolidated portfolio of guideline topics

1. The Cross Agency Topic Prioritisation group has agreed the approach within topic suite prioritisation. High level mapping of suites has been completed for diabetes and is ongoing for mental health and obstetrics. Digital infrastructure challenges remain and may limit progress over next business year. In addition, we have different models for surveillance which will be refined over the coming year.
2. More specifically, progress has been made in triaging events to ensure we are prioritising those areas most likely to require an update, developing thinking for system engagement and feedback to support surveillance of topics, piloting living surveillance on a topic area to actively monitor pace of change of the evidence and developing a process for suite committees to alert the surveillance team when in development phase.

Guideline authoring tool

1. The new tool was delivered for COVID-19 guidance. New type 2 diabetes content had been tested with users and applied to MAGICapp by September 2021, which informed a comprehensive evaluation paper on the suitability and acceptability of MAGICapp as a guideline authoring tool. Following the report and Executive Team feedback, further options and costs continue to be considered with next steps now being led by the Chief Digital Product Officer (CDPO).
2. There are continued risks due to the complexity of the project and uncertainty of future funding. The interactive guidelines experience (IGE) project has demonstrated the type 2 diabetes in adults prototypes, ahead of being published on the NICE.org website by 31 March. Overall, this now forms part of a multi-year programme of works and is aligned to the "Digital Living Guideline" priority objective for 22/23.

Pillar 3 - effective guidance uptake to maximise our impact

Implementation Strategy

1. The board approved four priority principles for the implementation strategy in November 2021 – embedding implementation upstream, strengthening external collaboration and partnerships, developing implementation campaigns for system priorities, and increasing the use of data for uptake and impact - and asked us to consider how we will evaluate this work. In January we discussed the strategy with our external academic partners in the Implementation Strategy Group (ISG) and received positive feedback on our approach. Following discussions with the internal audience insight research team we have agreed to gather user feedback on our implementation strategy through the bi-annual implementation survey.
2. We are now applying these four aims to our core work. We are using an organisation wide group to oversee a review of current implementation activities and to ensure we apply the principles to activity in line with our agreed objectives and a priority set of guidance topics.

Health inequalities

1. Health inequalities continues to remain a key area of focus for us as well as our system partners. Our Positively Equal (guidance support document) and Equality and Health Inequalities Impact Assessment forms have been updated and are due to be piloted with the aim of supporting a more rigorous approach to Equality Impact Assessments in our guidance and evaluation programmes.
2. Building on our extensive work in 21/22 we have agreed to work with NHSE in 22/23 to co-develop a ‘how to guide’ for ICSs focussing on implementing the evidence base to address health inequalities. We will also be updating our narrative about how NICE works to address health inequalities across its work programmes. This will include a clear support offer to the system agreed as part of NICE submission for the DHSC Health Disparities White Paper and health inequalities communication and engagement campaigns for 22/23.

Pillar 4 - leadership in data, research, and science

Real World Evidence

1. NICE has developed version 1 of the framework for the use of Real World Evidence (RWE) in guidance development, which was presented to the board in March. The draft framework is available to review on the NICE website and feedback survey open from the 4 – 29 April. A revised version will be published at the end of June 2022. We will also present abstract and panel sessions at HTAi and ISPOR 2022 Conferences to ensure further dissemination of our work.
2. We have started to lay the groundwork for adoption internally, beginning to plan training around the framework with CHTE as well as co-leading a group with CfG around the data & analytic components of the methods manual update. This included contributing to the CHTE committee training away day.

NICE Listens

1. A report on the establishment of NICE Listens and the outcomes of the first topic, health inequalities, was presented to the Executive Team in February. The report was well received and was presented to the March 2022 Board meeting. Following the full establishment of NICE Listens and a very successful outcome from the first topic, work continues on developing future topics and preparing for the next exercise (which will focus on incorporating environmental impact in NICE’s guidance). Progress will be tracked using SP&R processes.

Progress of strategic enablers

Digital workplace programme and data management

1. After a pause in some digital workplace programme activities due to shortage of infrastructure staff capacity in the last stages of the college transfer project, work on ‘project spaces’ as an early adopter service has fully resumed and external access from users outside NICE is being piloted as part of this. Scoping and planning for ‘my space’, designed around the use of OneDrive, is also underway. Looking ahead into 2022/23, the programme is being reshaped around the agreed priority areas for NICE and a revised implementation budget.
2. As part of our objective to introduce one planning tool for use across NICE, an interim solution for the auto rescheduling feature was delivered by our software provider. Unfortunately, it did not meet all NICE requirements. Next steps are being reviewed with key sponsors and work is ongoing with the provider to address this. Further work is being taken forward through the "Internal transformation of the way we work" priority objective for 22/23.
3. A business case to present a roadmap for NICE to introduce an approach to Master Data Management and support the roll out of an organisational CRM tool was prepared in March 2022. This work has been deprioritised in 22/23 due to financial and resource constraints but the preparatory work will enable this to progress when funding is available.

People and places

1. Organisational design activity has taken place in several directorates and areas, and this has been reviewed and refined following the reprioritisation exercise. We are continuing to implement the Heads Up, Heads Down and Heads Together way of working, which will be supported with guidance and FAQs. This will be a live document updated continuously. Will be working with Unison to agree how HCAS and hybrid working can be aligned including a review of homebased contracts, this project will be completed in Q1 2022/23. The Culture project diagnostic has now concluded and a culture blueprint is being developed during April and May 2022.

Equality, diversity and inclusion

1. Diverse interview panels have been launched, starting with senior recruitment at band 8a and above. Staff networks have been established and are fully operational. We are currently finalising our Year 2 Action plan, working with Staff Networks to include their priorities. Work with our Disability and Wellbeing Network to agree a Disability Passport for reasonable adjustments is ongoing, including a presentation in the May all staff call. This is the start of an engagement campaign to raise awareness.
2. For EDI in committee and guidance development, 2 surveys and 4 listening events have been completed. A 2-day action planning workshop took place in early May, including 6 committee and prospective committee members. The action plan will then be taken forward during 22/23. A diagnostic for Equality Impact Assessments in guidance development has been completed and a pilot approach, based on the diagnostic, is being launched in 22/23.

2022 / 2023 Priorities

Priority 1: Improve the usefulness and usability of our guidelines by publishing digital living guideline recommendations in a non-COVID topic

What are we doing?

1. This year we will be improving the usefulness and usability of our guidelines by publishing digital living guideline recommendations in a non-COVID topic, with a new model of support for adoption of best practice. We are going to apply what we learned during the pandemic – when we produced living guidance on COVID-19 in the face of an infodemic of mixed quality evidence – and begin to explore how we might replicate this across the breadth of our work.
2. By the end of the year we will have created living content on breast cancer that our users can find, understand and implement quickly. Evidence in cancer does not stand still; neither should its synthesis and translation into action.

Why are we doing this?

1. NICE is at the forefront of bringing better care to people. We know that for our guideline users, having access to recommendations that reflect the very latest and best clinical evidence, is paramount. Our established methods of guideline production are rigorous, robust and world-leading – but clinicians tell us we can be slow and unresponsive when faced with new evidence. Our new approach to digital living guidelines will address this.
2. A living guideline has an underpinning development process which updates recommendations as soon as new relevant evidence becomes available. New recommendations and updates need to be disseminated quickly to users when and where they are needed. This is why over the long term we want to embed our recommendations in a range of electronic workflow solutions, including decision support for clinicians in addition to being presented on the NICE website.

Why have you chosen breast cancer for the first non-covid living guideline?

1. The early diagnosis and treatment of breast cancer is a major clinical priority area for the NHS. It is also a topic on which NICE has published a significant number of recommendations across multiple guidelines and technology appraisals. Breast cancer is also an area in which many innovative new drugs are coming down the pipeline. This will provide us with an ideal opportunity to test a rapid, real-time approach to updating our guideline recommendations as new therapeutics go through NICE appraisal and are commissioned for use in the NHS.

How will living guidelines benefit people using health and care services?

1. By getting the right information, to the right people, at the right time – our living guideline will support clinicians and patients to make shared decisions about care based on the most up-to-date evidence.

Priority 2: Proportionate approach to technology appraisals for medicines

What are we doing?

1. We will pilot and implement a shorter and less resource intensive technology appraisal process for topics where a highly streamlined process can be applied.
2. At the other end of the spectrum, we will create a Health Technology Assessment Innovation Laboratory (HTA Lab) to support the evaluation of innovative and potentially highly beneficial health technologies, where application of NICE’s current frameworks alone would not meet the needs of patients, the public and health system partners. The HTA lab approach will be piloted on at least 2 innovative, complex topics.

Why are we taking a proportionate approach?

1. The range and complexity of technologies that NICE now reviews is greater than ever. But not all technologies can easily fit into our existing technology appraisal processes. A few medicines or technologies take up a large proportion of our teams’ time, while other potentially simpler appraisals may be delayed due to a lack of capacity.
2. A proportionate approach will help differentiate our appraisal processes, so that some medicines can move through a simpler, smoother, faster process, allowing our expert committees more time to consider the complex appraisals / interventions which need bespoke attention.

What benefits will this bring to patients and people?

1. The proportionate approach to technology appraisals will see the development of a clear route for different types of technologies to go down, increasing our capacity from 2023/24 by 20% by ensuring we make the best use of our technical and project resources, and that people and patients can access promising treatments more quickly.

Priority 3: Early Value Assessment for digital and medtech

What are we doing?

1. We will provide quicker assessments of early value to identify the most promising technologies that can be used in the NHS, drawing in in digital products, medical devices and diagnostics that address national unmet needs.
2. By signalling promising medical technologies that can be used in the NHS conditional on further evidence generation, we will be actively driving innovation into the hands of health and care professionals to enable best practice.
3. We will develop and launch the new early value assessment approach and apply this to at least 10 medical technologies, of which at least 6 will be digital health technologies in 22/23.

What is early value assessment for medical technologies?

1. This objective will establish processes for NICE to identify and review promising medical technologies, starting with digital health technologies, and to provide an early indication to the system that they could be adopted. These promising technologies, or classes of technologies, can be recommended for use in the NHS via a rapid approval pathway, conditional on further collection of real-world evidence, before NICE makes a final evaluation.

Why are we taking this approach?

1. There is an extremely large volume of digital health technologies and other medtech coming onto the market, but no clear signal for the NHS about which are truly transformational for patients and offer good value for money. It is important for NICE to provide an expert judgement about which early medical technologies could provide value for the NHS and what further real-world evidence is needed. By working at the interface of health and care and the life sciences industry we are able to facilitate early access to innovation.

What are the benefits for people and patients?

1. By drawing in innovation in priority areas like mental health and cancer, we are helping the NHS recover after COVID. The new approach will enable NICE to draw in and review a higher number of medical technologies that meet national unmet needs, as set out in the Life Sciences Vision and in the NHS Long Term Plan.
2. This work on better understanding NHS needs, multiple technology evaluation and greater use of real-world evidence lays the foundation for future ambitions to scale up our evaluations of existing as well as new medical technologies for the health and care system.

Priority 4: Transforming the way we work

What are we doing?

1. The successful achievement of our priorities is dependent on transformation of the way we work.
2. Our transformation has three components, which form the collective transformation effort: technology, processes and behaviours.  Across these three domains in 22/23 we will start by:

* Getting the foundations right
* Agreeing and initiating an organisation-wide approach to transformation
* Developing a multi-year roadmap for the transformation

Why are you doing this?

1. This is about ensuring we have an effective and efficient organisation that supports our externally facing guidance development centres to undertake their work.  We require strong, diverse leadership, an empowering, collaborative and user focused culture and fit-for-purpose systems and processes that embrace technology to underpin all that we do.
2. This will enable NICE to bring a systematic approach to tackling complex problems, focusing on outcomes, flattening hierarchies, giving everyone a greater voice, and bringing staff and users together to improve how health and social care guidance is provided.

Key risks

NICE continues to monitor and manage key risks in a number of areas:

1. **Strategic relevance** – the health and life sciences sector continues to be extremely fluid and fast paced, experiencing rapid rates of change particularly in terms of emerging technology and patient need. NICE needs to continually evolve to meet the needs of users, national system partners and the life science sector. Ensuring our continued strategic relevance is one of the key drivers behind the business priorities we have outlined for 22/23, which are designed to help maintain our world leading position.
2. **Financial sustainability** - The economic challenges post-COVID have meant there is a need for ongoing restraint in public spending, to ensure the government finances are placed on a sustainable footing. While NICE has received a good Spending Review settlement, we need to ensure we are able to continue to meet the requirement for efficiency savings across the public sector at the same time as securing the financial resources to invest in our long-term development in key areas. Alongside our rigorous financial planning processes, we continue to maintain a programme of continuous improvement to identify potential efficiency savings as well as continuing to raise the commercial awareness of the organisation as a whole.
3. **Organisational transformation** – As a result of NICE’s ambitious organisation wide transformation programme, limited transformation leadership and team experience and staff capacity, we may not have enough experienced and capable people with time capacity to focus on transformation delivery alongside continued BAU work. In mitigation, Senior Responsible Officers have been appointed and developed detailed delivery plans in conjunction with teams. The organisational transformation engine has been established, putting in place effective communications, accountabilities, governance, metrics and reporting. We will also look to build capability at senior levels of the organisation, including management development training, as well as work stream lead mentoring and on the job support.

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