**NATIONAL INSTITUTE FOR HEALTH AND CARE EXCELLENCE**

Public Board Meeting
held on 19 July 2023 at 2 Redman Place, Stratford and via Zoom

# Unconfirmed

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.

## Board members present

Sharmila Nebhrajani Chairman

Michael Borowitz Non-Executive Director

Mark Chakravarty Non-Executive Director

Jackie Fielding Non-Executive Director

Gary Ford Non-Executive Director (item 7 onwards)

Alina Lourie Non-Executive Director

Bee Wee Non-Executive Director

Justin Whatling Non-Executive Director

Sam Roberts Chief Executive

Jonathan Benger Chief Medical Officer and Interim Director of the Centre for Guidelines

Mark Chapman Interim Director of Medical Technology and Digital Evaluation

Helen Knight Director of Medicines Evaluation

Boryana Stambolova Interim Director, Finance

## Directors in **attendance**

Helen Brown Chief People Officer

Jane Gizbert Communications Director

Felix Greaves Science, Evidence and Analytics Director

Alison Liddell Acting Digital, Information and Technology Director

Clare Morgan Director of Implementation and Partnerships

## In attendance

David Coombs Associate Director, Corporate Office (minutes)

Paul Chrisp Head of Products and Publishing

Naomi Lee Head of Organisational Transformation

Chris Connell Associate Director, Field Team

Sara Buckner Technical Adviser (item 7)

Bhash Naidoo Senior Technical Adviser (item 7)

Nichole Taske Associate Director, Methods and Economics (item 7)

Helen Lovell Deputy Director, Medicine Regulation and Prescribing, Department of Health and Social Care

## Apologies for absence (item 1)

1. Gary Ford gave apologies for the start of the meeting.

## Declarations of interest (item 2)

1. Mark Chakravarty noted that he is now a Non-Executive Director (NED) of the Care Quality Commission and the register of interests had been updated accordingly. This, and the directors’ previously declared interests recorded in the register of interests, were noted and it was confirmed there were no conflicts of interest relevant to the meeting.

## Minutes of the last meeting (item 3)

1. The minutes of the Board meetings held on 17 May and 21 June 2023 were agreed as correct records.

## Action log (item 4)

1. The Board noted the progress with the actions arising from the public Board meeting on 17 May 2023 and those open from preceding meetings, as set out in the action log. The actions marked closed on the log were confirmed as complete.

## Update from the Department of Health and Social Care (item 5)

1. Helen Lovell provided an update from the Department of Health and Social Care (DHSC) and highlighted that since NICE’s last Board meeting the Government’s Chief Scientific Advisor, Professor Dame Angela McLean, had published a report into the regulation of emerging life sciences technologies, which made a range of recommendations to support innovation across the regulatory and access pathway for medicines and medical devices. Helen highlighted that the report and the Government’s response, which supported the recommendations, recognise the work already underway at NICE through the proportionate approach to technology appraisals, and the sponsor team are continuing to work with DHSC, Office for Life Sciences and NICE colleagues on implementation of the recommendations. Helen also noted that negotiations on the successor scheme to the current Voluntary Scheme for Branded Medicines Pricing and Access continue, and that the Government, industry and NHS England have set out their objective to agree a mutually beneficial scheme that supports the sustainability of NHS spend on branded medicines, better patient outcomes and a strong UK life sciences industry.

## Executive team update and integrated performance report (item 6)

1. Sam Roberts and colleagues from the executive team presented the update on progress with the transformation and business plan. It was noted that at the end of June 2023 there was a high confidence in achieving the 8 objectives in the 2023/24 business plan, with 47 of the 49 underpinning milestones on track. The executive team highlighted the new indicators in the performance report, including those relating to the timeliness of NICE’s technology appraisal guidance, and the reconfiguration of the target on health technologies guidance outputs to reflect the bringing together of the diagnostics, interventional procedures, and medical technologies programmes.
2. The Board welcomed the positive progress with the business plan and transformation in this early part of the year and noted the cross organisation working on many of the projects. It was noted that such collaboration is essential to align methods and process across historically separate programmes so that NICE can produce unified and integrated guidance available at the point of patient care. The Board discussed the transformation challenges and it was noted that while many staff support the changes, there will inevitably be some resistance and discomfort given the level of change to established ways of working. The Board reflected on the current “green” rating for the business plan objectives and whether this was likely to continue as the year progressed. It was noted that the RAG rating is a high level guide provided at an aggregate level, and may change later in the year, however currently there is positive progress across a challenging set of objectives.
3. The Board noted the information provided on the implementation of NICE’s updated manual for technology evaluation and highlighted the importance of providing support to committees to ensure consistent application of the severity modifier and the additional flexibilities that are now available. Helen Knight confirmed that the use of the modifier and the additional flexibilities are being tracked quarterly with a view to creating a library of resources. A report on the impact of the changes over the first year will come to the Board in December 2023 and outline how the methods are working in practice, their impact, and what has been learnt.
4. The Board noted and welcomed NICE’s work to develop resources to support the implementation of virtual wards and asked when the guidance will be published. It was confirmed that the aim is to have the first output ready in September with the remaining materials available by the end of November, so they can be used before the winter. Felix Greaves highlighted that while the work to create the content is progressing well, the key challenge is to bring this together in a format that clearly addresses the questions faced by the health and care system.
5. The Board welcomed the new medicines key performance indicators, which it was noted will provide better insight into the timeliness of NICE’s technology appraisal (TA) guidance. Topics affected by factors outside of NICE’s control were previously excluded from the reporting, but the new approach will provide greater transparency on the impact of factors within and outside of NICE’s control, and how quickly NICE can produce guidance when it is notified of a topic and receives key submissions sufficiently in advance. It was agreed that for future reports it would be helpful for the report to state the overall number of topics used to calculate the mean days between Great Britain marketing authorisation and final TA guidance publication. In addition, a qualitative analysis of the factors affecting the timeliness of TA guidance was also requested at a suitable point in the future.

Action: Helen Knight

1. Boryana Stambolova briefed the Board on the financial position and stated that it has been a challenging start to the year. The pay award for staff that was confirmed after the budget had been set created a £1.1m cost pressure and discussions are underway with DHSC about additional funding to cover this. In addition, the income from the TA programme is behind plan, with the year-end forecast an adverse £1.9m variance to plan. Income from NICE Scientific Advice is also behind plan, but this is expected to improve later in the year, supported by the establishment of a new engagement team that brings together the existing Life Sciences, Scientific Advice and NICE International teams.
2. The Board discussed the under-recovery of the TA income, including the mitigating actions that are being taken and the wider financial and strategic implications. It was noted that the under-recovery is in part due to the charges not reflecting the 2023/24 pay award, as a decision was taken to instead wait for a fuller review of pricing for 2024/25, which will now be informed by current work to better understand the costs of the programme. Work is also underway to consider how the programme can better adapt to changes in activity levels, including for example by redeploying staff to other income generating activities when TA activity is lower. In response to questions from the Board, Boryana confirmed that the current position is a forecast, and it is not yet possible to confirm whether this a short-term reduction or a longer term trend of lower activity levels. The Board supported the proposed actions to better understand costs and future activity levels. There was support for adopting a more flexible approach to redeploy capacity to other income generating activities when necessary, and support for the planned development of a wider commercial strategy that will explore the scope for generating income from a wider range of sources. The Board noted that this remains a key area of focus for the Executive Team and requested a further update to the next Board meeting.

Action: Boryana Stambolova and Helen Knight

1. Subject to the above comments and action, the Board noted the report.

## Public consultation on update to developing NICE guidelines: the manual (item 7)

1. Sara Buckner presented the paper that set out the proposed changes to the manual for developing NICE guidelines. This was noted to be the second of four modular updates and incorporates important updates to the methods and processes that are being implemented across the Centre for Guidelines to ensure NICE guidance is useful and usable. Sara briefly outlined the benefits arising from the changes that affect the sections on scoping; searching for evidence; writing the guideline recommendations; finalising the guideline recommendations; and support for putting the guideline recommendations into practice.
2. Board members asked about the risks of adopting a modular approach to updates, including how to ensure the manual is internally coherent when it is updated in stages. In response, Jonathan Benger stated that the approach seeks to strike a balance between making changes to ensure the manual supports the ambition for digital living guidelines, and avoiding causing too much confusion and uncertainty for stakeholders by multiple changes. If the consultation provides feedback that stakeholders feel this balance has not been achieved then the modular approach can be reconsidered. It was confirmed that a robust approach to quality assurance will ensure the manual remains internally coherent and consistent.
3. In response to a question from the Board, Sara Buckner confirmed that lessons had been learnt from the first modular update in terms of the format for providing information. Otherwise, the approach remains unchanged as the consultation appeared to work well, with a diverse range of stakeholders commenting.
4. The Board approved the proposed amendments to sections 1, 2, 5, 9, 11, 12 and Appendix L of developing NICE guidelines: the manual for consultation.

## Talent management (item 8)

1. Helen Brown presented the update on the planned approach to talent management at NICE and explained that this first year involves the implementation of a number of tactical initiatives that will provide a foundation for the longer term roadmap. These foundational activities include a refreshed appraisal process aligned to new values and behaviours with better quality personal objectives related to NICE’s transformation; introducing career conversations; refreshing the senior succession planning processes to align better to NICE’s values; and a focus on developing and activating NICE’s leadership teams. Helen highlighted the close working with other DHSC arms length bodies (ALBs), including exploring the scope to develop talent and provide opportunities across the ALBs, especially where there may be limited internal opportunities in small teams.
2. Board members welcomed the update and noted the scale of work required. There was encouragement to ensure there is a culture that recognises development is not solely about moving into a more senior role, so that talent management includes supporting staff to develop within their existing role or move laterally. Linked to this, it was noted that NICE needs a combination of staff with a breadth of leadership skills and those with specific technical expertise. The use of a 9 box grid for talent management must therefore recognise there is not be a single “right” box.
3. Board members recommended further exploring the scope to offer secondments into and out of NICE to develop expertise, particularly from industry. It was also suggested that it would be beneficial for NICE staff to gain exposure to the health care environment, to help ensure NICE retains a user focus. There was encouragement also to look at the support managers require to build teams and ensure staff are not promoted solely for technical skills.
4. It was noted that leading stretch projects is an important development opportunity and therefore consideration should be given to widening these opportunities to a broad range of staff, which can help develop a more diverse talent pipeline. It was suggested that organisations with a well developed approach to talent management have a clear succession pipeline, with clarity on individuals who are ready for more senior roles now, and those who could be ready in the short and medium term. There was encouragement to have a planned approach to developing talent in hard to recruit roles, drawing on relationships with universities.
5. Sam Roberts and Helen Brown thanked the Board members for their feedback and confirmed these ideas will inform the talent management strategy. In terms of career pathways, the aim is to work with other ALBs, and possibly the private sector, to explore secondment opportunities given the relatively small size of NICE which can limit internal opportunities. Alongside this, the intention is to facilitate increased internal movements for technical staff, through for example, ‘job families’ and more consistent job descriptions. Further strands include succession planning and skills mapping, looking at how NICE can address known skills gaps through partnering with universities or industry; transforming behaviours; and developing the leadership cohort.
6. The Board noted that the paper focused on NICE’s staff and did not consider the work to develop and support members of NICE’s committees who develop NICE’s guidance. It was agreed that the Executive Team would consider this further with a view to including the committees in the second year of the talent management strategy.
7. Subject to the above comments, the Board noted the report and supported the planned actions. It was agreed that a further progress update should be provided in six months. It was agreed that the updated appraisal form would be provided to the Non-Executive Directors (NEDs) for information.

Action: Helen Brown

## Modern slavery and human trafficking statement (item 9)

1. Boryana Stambolova presented the modern slavery and human trafficking statement for the 2022/23 year, which the Board approved for publication on NICE’s website.
2. The Board reflected on the reference in the statement to the mandatory equality, diversity and inclusion (EDI) training for staff and considered the training requirements for the NEDs. It was agreed that the (EDI) training should be made available to the NEDs who should undertake this if they had not undertaken similar training in another role.

## Appointment of a Responsible Officer for Revalidation (item 10)

1. Jonathan Benger presented the proposal to appoint Dr Judith Richardson, NICE’s Acting Responsible Officer for Revalidation, as the substantive Responsible Officer. Felix Greaves, noted that NICE is his designated body for revalidation, and praised the work undertaken by Judith and the revalidation team.
2. The Board appointed Dr Judith Richardson as NICE’s Responsible Officer for Revalidation.

## Audit and Risk Committee minutes (item 11)

1. Alina Lourie, chair of the Audit and Risk Committee, presented the minutes from the committee’s meeting on 3 May 2023 and noted that the issues discussed at the meeting were outlined in the committee’s annual report that was presented to the May public Board meeting.
2. The Board received the minutes.

## Any other business (item 12)

1. Sharmila Nebhrajani highlighted that Bee Wee has been designated as the NED with specific responsibility for engaging with the workforce, in line with corporate governance best practice, and the nature of the role will be scoped further over the coming weeks.
2. Sharmila Nebhrajani concluded by noting this was Felix Greaves’ last Board meeting before taking up a secondment as Director of Digital, Data and Innovation Strategy and head of the joint digital policy unit, working both at the Department of Health and Social Care and NHS England. On behalf of the Board, Sharmila thanked Felix for his contribution to NICE and wished him well for his secondment.
3. There was no further business to discuss.

## Next meeting

1. The next public meeting of the Board will be held on 21 September 2023 at 1:30pm.