NICE National Institute for Health and Care Excellence

NICE indicator process guide

NICE process and methods
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www.nice.org.uk/process/pmg44

Contents

Overview

This guide describes the process used to develop NICE indicators.

Last reviewed: January 2026

We updated hyperlinks and remove outdated references to organisations, and aligned section 5 on equality and diversity to the published manuals for NICE guidelines and quality standards.

1 The NICE Indicator Programme

1.1 What is a NICE indicator?

NICE indicators measure outcomes that reflect the quality of care or processes linked by evidence to improved outcomes.

NICE indicators differ from quality measures within NICE quality standards because the measures used in quality standards are not formally tested and are often intended to be adapted for use at a local level.

The term 'NICE indicator' is used in this guide to describe outputs of this formal process.

1.2 Components of a NICE indicator

A NICE indicator is made up of the following:

- a denominator, describing the target population included in an indicator
- a numerator, describing the number of people in the denominator who have the specified intervention, treatment or outcome
- a description of the inclusions, exclusions and potential personalised care adjustments.

1.3 How NICE indicators can be used

NICE indicators are published in a 'menu' on NICE's website. NICE indicators may be used in a number of different settings to support high-quality care. This may include:

- measuring the quality of care and outcomes for defined populations
- setting priorities for quality improvement
- supporting the development of local performance dashboards
- benchmarking performance against national data

- demonstrating progress on improving outcomes
- supporting national performance schemes, such as the Quality and Outcomes Framework (QOF)
- informing commissioning decisions.

1.4 Principles and activities of the NICE indicator programme

The NICE indicator programme operates according to the NICE principles. These include using:

- a comprehensive evidence base (as described by NICE quality standards, NICE guidance or other sources of high-quality evidence)
- an independent advisory committee
- input from people using services and carers
- transparent processes and decision making
- public consultation
- effective dissemination and implementation
- regular review.

The key activities of the NICE indicator programme are to:

- produce indicators as part of a menu of indicators that measure the delivery of safe, effective and cost-effective care and services
- identify how indicators can be used to improve outcomes, including quality of life and satisfaction with care and experience
- give stakeholders (including the public) an opportunity to contribute through an inclusive, open and transparent consultation process
- consider the resource impact of indicators
- consider the equality impact of indicators

- consider the sustainability of indicators
- regularly review and update indicators
- align with other national quality initiatives.

Further information about the NICE indicator programme is available on the indicator pages on the NICE website.

2 Who is involved in developing NICE indicators?

2.1 The NICE indicator advisory committee

2.1.1 Membership of the committee

The NICE indicator advisory committee comprises of members with a range of expertise who are independent of NICE. For a list of indicator advisory committee members and terms of reference, see the indicator advisory committee on the NICE website. Additional topic experts and co-opted members may be invited to advise the committee on a topic-by-topic basis.

2.1.2 How indicator advisory committee members are appointed

The indicator advisory committee chair and members are recruited through open public advertisement. They are appointed in line with the NICE policy on appointments to advisory bodies.

2.1.3 The role of the indicator advisory committee

The role of the indicator advisory committee includes:

- reviewing results of testing, consultation, equality impact and any cost-effectiveness analysis
- recommending indicators for publication on the NICE menu
- reviewing existing indicators.

For the full details of the role of the indicator advisory committee, see the terms of reference for the NICE indicator advisory committees.

2.2 Work undertaken in NICE

2.2.1 NICE indicator team

The NICE indicator team is responsible for:

- managing the prioritisation process for the development of new indicators
- preparing briefings for the indicator advisory committee on prioritised areas for indicator development
- facilitating the drafting of potential indicators
- analysing and presenting the results of public consultation
- providing or sourcing cost-effectiveness reports if appropriate
- commissioning and quality-assuring the results of indicator testing
- preparing committee minutes for publication
- producing the guidance to be published alongside new indicators
- ensuring NICE's published process and methods for developing indicators are followed in line with agreed timelines and standards of quality.

The NICE indicator team is committed to improving practice and methods by regularly reviewing and evaluating its processes and methods.

2.2.2 Resource impact assessment

NICE assess the resource impact of the changes needed to improve against indicators at a national level using costing reports produced for underpinning guidance. NICE identify the potential costs and savings and highlight indicators that may be particularly useful for commissioners. The resource impact work may also explore the impact on individual sectors of the health and care system.

2.3 Other organisations

NICE works closely with many professional, NHS and public sector organisations, including

those representing patients, service users and carers. Key partners of the indicator programme include NHS England, the Department of Health and Social Care, the National Collaborating Centre for Indicator Development (NCCID) and the devolved administrations in Northern Ireland and Wales.

- NHS England and the Department of Health and Social Care can establish priority areas for indicator development.
- The devolved administrations in Northern Ireland and Wales can help to establish priority areas for indicator development.
- The NCCID is contracted by NICE to support specific aspects of the indicator development process, such as:
  - scoping indicators during early stages of development
  - drafting indicator wording
  - assessing potential data sources
  - testing potential indicators.
- NHS England works with NICE to advise on feasibility of data collection.
- In England, the content of the Quality and Outcomes Framework (QOF) is determined through negotiations between NHS England and the General Practitioners Committee (GPC) of the British Medical Association (BMA). NICE indicators are considered for inclusion in the QOF during these negotiations.

3 Process for developing indicators

This section outlines the process for identifying, developing and quality-assuring indicators.

3.1 Prioritising areas for indicator development

Indicator development will reflect priorities agreed with NHS England, the Department of Health and Social Care and the devolved administrations in Northern Ireland and Wales. These organisations in turn may establish processes to engage with other stakeholders.

Initial suggestions are based on publication of:

- new national policy
- new or updated NICE quality standards or guidance
- new or updated reports of current national performance.

The NICE indicator work programme is agreed on at least an annual basis and more frequently if demand requires it. Indicators may also be developed or assured for organisations that commission NICE to undertake specific pieces of indicator related work. A summary of all indicators in development or under review will be available on the NICE website.

3.2 Indicator advisory committee consideration

Areas for indicator development (see section 3.1) are presented to the indicator advisory committee alongside relevant guidance recommendations and current practice data. The indicator advisory committee advises on progression to the development stages by examining current variation in practice, opportunities to improve clinical outcomes, early feasibility assessment and the content of evidence-based guidance.

To utilise externally developed indicators and avoid system wide duplication of effort, the indicator advisory committee may also use the criteria outlined in appendix A to assess the validity of indicators developed by external organisations for inclusion on the NICE menu.

3.3 Indicator development stages

3.3.1 Indicator drafting

Drafting indicator wording and specification is an iterative process undertaken primarily by NICE and the National Collaborating Centre for Indicator Development (NCCID). Advice may be sought from NHS England, the Department of Health and Social Care, experts on the indicator advisory committee, and from experts involved in developing relevant NICE quality standards or guidelines.

3.3.2 Testing

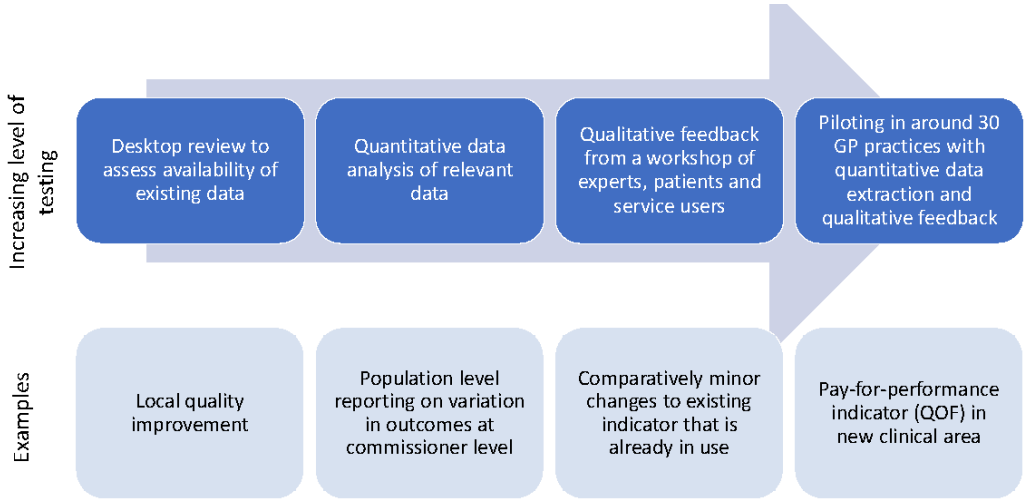
All NICE indicators undergo testing to assess feasibility and acceptability. Testing is undertaken primarily by NICE and the NCCID. The approach to testing indicators is agreed with partner organisations and the indicator advisory committee and should be appropriate to:

- the indicator's intended use (for example, as an aid for quality improvement purposes only or inclusion within a national pay-for-performance framework)
- the existence of similar indicators that are already being used in practice.

The testing options available include, but are not limited to:

- desktop review to assess availability of existing data sources
- quantitative data analysis of relevant and available data
- qualitative feedback from a workshop of experts and people who use services
- piloting general practice level indicators in around 20 GP practices with feedback from GPs and practice staff.

Figure 1 Illustrative example of how testing may be used



3.3.3 Consultation

NICE asks for comments from stakeholders (including patient organisations and professional groups) on potential new indicators during a 4-week public consultation. They are asked to comment on:

- risk of unintended consequences
- barriers to implementation
- impact on equality groups.

Stakeholders may also be asked specifically about any important areas for consideration that have been identified.

NICE informs stakeholders in advance about the public consultation by email and on the NICE website. Once it begins, stakeholders can see the proposed indicators on the NICE website and submit comments. Comments received after the deadline for submission will not be considered. Responses to comments will be made available on the NICE website if the proposed indicators are approved for final publication.

3.3.4 Cost-effectiveness analysis

Indicator development may include a consideration of cost effectiveness when indicators are intended for inclusion within a pay-for-performance framework.

3.4 Indicator advisory committee review

3.4.1 Testing and consultation review

The indicator advisory committee considers the results of indicator development (including the testing results, equality analysis and any cost-effectiveness analysis) alongside comments submitted during the public consultation. The indicator advisory committee advises on progression to the NICE indicator menu using criteria to assess the validity of indicators as outlined in appendix A. Committee considerations against each of these criteria will be published; however, they will not be used to assign a grading or score.

3.4.2 Resource impact analysis

A high-level assessment of resource impact is undertaken for indicators published as suitable for use in a pay-for-performance framework. This considers the likely resource impact of additional activity resulting from the implementation of new indicators. For more information, see resource impact on the NICE website.

3.4.3 Threshold setting

NHS England and the devolved administrations in Northern Ireland and Wales may ask the indicator advisory committee to propose achievement thresholds if indicators are intended for inclusion within a pay-for-performance framework.

Setting of thresholds is usually based on factors such as the baseline level of achievement, maximum expected levels of achievement and current levels of variation.

3.5 NICE Guidance Executive

The NICE Guidance Executive approve consultation and final publication of NICE indicators. They assess whether:

- the agreed process and methods have been followed
- the indicators are consistent with NICE quality standards, NICE guidance or other sources of high-quality evidence

- the indicators promote equality and avoid unlawful discrimination.

If a major issue is identified, the NICE indicator team will work to resolve it with assistance from the indicator advisory committee chair and members. The NICE Guidance Executive does not generally comment at other stages of indicator development.

3.6 Publication

Indicators that progress to the NICE indicator menu are available on the website and may be accompanied by:

- a summary that includes:
  - the outcomes that the indicator aims to improve
  - an indication of the intended use (for example, as an aid for quality improvement purposes only or for inclusion within a pay-for-performance framework)
  - an indication of the system or provider level at which the indicator is intended to be used
  - an expected population size and if a minimum number of patients is required, related to its intended use
  - a methodology for constructing the indicator including available data sources, inclusions, exclusions and personalised care adjustments
  - an expected review date.
- an assessment of validity using the criteria outlined in appendix A
- cost-effectiveness analysis (if relevant)
- resource impact analysis
- equality and health inequality impact assessment.

3.7 Reviewing NICE indicators

NICE will review published indicators using the assessment criteria in appendix A when:

- they reach a scheduled review date
- the underlying guidance is updated
- an unanticipated risk or consequence is identified
- a patient safety alert is published.

The indicator advisory committee will advise on actions required to ensure the indicators continue to be valid or propose retirement from the NICE menu (including the need for consultation on indicators to be retired). Development of new indicators based on updated recommendations will follow section 3.3.

Corrections or changes to a published indicator will be made if an error:

- puts people using services at risk, or negatively impacts on their care **or**
- damages NICE's reputation **or**
- significantly affects the meaning.

If an error in a published indicator is identified, we will follow NICE's internal policy for dealing with errors. The individual or organisation who reported the error will be contacted in writing, and we will explain our rationale for the decisions and actions taken. Routine maintenance changes may also be made after publication of a NICE indicator. These include minor changes such as updating or fixing broken links or updating standard text in line with agreed template changes.

4 Stakeholder involvement

NICE aims to involve as wide a range of stakeholders as possible in its activities and applies this principle to the development of NICE indicators. We encourage professional, patient, service user, carer, community and voluntary organisations, as well as organisations of groups protected by equality legislation, to register as stakeholders and get involved. Registered stakeholders are given advance notice of consultation phases.

The NICE position statement on engagement with tobacco industry organisations sets out how NICE meets obligations under Article 5.3 of the WHO Framework Convention on Tobacco Control.

5 Equality and diversity

We are committed to ensuring that our guideline development process:

- fully meets duties under the Equality Act (2010) to have due regard to the need to eliminate discrimination, foster good relations and advance equality of opportunity in relation to people who share the protected characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation, including the public sector equality duty to tackle discrimination and provide equality of opportunity for all
- enables us to meet requirements under the Human Rights Act (1998)
- fully meets duties under the Health and Social Care Act 2012 to consider the degree of a person's need for health services or social care in England.

5.1 Reducing health inequalities

Health inequalities arise because of the conditions in which we are born, grow, live, work and age. Health inequalities can be considered across 4 dimensions:

- socio-economic status and deprivation (for example, unemployment, poor housing, poor education, low income or people living in deprived areas)
- protected characteristics defined in the Equality Act 2010
- vulnerable groups of society, or 'inclusion health' groups (for example, vulnerable migrants, people who are homeless, sex workers, and Gypsy, Roma and Travellers)
- geography (for example, urban or rural areas, coastal areas).

Health inequalities can be measured through examining differences in 5 domains:

- health status (for example, life expectancy and prevalence of health conditions)
- behavioural risks to health (for example, smoking, diet and physical activity)
- wider determinants of health (for example, income, education and access to green spaces)

- access to care (for example, availability of treatments)
- quality and experience of care (for example, levels of patient satisfaction).

Having due consideration for groups that may be affected by equality and health inequalities issues is an aspect of our compliance with both general public law requirements to act fairly and reasonably, and human rights obligations. It is also aligned to duties placed on the integrated care systems as outlined in the Health and Care Act 2022. We also have a moral, leadership and strategic duty to address health inequalities given our reputational role in delivering robust, independent and trusted advice to the UK health and care system.

6 Transparency

NICE is committed to making the process of developing indicators transparent to stakeholders and the public.

6.1 Observing the NICE indicator advisory committee

Committee meetings can be observed online by members of the public and press. This enables stakeholders and the public to understand how indicators are developed and how consultation comments are taken into account.

NICE publishes a notice with a draft agenda alongside a registration form on its website at least 20 working days before the meeting. Members of the public who wish to observe the meeting should return the completed registration form 10 working days before the meeting. The final meeting agenda is published on the website 5 working days before the meeting. For further details, see information for people attending a NICE committee meeting.

If an item on the agenda includes in-confidence information, either commercial or academic, it is discussed at a separate session of the meeting from which the public is excluded. The decision to hold a separate session is made by the committee chair and the responsible NICE associate director.

6.2 Access to documents

To ensure that the process is as transparent as possible, NICE makes information relevant to the development of indicators publicly available. Agendas, minutes and committee membership are published on the indicator advisory committee webpage on the NICE website.

6.3 Freedom of Information Act 2000

Nothing in this document will restrict any disclosure of information by NICE that is required by law (including, in particular but without limitation, the Freedom of Information Act

2000).

7 Updating this process guide

The formal process for updating this process guide will begin 3 years after publication. In exceptional circumstances, and only if significant changes to the process of developing indicators are anticipated, this interval will be reduced to 2 years.

We welcome comments on the content of this process guide and suggested subjects for inclusion. These should be addressed to indicators@nice.org.uk.

Minor changes that may be made without further consultation are those that:

- do not add or remove a fundamental stage in the process
- do not add or remove a fundamental methods technique or step
- will not disadvantage any stakeholders
- will improve the efficiency, clarity or fairness of the process.

Changes that meet all of these criteria will be published on the NICE website without consultation. The process guide will be updated and changes from the previous version of the guide will be listed. Stakeholders involved in indicators under development at the time of the change will be notified if they are affected by the change. Stakeholders for indicators not yet under development will be advised to consult the website at the start of the project to familiarise themselves with the updated indicators development process.

Any other changes will be made only after a public consultation that will normally last for 3 months.

Appendix A: Criteria to appraise the validity of indicators

The indicator advisory committee advises on the progression of indicators in development using the following criteria to assess validity:

Criteria to appraise the validity of indicators

Domain	Criteria
Importance	The indicator reflects a specific priority area identified by NHS England or the Department for Health and Social Care. The indicator relates to an area where there is known variation in practice. The indicator will lead to a meaningful improvement in outcomes. The indicator addresses under or over-treatment.
Evidence base	The indicator is derived from a high-quality evidence base. The indicator aligns with the evidence base.
Specification	The indicator has defined components necessary to construct the indicator, including numerator, denominator and exclusions. The indicator has a defined system or provider level at which the indicator is intended to be used. The indicator outlines an expected population size and if a minimum number of patients is required, related to its intended use.
Feasibility	The indicator is repeatable. The indicator is measuring what it is designed to measure. The indicator uses existing data fields or the burden of additional data collection is acceptable.
Acceptability	The indicator assesses performance that is attributable to or within the control of the audience. The results of the indicator can be used to improve practice.
Risk	The indicator has an acceptable risk of unintended consequences.

Modified from MacLean et al (2018) Time Out — Charting a Path for Improving Performance Measurement N Engl J Med 2018 378:1757-1761

Update information

December 2019: We updated this guide to reflect the current process NICE uses to develop indicators.

Minor updates since publication

January 2026: We updated hyperlinks, removed outdated references to organisations, and aligned section 5 on equality and diversity to published manuals for NICE guidelines and quality standards.

October 2024: We expanded the summary of the information that may be presented at publication in section 3.6. We updated section 6.1 to reflect the current approach of observing committees online. We updated appendix A to expand on the criteria for assessing the validity of indicator specification. We also updated hyperlinks and removed outdated references to organisations and performance frameworks.

March 2020: We replaced the reference to 'NICE accredited guidance' with 'sources of high-quality evidence' in section 3.5 on NICE Guidance Executive,

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