

# NURSING & MIDWIFERY COUNCIL

Protecting the public through  
professional standards



**annual review**  
2003-2004

# Annual review 2003-2004

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# At a glance: The work of the NMC

## Key tasks

**T**he NMC's principal responsibility is to protect the public through setting standards and maintaining a register. The following are our key tasks:

### **We maintain the register**

- there are approximately 660,000 practitioners on the register
- we have the largest health care register in the world
- more than 35,000 new practitioners went on the register in 2003-2004, including more than 19,000 newly qualified nurses and midwives
- around 220,000 practitioners renewed their registration this year
- the call centre answered an average of 51,000 calls per month
- the overseas decisions team made nearly 60,000 decisions this year
- over 49,000 overseas application packs were issued
- almost 35,000 overseas applicants were given supervised placement decisions.

### **We consult on, and set standards for, education and fitness to practise**

- standards apply to nurses and midwives, both on the register (registrants) and those applying to get onto the register
- we consult widely before making any changes
- 965 people and organisations responded to our consultation on establishing the new register, 960 on fitness to practise changes, 827 on the election scheme, 460 on standards for Local Supervising Authorities, 691 on competencies for the specialist community public health nurse part of the register, 1,800 on registration fees, and 514 on development of a programme for overseas trained nurses.

### **We give advice to registrants, employers and the public**

- our telephone and e-mail professional advice service delivers one-to-one advice and information to registrants and the public
- the professional advice service receives between 6,000 and 9,000 calls, e-mails and letters every month
- we produced and distributed more than half a million free publications
- our web site offers complete access to NMC services and support
- we hold general and special interest road shows, events and seminars around the UK
- more than 2,500 delegates attended the NMC road shows, seminars for consumer organisations and employer summits in the reporting year.

### **We deal with allegations of misconduct and unfitness to practise of those on the register**

- we received 1,460 complaints alleging misconduct. The majority of these complaints came from employers but complaints were also made directly by the public, colleagues, supervisors of midwives and the National Care Standards Commission
- the police notified the NMC of 298 convictions involving a registrant
- following public hearings of the Professional Conduct Committee, 127 practitioners were removed from the register and a further 45 were cautioned. A further 30 were cautioned by the Preliminary Proceedings Committee (which meets in private). The Health Committee considered 250 cases where unfitness to practise due to ill health was alleged
- poor practice such as failure to attend to basic needs, and failures in drug administration and record keeping, made up 35% of the charges considered by the Professional Conduct Committee, and a further 30% of the charges concerned the abuse of patients.

### **We oversee the quality assurance of nursing and midwifery education to ensure it meets the standards set by Council**

- the NMC has continued to quality assure educational programmes that lead to an entry on the professional register
- the NMC quality assurance model underwent an independent review.

### **We provide advice and guidance in support of the Local Supervising Authorities for statutory supervision of midwives**

- we set UK-wide standards for the supervision of midwives and the function of Local Supervising Authorities for the first time.
- wherever a midwife works in the UK, they have a supervisor of midwives (who isn't their manager) to provide them with advice and support.
- in certain situations the local supervising authority has the power to suspend a midwife from practise throughout the UK.

## **Our vision**

In a complex and changing regulatory context, the vision of the NMC is to:

- establish a reputation as an independent body which protects the public
- focus on our statutory obligations.
- be an open, transparent, accessible and inclusive organisation which involves the public and other stakeholders in policy development and values their contributions to policy and practice
- work collaboratively and co-operatively with others
- be sensitive to the needs of its stakeholders and, in particular, to the needs of the patients and clients of registrants, the professions we regulate and the four countries within United Kingdom-wide regulation
- be a performance-driven organisation which is customer-focused, grounded in practice and sensitive to the ability of registrants to fund the business, and which monitors and achieves high quality business standards
- be a good employer in what is a period of organisational change

## Our strategic aims

In March 2003, the NMC reviewed its strategic aims and streamlined them into the four key areas. The aims relate directly to the Nursing and Midwifery Order 2001<sup>1</sup> (the Order), and to the development of the infrastructure required to deliver them. They are as follows:

1. Deliver a registration framework through a licence to practise that is based upon professional standards and that will protect the public.
2. Establish a framework for collaboration with key stakeholders: registrants, prospective registrants, employers of registrants, users of the services of registrants, the public, educators and other relevant regulators.
3. Establish and sustain a secure financial position that enables the NMC to deliver essential core services that will protect the public.
4. Refocus and strengthen the corporate infrastructure so as to ensure delivery and a positive reputation for the NMC.

## Who makes up the NMC?

### We have a governing Council

- the Council comprises 12 registrant members, 11 lay members and 12 alternate registrant members. In Council meetings, there are 23 voting members – divided almost equally between registrant and lay members. Alternate registrant members do not vote at Council meetings unless they are standing in for an absent registrant member. Of the 24 registrant members, there are two nurses, two midwives and two health visitors from each of the four UK countries
- the current Council was appointed by the Privy Council. It is a transitional body and its task is to put in place processes and procedures for delivering Parliament's requirements under the new legislation. At the same time, it has all the responsibilities that an elected Council would have, such as dealing with registration, misconduct, quality assurance and other day-to-day business.

- 194 staff are employed in our London office and work in the following areas:
  - Fitness to practise
  - Standards and Registration
  - Finance and IT
  - House Services
  - Communications
  - Human Resources
  - Midwifery.

## Highlights of the year

### The NMC:

- undertook a series of consultations on establishing a new register, fitness to practise changes, the election scheme, standards for Local Supervising Authorities, competencies for the specialist community public health nurse part of the register, registration fees, and development of a programme for overseas trained nurses
- prepared standards and guidance for midwifery rules, fitness to practise procedures and pre-registration education - ready for publication with the opening of the new register in 2004
- rolled out a new series of events to help practitioners understand the Code of professional conduct and how to make use of it in their everyday practice
- continued its work on the quality assurance of educational programmes that lead to an entry on the professional register. In Northern Ireland, Scotland and Wales agencies working on behalf of the NMC have approved programmes and maintained regular contact with approved educational providers.
- moved the call centre in-house and increased the number of staff from eight to 25. This dramatically improved the percentage of calls answered on registration enquiries from 54.1% at the beginning of the reporting period to a high of 95.82% in February 2004.
- performed better against our financial targets than expected. Supplier costs were reduced, whilst we maintained and often improved on the services we received

<sup>1</sup> The Nursing and Midwifery Order 2001 (SI 2002/253). The Stationery Office, Norwich, [www.hmso.gov.uk](http://www.hmso.gov.uk)



Jonathan Asbridge

## President's foreword

**W**elcome to the second NMC Annual Review. April 2003 to March 2004 has been a year of hard work and steady progress. The Council met monthly due to the pressure of work and in order to monitor closely the performance improvements put in place. We consulted on a range of important issues and worked with stakeholders to develop rules and standards required by the Order. Public and practitioner involvement is fundamental to the NMC and we work hard at bringing as many diverse ideas to our policy development as we can.

The first consultation sought views on whether the register should be published in electronic or paper format and the extent of registrant information that should be published. There was widespread support for the Council's proposals. Publication of name, area of practice and geographic location was acknowledged as an issue of concern amongst registrants. The NMC decided not to publish a broad geographic locator, but the Privy Council subsequently ruled that this was unavoidable under the Order.

There was a good response to the fitness to practise consultation, which focused on definitions of fitness to practise, misconduct and lack of competence, the standard of proof and other issues. The consultation highlighted concerns about some of the proposals and, as a result, the Council amended its original proposals on aspects of fitness to practise procedures. This consultation helped to shape the actions that the three Practice Committees can take to best serve the public, whilst ensuring that practitioners are given a fair hearing.

The Council's consultation on its proposed election scheme elicited broad support for its proposals, although concerns were raised about security and anonymity in Council elections. The draft rules took on board these concerns and the proposed election scheme has the requested safeguards.

A major focus of the Council's year was work on developing the new register. The Council was determined to create a

simpler and more accessible register than the previous 15-part register which practitioners, employers and the public found complex. A competency framework and a definition of standards for entry onto the new specialist community public health nurse part of the register was put forward for consultation. There was a high level of agreement with the proposals. A draft report was discussed at Council in January, and members requested additional work to include the mapping against the framework of three other specialist practice qualifications – for family health nurses in Scotland, occupational health and school nurses. All this feedback was taken into account in the drafting of the final standards and competencies for specialist community public health nurses.

The NMC consultation on registration fees had a large response, with approximately 1,800 completed questionnaires received. This followed months of scrutiny of the state of NMC finances. A substantial fee rise was unfortunately necessary to ensure the future financial health of the organisation. The majority of respondents to the consultation supported a fee rise, but many felt the proposed annual fee of £48 was too high. The Council took this into consideration and agreed an annual fee of £43. This would be implemented together with the opening of the new register, subject to Privy Council approval. The option of paying the fee annually, rather than for a three-year period, was also agreed, and this will be implemented from January 2006.

Work was also started on the development of a programme for overseas-trained nurses seeking registration in the UK. The consultation closed as the year ended. The necessity for a UK-wide programme for overseas nurses cannot be overstated. The current provision of supervised practice for applicants is of variable quality and there are aspects of the system that are a cause for concern. The proposal deals with the principles underpinning the programme, standards of entry onto the register, and the structure, delivery and requirements of the programme.

As the year ended, the Council was able to see the end to the long process of standards and rules development and the start of a period of strategic thinking about some major issues for the professions and the public. These include aspects of pre-registration nurse education, the overseas nurses programme, a level of nursing beyond initial registration, and the development of new standards for mental health and children's nursing.



**Sarah Thewlis**

## Chief Executive's report

**L**ast year's Annual Review referred to the financial and organisational difficulties facing the NMC and what we were doing to resolve these problems. This year we have been working tirelessly to improve NMC performance and effectiveness.

The President promised that despite the difficult financial situation we inherited, registration fees would not be increased before April 2004. The year under review saw further cost-cutting initiatives across all areas of the organisation. However, in spite of this, the Council agreed the basis for a consultation on the principles underpinning a substantial registration fee increase. This would be only the third fee rise in 11 years.

As reported in the last Annual Review, we have put in place a major organisational restructure to enhance efficiency, reduce our costs and meet our statutory responsibilities under the Order. Bringing services in-house that we were paying external suppliers to provide has improved efficiency and led to significant savings. The bigger registration call centre has dramatically improved waiting times for registrants telephoning for information and assistance. Over 90% of callers get through to an operator first time, compared with less than 5% when the NMC took over in April 2002. Five information technology posts were also brought in-house. The new role of purchasing manager is generating significant savings each year across the organisation, from cleaning contracts to print-buying. Despite increasing NMC staff numbers, we have made immediate savings and these changes to our structure will contribute to the financial health of the organisation in the long term.

The new Midwifery Department was set up to help meet our increased statutory responsibilities for supervision of midwives. Our midwifery advisors provide advice and guidance to the public, Local Supervising Authorities, midwives and other key stakeholders. They support the Statutory Midwifery Committee in developing new policy and standards for midwifery practice. The unit head is a midwife with 25 years experience. The new Standards and

Registration Directorate was established during the year, and this has eliminated the artificial divide between the setting of standards and maintenance of the register. We are aiming to provide better quality advice and guidance for nurses and midwives as part of our move 'upstream' which we hope will lead to fewer practitioners ending up in the fitness to practise route.

The professional conduct department was renamed the Fitness to Practise Directorate to more clearly reflect the role and responsibilities contained in the Order. The team have worked hard throughout the year on preparing guidance for our new powers to tackle lack of competence, at the same time as ensuring that the business of investigating allegations and holding hearings keeps up with the growing number of complaints received. This area of work involves a great deal of Council member time.

Our small annual survey of employers and agencies to test their views on our services provided helpful and largely positive feedback. There were sections on the confirmations and professional advisory services, the NMC web site, fitness to practise complaints handling, telephone and other access to the organisation. A key outcome was further promotion of our online confirmation service, and this has resulted in over 90% of contacts occurring via the NMC web site. The telephone service is still available but is used by only a few employers and agencies.

Over the course of the year, we have worked closely with the four UK health departments and with other professional bodies, such as higher education institutions, consumer and patient organisations, and trade unions. This collaborative working greatly enhances the work that the NMC does by ensuring that we take into account the perspective of all interested parties throughout the UK.

This was another challenging year for the NMC. We made great strides in implementing the requirements of the Order and in preparing for the opening of the new register. We not only did this within tough financial constraints, but we reduced the budget deficit even further than anticipated. The dedication and hard work of NMC staff and Council members are responsible for this achievement, and we hope that next year will see further progress. We look forward to meeting the challenges brought about by the new legislation, particularly our powers to deal with lack of competence, the new midwives rules, new standards for Local Supervising Authorities, and the opening of the new register.



## Review of the year

The following sections look at the year in more detail.

### The register

Public protection lies at the heart of the NMC and the register is the core element in fulfilling this role. The NMC sets the standards for entry to, and remaining on, the register for all nurses and midwives. It is kept up to date on a daily basis.

The NMC register is the largest of any health care regulator in the world and, at the 2003-2004 financial year-end, had 660,480 nurses, midwives and health visitors listed in 15 different parts. On a daily basis, we make between 500 and 1,000 changes to the register to keep it current and accurate.

### Registration

2003-2004 was the start of a new era for the registrations department of the NMC. We began the year with the successful restructuring of the management team. This new team brought valuable expertise and experience from a range of backgrounds and some fresh ideas on how to enhance the registration experience for the practitioner. One main focus was on how we handled customer contact and this led to the introduction of the in-house call centre, which is able to handle over 3,000 calls per day. The result of this was a dramatic improvement in the level of customer service being offered to practitioners and, more importantly, the quality of advice and guidance being given.

### Streamlining the register

The register is a dynamic tool that evolves over the years as health and social care changes. As a result of this, the Order required the NMC to create a new register. The results of a consultation on these issues were announced in March 2003 and a new three-part register was agreed.

The creation of a separate part of the register for specialist community public health nurses is a fundamental departure. It is in recognition of the specialist and public health-focused work of not just health visitors, but also nurses and midwives working in schools, occupational health and other areas. The government is committed to putting public health at the heart of the NHS and public health is a key element in European health policy. As the regulator, we must ensure that we have set standards and guidance for the professionals of the future.

A process for those who register, or renew their registration (currently every three years), to show they are in 'good health' and are of 'good character' is also required. On completion of an education programme, all newly qualified nurses and midwives applying for registration have to provide a declaration of good health and good character from their college or university. Without this, they are unable to get onto the register.

At the year-end the new rules were being finalised to allow the register to open later in 2004.

## Fitness to practise

Anyone who has a serious concern about the conduct of a registrant or their fitness to practise due to ill health can report this to the NMC. We will consider every complaint. This process is a fundamental tool in protecting the public from registrants whose professional practice and conduct falls below the standards required of them.

This year, 1,460 complaints were received, although only allegations that are serious and could lead to a practitioner being removed from the register were taken to a formal Professional Conduct Committee (PCC) hearing or Health Committee (HC) hearing for cases alleging unfitness to practise for reasons of ill health. PCC hearings are always held in public, except in exceptional circumstances, and usually in a city in the UK country in which the complaint originated. If a practitioner is found to be guilty of misconduct they can be removed from the register or cautioned.

New rules and procedures governing fitness to practise work in the NMC were being developed during the year. They will be put in place in the next reporting year, and the 2004-2005 review will carry an overview of the changes.

Much work has taken place during this year to ensure that once the new rules do come in, the necessary procedures will be in place to implement them. A programme has been underway for members, panellists and staff to train them in the requirements of the new legislation and the consequent changes to fitness to practise procedures. There have been a number of summits with key stakeholders in the four countries of the United Kingdom to discuss the impending changes.

Some of the changes the NMC is making are required by law and are not subject to consultation. However, all other changes were open to public discussion and input, and a fitness to practise consultation was launched in May 2003. The outcomes were taken into full consideration when developing the new fitness to practise rules and procedures. A key element of the rules changes is a new power to deal with lack of competence. We have not only consulted widely on this, but we have been discussing the best way for the NMC to implement these changes with employers, managers professional bodies and trade unions.

The number of allegations of misconduct against registered nurses, midwives and health visitors continued to rise during the year. When a complaint is first received, it is considered by the Preliminary Proceedings Committee (PPC) which decides whether or not to forward the case to a full public hearing before the PCC. The PPC considered 1,511 cases (this included some cases that were considered twice). Of these cases, 875 were closed, 160 were forwarded for a hearing and 30 cautions were issued. A total of 53 cases were referred to professional screeners for consideration of health issues and 393 needed further investigation.

The PCC met on 330 and a half days and considered 283 new cases of alleged misconduct and 18 applications for restoration to the register. Statistical information relating to PCC cases during the year, as well as those of the other two committees, is detailed in the *Fitness to practise annual report 2003-2004*.

Health Committee procedures are designed to consider the cases of practitioners who are alleged to be unfit to practise for reasons of ill health. First, a panel of screeners assesses cases to determine the type of medical examination a practitioner should undergo before deciding whether or not to refer a case to the committee. Such cases are heard in private because of the sensitive nature of the information involved.

Referrals to the panel of screeners may come from the PPC, from the PCC or directly from anyone concerned about a practitioner's fitness to practise.

During the year, the panel of screeners met on 36 occasions and considered 352 cases. 29 cases were closed and 151 were referred to the HC.

During 2003-2004, there were 52 HC meetings, at which 250 cases were considered. Sixty three cases were closed, judgement was postponed in 41 cases and 54 cases were adjourned for further medical reports. Fitness to practise was found to be impaired in 59 cases, out of which 46 practitioners were suspended and 13 removed from the register. Fourteen applications were made for the termination of suspension, of which 12 were accepted.

### **Council for the Regulation of Healthcare Professionals**

The NMC president has taken up post as a member of the Council for the Regulation of Healthcare Professionals (CHRP). The CHRP was created to protect the public interest, promote best practice and progress regulatory excellence in relation to the regulation of healthcare professionals. There are currently nine health care regulatory organisations: the General Chiropractic Council, the General Dental Council, the General Medical Council, the General Optical Council, the General Osteopathic Council, the Health Professions Council, the Nursing and Midwifery Council, the Pharmaceutical Society of Northern Ireland and the Royal Pharmaceutical Society of Great Britain. The Council consists of 19 members. Seven lay members are appointed by the NHS Appointments Commission and one from each of Scotland, Wales and Northern Ireland. Each of the nine regulators nominates one member.

### **Appeals and judicial reviews**

There were three appeals against NMC fitness to practice decisions during the year. One appeal was made on the basis that the reasons given for a decision to remove from the register were inadequate. The appeal was allowed and the judge stated that a PCC panel should give broad reasons for its decisions, otherwise it was not possible to assess the merits of the decision or to present an application for restoration to the register.

The Council for the Regulation of Healthcare Professionals (CRHP) exercising its powers under Section 29 of the National Health Service Reform and Health Care Professions Act 2002, appealed against a decision to give a caution on the grounds that it was unduly lenient. The case concerned a nurse who had been accessing pornography whilst on duty. The judge dismissed the appeal on the basis that whilst the decision was lenient it was not unduly so. The CRHP is currently appealing this decision.

There was one appeal against a decision of the HC not to terminate suspension of registration. Amongst other arguments, the unsuccessful applicant argued to the court that the HC should have terminated the suspension of her registration on particular conditions. She argued that the absence of provision for such conditional registration in the HC's rules placed her under an excessive burden by requiring her to fulfil those conditions first. The court held that in some circumstances the absence of conditional registration might pose a difficulty for the committee. However, in this particular case the rules governing the HC were sufficiently flexible to allow a proportionate response by the committee to the application.

### **Members of panels**

There are now around 180 members appointed to the Fitness to Practise Committee panels, which consider allegations against registrants. These include the 35 Council members. The ratio of registrant to lay members is approximately 2:1.

Around 60 new panel members were recruited during the last year, including, for the first time, registered medical practitioners. There is now a legal requirement for registered medical practitioners to be involved in fitness to practise decisions where the health of the registrant is relevant.

Panel members work across the four UK countries and are expected to commit at least ten days a year to their role, and to attend training. A continuing development programme for panel members includes induction training, refresher training on skills and new procedures, and further training for specific roles such as Chairs of the panels. Members are also kept informed of developments through a quarterly fitness to practise newsletter.

## Midwifery

### Rules standards and guidance

In preparation for the expected new register, the Midwifery Department concentrated on developing a new document, with guidance included, to replace the old *Midwives rules* and *Midwives code of practice*. A number of alterations were made to the rules, including new or revised definitions for practice and standards for Local Supervising Authorities, who are responsible for the statutory supervision of midwives. Standards and guidance for midwifery education were also prepared for inclusion in a new document, *Standards of proficiency for pre-registration midwifery education* - for publication with the opening of the new register. For the first time, a UK-wide set of standards were developed for the role of the Lead Midwife for Education, a requirement for approval of midwifery programmes of education that lead to application to the midwives' part of the register or a recordable qualification.

### Midwifery lecture

The second Dame Mary Uprichard midwifery lecture was held in London in December 2003. Nadine Edwards of the Association for Improvements in the Maternity Services spoke on *Regulations and Standards: Enabling or disabling?*

### Focus groups

A number of work streams within the Midwifery Department were initiated to update policy that affects the supervision of midwives. Focus groups were an integral part of gathering information about what works well for women and midwives and what needed changing or updating. The Midwifery Department facilitated a number of focus groups around the UK that included midwives, supervisors of midwives, Local Supervising Authority Midwifery Officers, midwifery educationalists, midwifery managers, professional organisations and Midwifery Advisers to the four government health departments. The agenda for the groups included standards for the preparation of supervisors of midwives and a review of the *Midwives rules and code of practice*. Focus groups are seen as a valuable way of engaging with women and midwives, and the NMC has made a commitment to continue to work in this way.

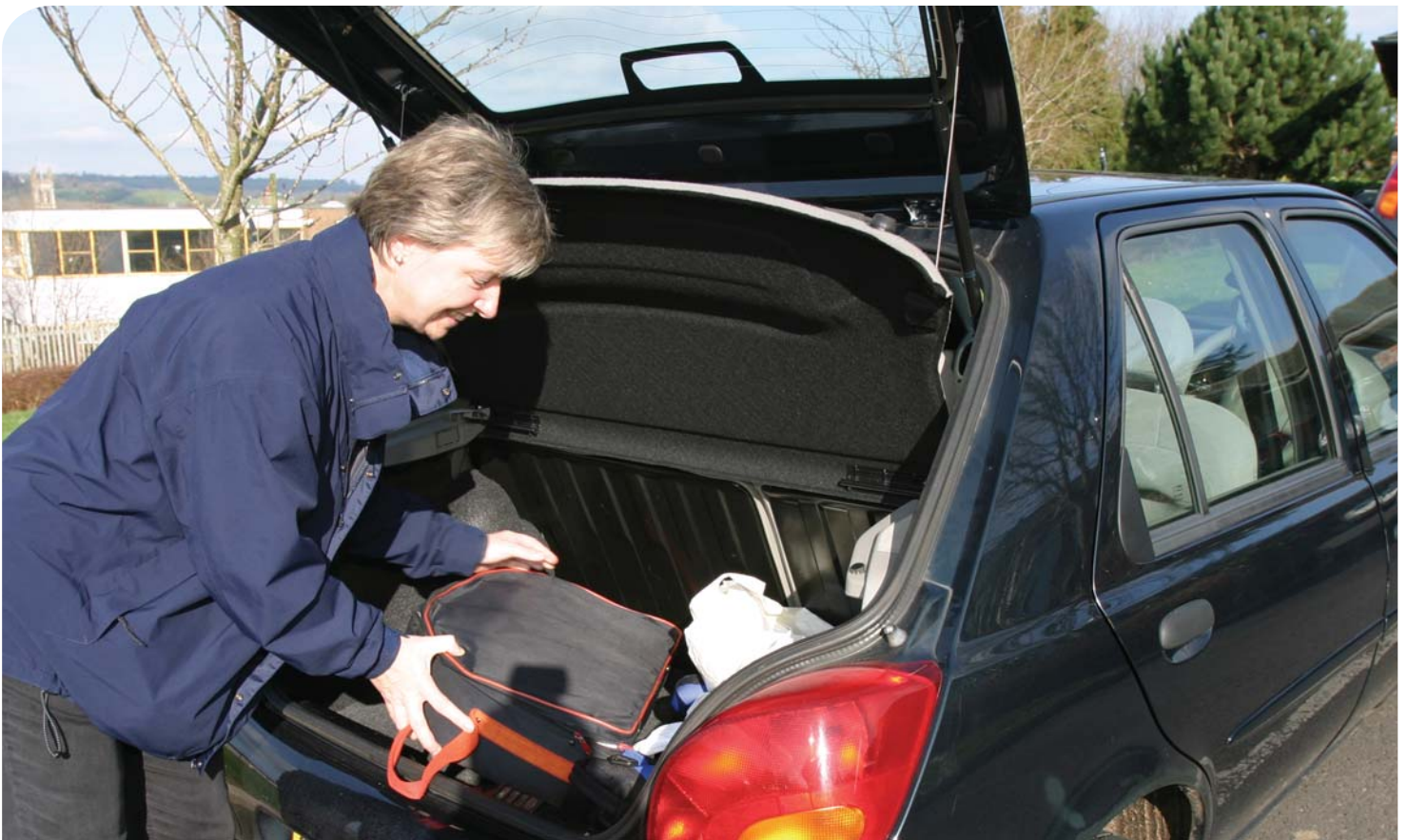


### Consultations

The first consultation on the revised midwives rules and proposed standards for Local Supervising Authorities concluded in January 2003 and the feedback from this informed further development of the work. In June 2003, the amended Local Supervising Authorities standards went out for a second consultation. This, combined with the work of the focus groups, has contributed greatly to the new publication that will replace the *Midwives rules* and *Midwives code of practice*.

### Circulars

The Midwifery Committee instigated a number of NMC Circulars during 2003/2004. These covered a variety of subjects, such as advice on the delegation of midwifery care to other health care workers.



## Quality assurance

Throughout the year the NMC has discharged its responsibility for the quality assurance of educational programmes leading to an entry on the professional register. In Northern Ireland, Scotland and Wales agencies working on behalf of the NMC approved programmes and maintained regular contact with approved educational providers. These arrangements continue to demonstrate that NMC requirements are being met in the delivery of approved programmes.

Quality assurance in England is managed under the NMC's Visitor Model through which experienced registrants undertake approval and monitoring activity to confirm that the NMC's standards are being met. During the past year a number of visitors completed their period of office and this has provided an opportunity to recruit new colleagues and to improve the representation of different fields of practice. Visitors also collaborated with colleagues from the independent Quality Assurance Agency in a major review process that incorporated the NMC's 20% sample of programmes for monitoring.

Where issues have arisen within approved programmes, action plans have been established to address particular concerns and the President of the Council has monitored results. There were particular concerns about the arrangements for practice learning, including the availability and training of suitably qualified mentors and the overall quality of practice learning opportunities. Agreed action plans have addressed the issues identified and confirmed achievement of the NMC standards.

The NMC continues to work closely with partners, including the Department of Health, QAA and Health Professions Council in the development of the Partnership Framework for Quality Assurance in England that will be tested by prototypes for both approval and ongoing monitoring in 2005.

## Public involvement

In late 2003 the NMC set up a working group to develop our public involvement strategy. As part of this work, members of the NMC reference panel were asked for their views about the existing public involvement strategy. As a result of this work it is likely that a new strategy will be published in 2004/2005. The NMC also brought together other health and social care regulators to progress public involvement initiatives.



Reference panel members were also asked to comment on the midwives rules before a process of re-writing took place. The reference panel is a valuable resource for the NMC and we hope to make greater use of members' knowledge and experience in the coming year.

## Consultations

The Council is committed to its duty to consult and work with stakeholders, including the public and registrants as appropriate. Consultation, including surveys, meetings and discussion groups allows us to gather information that we can take into account when making policy decisions. This inclusive process also allows us to deliver policies and standards that better protect the public.

During 2003-2004 we consulted on establishing the new register, fitness to practise changes, the election scheme, standards for Local Supervising Authorities, competencies for the specialist community public health nurse part of the register, registration fees, and development of a programme for overseas trained nurses.

## Communications

Much of the communications work during the year was focused on consultations, the subsequent decisions made by the Council and the final outcome of these consultations. At the same time, as the Council tackled the organisational problems discovered in the previous year, there was much good news to report on, for example, improvements in registration processes and efficiency.

We issued 136 press statements and 20 official NMC circulars during the year. Much of our media work focused on the further increase in overseas admissions to the register, our professional conduct work, the new register, abuse of elderly people, and the fee rise. Notwithstanding NMC circulars being sent electronically and the rapid growth of internet use, the NMC continues to use both modern and traditional means of communicating with the public and those on the register. *NMC News* and NMC publications generally continue to be produced in paper format while, at the same time, tens of thousands of our publications are downloaded each month from the NMC web site. Although the site is thriving with, for example, the vast majority of employer and agency registration confirmations now online and well over

1,000 pages of information freely available on the site, technical problems emerged during the year with the search facilities and the message boards.

Briefings were sent to key stakeholders after every Council meeting and consideration was given as to how more practitioners and members of the public could be attracted to meetings of the Council, such as allowing their involvement in the meetings.

The NMC monitored events in the different Parliaments and Assemblies, providing briefing for parliamentarians from time to time. We submitted written evidence to the House of Commons Health Committee inquiry into the abuse of elderly people, highlighting its prevalence, possible causes, and what the NMC can and does do about it.

A major market research exercise among those on the register was, for the first time, undertaken as a telephone survey; previous surveys had been via postal questionnaires. The results were encouraging. Scores on rating personal contacts and enquiries were largely positive, while registrants had a clear understanding of the NMC's role. As many as 98% said it was vital to have a regulatory body like the NMC. Asked about areas for the setting of ethical standards, most frequently mentioned were end of life issues, followed by genetics and consent.

### **Welsh Language Act**

Having received valuable and encouraging feedback from the Welsh Language Board on the Council's draft scheme under the Welsh Language Act, a number of amendments were made to the scheme. However, as so much of the Council's work was in a state of flux as new rules and processes were being developed during the year, a final scheme was not submitted in 2003-2004. Once this has the Board's provisional agreement, the NMC will consult in Wales on the scheme.

## **Events**

Once again we exhibited and ran fringe meetings at the conferences of all nursing, midwifery and health visiting professional organisations and unions. We also had stands at a variety of general nursing exhibitions across the country, engaging with students, practitioners, overseas applicants and employers.

### **Understanding the Code seminars**

A new series of events was arranged for registrants on the *Code of professional conduct*. These seminars were designed to help registrants understand how to use the Code in their everyday practice. We ran seven general seminars, and four seminars targeted specifically at practitioners working in the fields of mental health and elderly care. Although the target audience was individual registrants, we were surprised and pleased to see many Directors of Nursing and senior managers attending these days. They, in turn, have taken back the teaching material to use in their trusts and organisations. Over 1,000 people attended these events across the UK.

### **Employer summits**

A new initiative for 2004 was the development of twice yearly summits with senior managers in the NHS and the independent sector to discuss changes within the NMC and the impact on employers. Summits were held in Belfast, Leeds, London, Edinburgh and Cardiff and almost 600 employers attended. Subjects discussed included the changes to the fitness to practise processes, the impact of the accession of new countries to the European Union and the proposed new programme for overseas applicants.

### **Annual meetings**

The NMC held an annual meeting in each of the four UK countries during October and November 2003. The President and Chief Executive gave presentations on the year's work and answered questions from the audience.

# NMC people

## Valuing diversity

The NMC has continued to build on the good practice of the previous year. Training and development in diversity issues for all new staff, delivered by external consultants, continues. The 2003 diversity report was published electronically in December 2003 and reflected a period of heavy recruitment, including that of fitness to practise panellists. As a result the NMC is now more ethnically diverse than even London's cosmopolitan population.

The NMC recognised and responded to the diversity of its customers by creating a database of languages spoken within the organisation. The intention was to be as helpful as possible to those people who contact the NMC whose first language is not English. Public information on how to complain about a nurse or midwife was translated into 10 languages and placed on the website. We also produced a large-print and audio-tape version of information on the NMC.

No specific 'valuing diversity' section of the website has been set up, but there is plenty of information on valuing diversity available on the site. A simple search under 'valuing diversity' provides comprehensive information.

## Audit report

The Audit Committee seeks to put in place principles of good corporate governance in the way that the NMC works. The focus of the Committee is to ensure that there are effective internal controls to manage business risks, and the need to develop good audit and risk management processes within the NMC.

The Council specifically requested an extension of the remit of the Audit Committee to encompass risk, governance and internal audit. As a result of this, the Committee:

- recruited and co-opted a non-Council member with accountancy and audit skills
- reviewed its *Standing orders* to incorporate governance and risk management
- appointed a risk management trainer to train managers to enable them to compile local risk registers
- appointed the Head of Risk Management.

The Audit Committee met on three occasions in 2003-2004, receiving reports on progress against the audit plan, risk management policy and governance issues.



The main areas of work covered by the Risk Management and Audit Department during the year included:

- assessing the controls and reviewing the risk management position of the New Register project
- a compliance check on the Budgetary Management System to ensure expenditure was correctly ordered, authorised and processed
- an investigation of stock held offsite, the effectiveness of stock management systems and advice on improvements
- finalising the External Audit services re-tender and appointing haysmacintyre as new auditors
- reporting the work of the Audit Committee to Council.

## Finance report

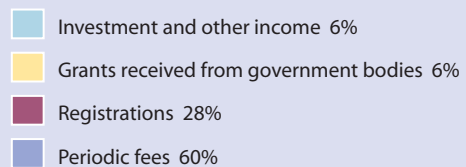
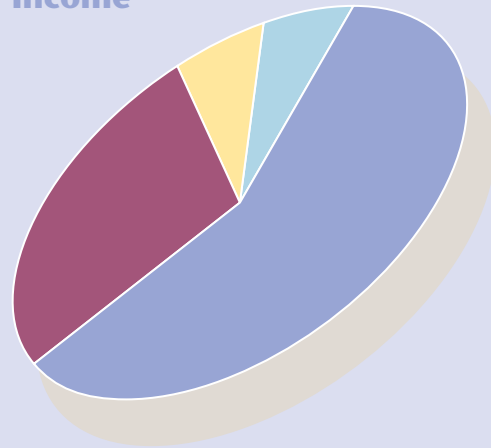
Income totalled £18,800,000, and expenditure totalled £21,179,000 during the year, giving net outgoing resources of £2,379,000. In the previous year, income totalled £17,478,000 and expenditure totalled £20,305,000, giving net outgoing resources of £2,827,000. The improvement on the previous year was £448,000. An analysis of both the income and expenditure is included in the summary accounts in the following pages.

The reserves of £3,215,000 should be considered taking into account the fact that the lease of the Council's offices at 23 Portland Place continues to have a restrictive user clause and was re-valued on 31 December 2001 at £9,260,000.

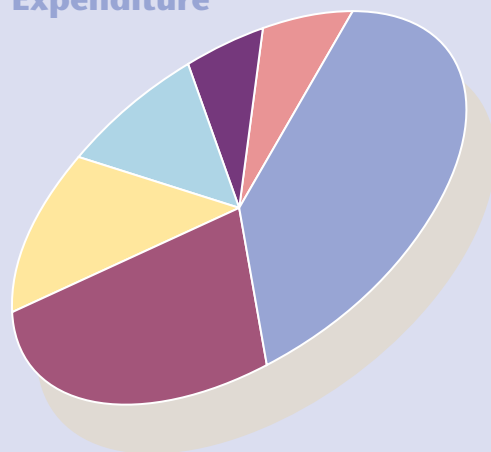
At 31 March 2004 the NMC had negative free reserves of £6,471,000, and so has developed a recovery plan to improve its free reserves to represent an equivalent of six months operational expenditure by 2010. As part of this, the drive to seek operational savings continues. The extension of competitive tendering into areas such as office cleaning and catering will produce savings totalling £700,000 over three years, as well as improving the service provided by the suppliers.

## Breakdown of income and expenditure

### Income



### Expenditure



# Annual accounts 2003-2004

## Summary statement of financial activities for the year ended 31 March 2004

	<b>2004</b> <b>£ 000s</b>	<b>As restated</b> <b>2003</b> <b>£ 000s</b>
<b>Income</b>		
Periodic fees	11,254	9,317
Registrations	4,935	4,177
Other fee income	245	250
<b>Total fee income</b>	<b>16,434</b>	<b>13,744</b>
Interest and investment income	762	878
Trading and other income	479	322
Grants receivable from Government bodies	1,125	2,534
<b>Total Income</b>	<b>18,800</b>	<b>17,478</b>
<b>Expenditure</b>		
Standards promotion and policy development	2,754	3,118
Maintaining the register	5,489	5,599
Fitness to practise	8,317	8,246
Research	-	-11
Cost of new register	1,085	-
<b>Direct charitable expenditure</b>	<b>17,645</b>	<b>16,952</b>
Communication, publicity and events	1,849	1,979
Management and administration	1,376	1,008
Cost of generating funds	73	48
<b>Other expenditure</b>	<b>3,298</b>	<b>3,035</b>
Realised loss from investments	236	318
<b>Total expenditure</b>	<b>21,179</b>	<b>20,305</b>
<b>Net movement in Funds for the year</b>	<b>-2,379</b>	<b>-2,827</b>
Total Funds brought forward as restated	5,594	8,421
<b>Total Funds carried forward</b>	<b>3,215</b>	<b>5,594</b>



## Summary balance sheet as at 31 March 2004

	2004 £ 000s	As restated 2003 £ 000s
<b>FIXED ASSETS</b>		
Tangible assets	9,686	9,802
Investments	-	4,961
<b>TOTAL FIXED ASSETS</b>	<b>9,686</b>	<b>14,763</b>
<b>CURRENT ASSETS</b>		
Debtors and amounts owing to NMC	422	1,356
Cash at bank and in hand	17,615	9,897
<b>TOTAL CURRENT ASSETS</b>	<b>18,037</b>	<b>11,253</b>
Creditors (amounts falling due within one year)	-14,414	-11,282
<b>NET CURRENT ASSETS/LIABILITIES</b>	<b>3,623</b>	<b>-29</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>13,309</b>	<b>14,734</b>
Creditors (amounts falling due after more than one year)	-9,509	-8,915
Provision for liabilities and charges	-585	-225
<b>NET ASSETS</b>	<b>3,215</b>	<b>5,594</b>
<b>INCOME FUND</b>	<b>3,215</b>	<b>5,594</b>

Mr Jonathan Asbridge  
President, NMC

Mrs Sarah Thewlis BA FCIPD hon FRCGP FRSA  
Chief Executive and Registrar, NMC

17 March 2005



## Summary cash flow statement for the year ended 31 March 2004

	2004 £ 000s	As restated 2003 £ 000s
<b>Income/ (Expenditure) for period</b>	<b>-2,379</b>	<b>-2,828</b>
<b>Add back non cash items</b>		
Depreciation	370	408
Loss on disposal of fixed asset	4	4
Realised and unrealised loss on investments	238	318
	612	730
<b>Net inflow/(outflow) of funds from activities</b>	<b>-1,767</b>	<b>-2,098</b>
<b>Applications</b>		
Capital expenditure	-260	-138
Receipts from sale of investments	4,725	-
Movements in working capital	4,066	-1,365
Movements in fees paid in advance	594	3,909
Movements in liabilities and charges	360	225
	9,485	2,631
<b>Net inflow/(outflow) of funds</b>	<b>7,718</b>	<b>533</b>
<b>Represented by movements in cash and bank accounts</b>	<b>7,718</b>	<b>533</b>



# Notes

## 1. Basis of summary accounts

The summarised accounts are a summary of information extracted from the annual accounts and contain information relating to both the Statement of Financial Activities and the Balance Sheet.

These summarised accounts may not contain sufficient information to allow for a full understanding of the financial affairs of the charity. For further information, the full accounts, which received an unqualified audit opinion, should be consulted. Copies of these are available on our web site at [www.nmc-uk.org](http://www.nmc-uk.org), or can be obtained from the Nursing and Midwifery Council, 23 Portland Place, London W1B 1PZ.

The annual accounts were approved by the Council on 2 December 2004, and signed on the 15 December 2004 and have been submitted to the Charity Commission.

The accounts of the Nursing and Midwifery Council are prepared in accordance with the Accounts Direction issued by the Privy Council. This requires the accounts to be prepared in accordance with the Statements of Recommended Practice 'Accounting by Charities' and that the accounts also comply with the Applicable Accounting Standards issued or adopted by the Accounting Standards Board.

As a result of the Privy Council issuing a revised Accounts Direction effective for the financial year ended 31 March 2004 and subsequent years, the results for the prior year ended 31 March 2003 have been restated. The restatement reverses the modified historic cost accounting previously adopted for fixed assets, together with a restatement of

grants receivable. The effect on the results for the current and prior year are a reduction in the depreciation charge for the year of £55k and £34k respectively. The prior year revaluation gain of £1,400k has also been reversed.

## 2. Related party transactions

A full declaration of related party transactions has been made in accordance with FRS 8, and this is detailed in the full financial statements. The full financial statements are available from the Nursing and Midwifery Council's web site at [www.nmc-uk.org](http://www.nmc-uk.org).

Mr Jonathan Asbridge  
President, NMC  
17 March 2005

Mrs Sarah Thewlis BA FCIPD hon FRCGP FRSA  
Chief Executive and Registrar, NMC  
17 March 2005

## **Independent Auditors' Statement to the members of the Nursing and Midwifery Council**

We have examined the summarised financial statements of the Nursing and Midwifery Council set out on pages 17, 18 and 19.

### **Respective responsibilities of Council and auditors**

The Council is responsible for preparing the summarised financial statements in accordance with the recommendations of the charities SORP.

Our responsibility is to report to you our opinion on the consistency of the summarised financial statements with the full financial statements and Council's Annual Report. We also read the other information contained in the summarised annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summarised financial statements.

### **Basis of opinion**

We conducted our work in accordance with Bulletin 1999/6 "The auditors' statement on the summary financial statement" issued by the Auditing Practices Board for use in the United Kingdom.

### **Opinion**

In our opinion the summarised financial statements are consistent with the full financial statements and the Council's Annual Report of Nursing and Midwifery Council for the year ended 31 March 2004.

haysmacintyre  
Chartered Accountants  
Registered Auditors

**Fairfax House**  
**15 Fulwood Place**  
**London**  
**WC1V 6AY**

18 March 2005



# The Council

The Council comprises 12 registrant members, 11 lay members and 12 alternate registrant members. The registrant members consist of equal numbers of nurses, midwives and health visitors from each of the four UK countries. The lay members include people with experience of education and management, as well as those with a lay perspective.

## Council members

Moi Ali (Lay)  
Jonathan Asbridge, President (Nursing, England)  
Elizabeth Bannon (Midwifery, Northern Ireland)  
Paddy Buxton (Lay)  
Jill Carter (Lay)  
Marianne Cowpe (Health Visiting, Wales)  
Gordon Dickson (Lay)  
Alan Ferguson (Lay)  
Pat Frost (Lay)  
Christina Funnell (Lay)  
Cathy Gritzner (Lay)  
Sharon Hall (Nursing, Wales)  
Mary Hanratty, Vice-President (Nursing, Northern Ireland)  
Jean Keats (Midwifery, Wales)  
John Leece Jones (Lay)  
Kathy McLean (Nursing, Scotland)  
Donald Pennington (Lay)  
Trevor Purt (Lay)  
Heather Shaw (Midwifery, Scotland)  
Cathy Warwick (Midwifery, England)  
Bronya Webster (Health Visiting, England)  
Ishbel White (Health Visiting, Scotland)  
Fiona Wright (Health Visiting, Northern Ireland)

## Alternate members

Chrissie Hayes (Midwifery, Wales)  
Maureen Jamison (Health Visiting, Northern Ireland)  
Margaret Eiri Jones (Nursing, Wales)  
Nancy Kirkland (Nursing, Scotland)  
Paul Lewis (Midwifery, England)  
Heather Livesey (Health Visiting, England)  
Angela O'Connor (Nursing, Northern Ireland)  
Eileen Pollock (Midwifery, Northern Ireland)  
Angela Roberts (Health Visiting, Wales)  
David Sines (Nursing, England)  
Mary Vance (Midwifery, Scotland)  
Sheena Wright (Health Visiting, Scotland)

# Contacting the NMC

## Registrations

**There are two separate switchboard numbers for the NMC's Registration Department.**

For all new and existing United Kingdom and European Union registrations, call 020 7333 9333.

For all registration enquiries from countries outside the EU, call **020 7333 6600**.

For all overseas registration enquiries, you can also e-mail [overseasreg@nmc-uk.org](mailto:overseasreg@nmc-uk.org).

## Professional advice

Telephone 020 7333 6541/6550/6653

fax 020 7333 6538

e-mail [advice@nmc-uk.org](mailto:advice@nmc-uk.org)

## Fitness to practise

Telephone 020 7333 6564/6572

fax 020 7636 2903

e-mail [fitness.to.practise@nmc-uk.org](mailto:fitness.to.practise@nmc-uk.org)

## Finance

Telephone 020 7333 6652

fax 020 746 3805

e-mail [finance@nmc-uk.org](mailto:finance@nmc-uk.org)

## Publications

Please send your order by post, fax 020 7436 2924 or e-mail [publications@nmc-uk.org](mailto:publications@nmc-uk.org)

## Location

Nursing and Midwifery Council

23 Portland Place

London W1B 1PZ

Telephone 020 7637 7181

## Website

[www.nmc-uk.org](http://www.nmc-uk.org)

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**NURSING &  
MIDWIFERY  
COUNCIL**

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professional standards