

Nursing and Midwifery Council

**Annual Report and Accounts for the Year ending
31st March 2009**

Annual Report presented to Parliament by the Privy Council in pursuance of Article 50(3) of the Nursing and Midwifery Order 2001 and Accounts presented to Parliament by the Privy Council in pursuance of Article 52(7) of the Nursing and Midwifery Order 2001

Ordered by the House of Commons to be printed on 20 July 2009

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NURSING AND MIDWIFERY COUNCIL

THE NURSING AND MIDWIFERY ORDER 2001

Accounts for the year ended 31 March 2009

*Presented in accordance with Article 52 of the Nursing and Midwifery Order
(Statutory Instrument 2002 No.253)*

TRUSTEES' REPORT

1. Reference and administrative details

Name Nursing & Midwifery Council

Charity registration number 1091434 (England & Wales)
SC038362 (Scotland)

Registered office address 23 Portland Place, London W1B 1PZ

Details of the Nursing & Midwifery Council's trustees and principal advisers can be found on pages 40 to 42.

2. Structure, governance and management

Background information

The Nursing & Midwifery Council (NMC) was established under the Nursing and Midwifery Order 2001 (known as 'the Order'), and has been fully operational since April 2002. We are the statutory regulator for all the United Kingdom's nurses and midwives.

We exist to safeguard the health and well-being of the public, by establishing, reviewing and promoting standards in nursing and midwifery. Key to this is *The Code: Standards of conduct, performance and ethics for nurses and midwives*, which every professional registered with us is expected to adhere to, and against which their conduct is judged. We also provide advice and information for those on our register, and consider allegations of impaired fitness to practise due to misconduct, lack of competence or ill health.

The governing body for the NMC is the Council. The Council sets the NMC's strategic direction. It meets at least six times a year in public to discuss and decide on the most important issues facing the organisation. It also receives reports from the committees that help shape the policies and priorities of the NMC.

We are accountable to the Privy Council. The Order sets out the nature of the relationship between the NMC and the Privy Council and the reporting mechanisms required. We are subject to annual performance review by the Council for Healthcare Regulatory Excellence, and have regular contact with ministers and officials in the departments of health in the four countries of the UK.

A year of change

During 2008 major changes were brought about at the NMC, leading to the appointment of a new Council.

At the beginning of the year, Council consisted of 35 members: 11 lay members and 24 elected registrant members. The 11 lay members were appointed by the Appointments Commission acting on behalf of the Privy Council. The 24 registrant members were elected as follows: six members from each of the four national constituencies: England, Northern Ireland, Scotland and Wales; and within each country two members from each of the three parts of the register – nurses, midwives and specialist community public health nurses. Of the 24 elected members, 12 were known as registrant members and 12 as alternate members, with alternate members being those who came second in the ballots. The Council had 23 voting members: the 12 registrant members and 11 lay members. If a registrant member was unable to attend a Council meeting their corresponding alternate member could attend and vote in their place.

The Government agreed the NMC's proposals to reduce the number of Council members from 35 to 14 (7 registrant and 7 lay) and to have an appointed Chair in line with the White Paper *Trust, Assurance and Safety – The Regulation of Health Professionals in the 21st Century*. The structure of the Council was changed by the Nursing and Midwifery (Amendment) Order 2008. This provided for the cancellation of scheduled elections to the Council and the appointment of a new Council to succeed the existing Council.

The new Council was due to replace the old Council in April 2009, but this date was brought forward and the new Council took up its responsibilities on 1 January 2009. The constitution of the Council is governed by the Nursing and Midwifery Council (Constitution) Order 2008; new Standing Orders govern the operation of the Council and its committees.

The change of timetable for the move to a smaller, more board-like Council, the membership of which would be fully and independently appointed, was prompted, in part, by the Minister of State for Health Services' decision to commission the Council for Healthcare Regulatory Excellence (CHRE) to "expedite its annual performance review" and address "the central question of whether the NMC is fulfilling its statutory functions".

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The CHRE Special Report to the Minister of State for Health Services on the Nursing and Midwifery Council was published on 16 June and concluded that "the NMC is carrying out its statutory functions but fails to fulfil these to the standard of performance that the public has the right to expect of a regulator". The Report made a number of recommendations to the NMC in the following areas : governance, fitness to practise, and relations with stakeholders. The Chief Executive and Registrar, President of Council, and Vice- President resigned. The remaining senior team members and trustees took forward the core business of protecting the public and ensured that the Action Plan and business plan commitments were met.

The NMC responded to the report by identifying the actions necessary to meet the CHRE's recommendations. These were developed by the senior management team and endorsed by Council as an Action Plan. Most of the work identified in the Action Plan was already part of the NMC's business plan for 2008-09; however the CHRE recommendations enabled trustees to prioritise certain activities. Progress against the business plan is reported in section 3 to give an overall picture of our work in the year.

The CHRE report also recommended that the Department of Health for England brought forward the implementation of the new governance structure. The Department of Health agreed to this and moved the date from 1 April 2009 to 1 January 2009.

New Council

Thirteen members of the new, fully appointed Council took office on 1 January 2009 and held their first meeting on 15 January 2009. An appointment for the one remaining vacancy was made on 1 March 2009. All members were appointed by the independent Appointments Commission against pre-determined competencies. The new Council has an equal number of registrant and lay members, and has been structured to work at a strategic level while giving responsibility to the executive to ensure that decisions are appropriately implemented.

On appointment, Council members underwent a two-day induction programme which consisted of training on the work of the NMC, responsibilities of Council members, what constitutes good governance and the roles and responsibilities of Council members as charity trustees. An appraisal process for Council and Committee members will be in place during 2009 and there are arrangements for briefing and training sessions alongside Council meetings.

All Council members are trustees of the charity and must be eligible to serve as such. The eligibility requirements are set out in The Nursing and Midwifery Council (Constitution) Order 2008 (SI 2008/2553). All current Council members have signed a declaration confirming their eligibility to serve as a charity trustee.

New committee structure

As part of the new arrangements, the number of committees was reduced from 13 to six with effect from 1 January 2009. This was achieved by aligning the committee structure to the functions of the NMC. The following committees have strategic oversight of the main functions of the register i.e. standards for entry onto the register, maintaining registration and removal from the register.

- Midwifery Committee
- Professional Practice and Registration Committee
- Fitness to Practise Committee

The Midwifery Committee is one of the four statutory committees of the Council. The other three are the Investigating Committee, Health Committee and Conduct and Competence Committee (known collectively as the Practice Committees), which are responsible for considering allegations, of impairment of fitness to practise, made against registrants.

Matters relating to the operation of the NMC are considered by the following committees which have strategic oversight of the governance of the NMC:

- Audit, Risk and Assurance Committee
- Business Planning and Governance Committee

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In addition, an Appointments Board provides an independent process for making appointments to Fitness to Practise panels.

There has also been a review of the Council's Scheme of Delegation and Standing Orders ensuring that the business of the Council is conducted appropriately, according to the requirements of the Order.

Management structure

The NMC's 249 members of staff are responsible for implementing the decisions of the Council. The NMC's senior management team is responsible for ensuring that the NMC delivers its full range of statutory functions and achieves the objectives outlined in the business plan, and for leading and directing the organisation's business and financial affairs.

In August 2008 Council elected Jill Crawford as President of the NMC for the period up to the new Council taking office on 1 January 2009. Graham Smith was appointed interim Chief Executive and Registrar in September 2008.

Following a recruitment campaign by the independent Appointments Commission Professor Tony Hazell was appointed Chair of the new Council from 1 January 2009. On 1 March 2009 Kathy George was appointed Chief Executive and Registrar, taking over from Graham Smith on the completion of his contract. Kathy George will hold the post until the completion of the process to appoint a permanent Chief Executive and Registrar.

Risk Review

The NMC regularly reviews its objectives to identify risks and barriers which might prevent us achieving those objectives. The NMC has implemented systems and procedures to mitigate and manage risks. This is an ongoing process throughout the year. Further information relating to risk management is included in the Statement on Internal Control on pages 14 to 15.

Public benefit

The aims of the NMC meet the requirements of the Charities Act 2006 in terms of charitable purpose – the advancement of education with respect to the setting of standards for nursing and midwifery education, and the advancement of health with respect to setting standards for nursing and midwifery practice and our fitness to practise activities. We consider that we meet the two key principles of public benefit, as defined by the Charity Commission, which are firstly that benefits must be identifiable and secondly that benefit must be to the public. Our work ensures that every individual receiving nursing and midwifery care can be assured of the standard of that care, and that those who are not fit to practise are called to account, and therefore the health and wellbeing of the public is safeguarded.

The Council confirms that it has complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the charity. The Council takes public benefit into consideration when making decisions. The Council endorsed their acceptance of these responsibilities at the Council meeting which took place on Thursday 7 May 2009.

Relevant audit information

- So far as we are aware, there is no relevant audit information of which the NMC's auditors are unaware; and
- we have taken all steps that we ought to have taken to make ourselves aware of any relevant audit information and to establish that the NMC's auditors are aware of that information.

3. Objectives, achievements and performance

The principal functions of the NMC are set out in the Order. These state that the NMC must establish standards of education, training, conduct and performance for nurses and midwives and ensure that these standards are maintained. The Order also requires that, in exercising its functions, the main objective of the NMC is to safeguard the health and wellbeing of those using or needing the services of its registrants. The pursuit of these aims delivers public benefit, according to Charity Commission principles. To meet these aims, in our 2008-09 business plan we set out five strategic themes which would shape our work until the planned review of healthcare regulation in 2011. The business plan is available on our website.

Theme one:

The NMC is a statutory regulator whose core function is to protect the public. It does this by setting standards, maintaining a register and regulating entry to, maintenance on and removal from that register. The NMC will have integrated systems in place to demonstrate that all its registrants are capable of safe and effective practice and thereby command the confidence of the public and the professions.

Objectives

Objectives included work to ensure only those meeting NMC standards could gain entry to the register, that supervision of midwives is consistent with best practice, continuing work on Revalidation, the updating and maintenance of NMC rules, standards and guidance, development of an active and dynamic register, the integration of Fitness to Practise activity with the work of other directorates, and a review and development of NMC-wide help and advice services.

Achievements and performance

This was another busy year for the development of NMC standards and guidance. A revised code of practice, now called *The Code: Standards of conduct, performance and ethics for nurses and midwives* was published in April and came into effect, with a high profile, UK-wide launch from 1 May 2008. Other standards and guidance produced during the year included *Guidance for the care of older people* (involving another high profile, UK-wide launch), *Standards for pre-registration midwifery education*, *Standards to support learning and assessment in practice*, and the *PREP handbook*, as well as numerous NMC Circulars (on topics including remote assessment and prescribing, and guidance for Local Supervising Authorities' annual report submissions to the NMC) and advice sheets (on topics including mixing drugs in palliative care, and return to practice).

For the Registration directorate, this year saw the completion of the move to annual payment of the registration fee. Having contact every year with those renewing or retaining their registration enables us to enhance the information we can provide to registrants. The call centre processed 550,000 enquiries in 2008. Registrations dealt with 30,000 applications for initial registration and 220,000 applications for renewal of registration. Our register is available online and may be searched by name or personal identification number (PIN). We offer a confirmation service to employers and a verification certificate to health regulators in other countries.

Fitness to Practise

Work on developing our Fitness to Practise directorate has been a priority this year. We conducted a fundamental review of this area of work which included a review of available resources, a training needs analysis and a review of the processes and timelines for cases. We implemented a first phase of a new electronic case management system, benchmarked a child protection training programme and the outcomes of child abuse cases against the performance of other health care regulators. We undertook a review of panellists' training needs and their induction, and began a review of our Fitness to Practise correspondence and communications to ensure that all communications are accurate, fit for purpose and meet customer service best practice standards. Last but not least, in December, following a comprehensive accommodation review, the Fitness to Practise directorate moved from offices and hearing rooms at 180 Oxford Street to premises at 61 Aldwych, offering five hearing suites and improved accommodation for staff.

Increased levels of funding, a programme of improvements and system efficiencies and the successful recruitment and training of Fitness to Practise panellists has allowed a substantial increase in the

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number of days panels have sat over the past year. Overall, this has reduced waiting times for new cases to be heard and allowed us to progress previously outstanding cases more rapidly.

The total number of cases considered by panels of the Preliminary Proceedings Committee and Investigating Committee in the year was 2060 (2007-08: 2700). 35% of cases were closed because the panels found no case to answer (2007-08: 35%). The Investigating Committee referred 352 cases (2007-08: 441) to the Conduct and Competence Committee and 65 (2007-08: 56) to the Health Committee for hearings. The remaining cases are subject to ongoing investigation.

The Health Committee sat 41 times during the year (2007-08: 28). The total number of cases considered was 149 (2007-08: 41). Panels of the Professional Conduct Committee and Conduct and Competence Committee sat for 1241 days (2007-08: 832) during the year. The number of cases heard was 591 (2007-08: 612) and number of cases completed was 446 (2007-08: 449).

There were 833 Interim Order considerations under the new Fitness to Practise rules that came into force in 2004, both new cases and reviews (2007-08: 766). Of these, the Investigating Committee considered 589 (2007-08: 462), the Conduct and Competence Committee considered 163 (2007-08: 248) and the Health Committee considered 81 (2007-08: 56).

There were 12 applications for restoration to the register during the last year (2007-08: 10). Six were successful.

A full report on our Fitness to Practise activity in the last year is available on the NMC website and will be submitted to the Privy Council at the same time as this report.

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Theme two:

The NMC will take an increasing role in providing leadership and demonstrate innovation and best practice in modern regulation. It will also seek to influence the delivery and practice of nursing and midwifery care for the benefit of public protection.

Objectives

Objectives included agreeing and implementing a strategy to work with partners in public protection across the UK, EU and globally, leading and influencing regulatory requirements, and delivering best practice in regulation.

Achievements and performance

We continued with our review of pre-registration nursing education in association with the UK-wide work around modernising nursing careers, agreeing the principles to support a new framework. We continued with our far-reaching 'Library of standards' project; a review of the development, accessibility and dissemination of standards for education and training, while continuing work on the development of a system of revalidation in close consultation with our stakeholders. We also consulted on a forthcoming publication on guidance on professional behaviour for students, and held our first ever student midwives conference, in Edinburgh.

During 2008 we held an annual midwifery conference, and we published the report *Supervision, support and safety* in December. We also completed 6 reviews of Local Supervising Authorities to assure Council that they are meeting their statutory requirements.

Regarding quality assurance, we monitored the implementation of our Essential Skills Clusters, now being implemented by all HEIs, and, in collaboration with health consultancies, we continued the development of a considerably enhanced, risk-based approach to monitoring. We held a series of education roadshows across the UK prior to the publication of education standards, as well as a series of roadshows for supervisors of midwives.

The development of our EU and International team's work has continued with a focus on the implementation of the Directive on the Recognition of Professional Qualifications, which came into force in 2007 and allows for greater mobility of health care professionals within the European Union. The team has also continued to work closely with our partners in EU networks, such as FEPI (the European Council of Nursing Regulators) and the Health Professionals Crossing Borders Project.

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Theme three:

The NMC will build strong and effective partnerships with all its stakeholders to enhance the delivery of safe and effective healthcare.

Objectives

Objectives included maintaining and developing relationships with stakeholders and partners, reviewing and developing the NMC's external communications, and ensuring there are processes in place to deal with external regulatory and public protection concerns.

Achievements and performance

Work on developing our external relations and in particular our communication with stakeholders has been a priority this year. A communications and stakeholder engagement strategy was agreed by the new Council at their first meeting in January and we began the implementation of a stakeholder engagement programme to transform our communications and stakeholder engagement work. We also initiated a web development project to enhance the availability and quality of public information. Other actions completed included the development of a customer relationship strategy, the establishment of key organisational messages, the production of new and revised Fitness to Practise information material, interim improvements to the website and the development of a dedicated website (www.nmcpeople.org) to recruit committee members and Fitness to Practise panel members. The first ever NMC conference for student midwives took place in Edinburgh in March 2009.

Theme four:

The NMC will demonstrate principles of good governance in all its activities and thereby maintain and increase trust in the NMC as a regulator and public body.

Objectives

Objectives included implementation of an effective governance framework, ensuring legislation is appropriately drafted to enable the NMC to effectively carry out its functions, adopting the civil standard of proof in our Fitness to Practise procedures, and refining the risk assurance framework.

Achievements and performance

As described in detail in section 2 ('A year of change'), good governance was a priority for the NMC this year as we became one of the first healthcare regulators to adopt the new constitutional structure proposed in the White Paper, *Trust, Assurance and Safety: The Regulation of Health Professionals in the 21st Century*. The new governance framework required the selection, recruitment and induction of a new, wholly appointed Council and Chair, along with a new, leaner and fitter governance structure of six committees; a process completed by February 2009. As required under the Health and Social Care Act 2008, we moved to using the civil standard of proof in our Fitness to Practise procedures, and a programme of training in risk management was implemented.

Theme five:

The NMC continues to develop and construct organisational processes and capabilities necessary to achieve excellent performance. This requires highly motivated staff committed to achieving results and the efficient application of resources and assets to deliver best value for money.

Objectives

Objectives included delivery of the financial recovery plan, to identify and implement NMC's management information requirements, to develop and begin implementation of an approved IT strategy, to identify and implement efficient and effective delivery of all NMC activity to achieve good practice and value for money, ongoing implementation of an HR-focused change management programme, and the development and implementation of an accommodation strategy.

Achievements and performance

This year we continued our progress towards meeting our financial recovery plan, established to deal with the weak position the organisation inherited from its predecessor body, the UKCC; a plan that will put the NMC on a stable and sustainable footing. We developed a three-year business plan through seminars and workshops held with staff from across the organisation, and went on to develop detailed work plans for each directorate. We began implementation of an IT development programme, and rolled

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out equality and diversity training for all staff (see below). A Staff Consultation Group was established, and we continue to provide NMC staff with advice and support including occupation health services and a cycle to work scheme. The NMC is accredited by Investors in People.

Equality and diversity

Our Equality and Diversity unit has continued to set up the processes and policies that enable the NMC to promote equality and demonstrate the value we place on the diversity of staff, nurses and midwives, and the wider community we serve. During 2008-09 the NMC's Gender Scheme and Action Plan were revised following on from the launch of the NMC Race Equality Scheme in early 2008. The NMC is now using an Equality Impact Assessment policy, form and toolkit, developed by the unit in partnership with staff.

The Equality and Diversity unit has also delivered Equality and Diversity Training including training on Equality Impact Assessment to the majority of NMC staff and continues to deliver training as part of the Fitness to Practise panellists induction and refresher training.

The unit also continued to chair the Joint Healthcare Regulator Forum on Equality and Diversity, a group which shares good practice and promotes collaborative working in the area of equality and diversity. The Forum has engaged with the Department of Health, and the Equality and Human Rights Commission over the last year. The forum has also contributed to the NMC's work in response to the Disability Rights Commission's Formal Investigation into health standards in nursing. This work has also led to the formation of the NMC's expert panel of disabled people made up of nurses and midwives and members of the public who have a disability. In March 2009 a seminar was held with contributions from the expert panel members updating key stakeholders on our work in this area and showcasing a literature review that we had commissioned.

We also began work on an NMC register-wide diversity data collection project which will help to improve the monitoring, and ultimately delivery of, our Fitness to Practise processes.

During the year we held meetings across the UK with nurses, midwives, patient groups, service users and other interested parties to discuss the ways in which they wanted the NMC to work and communicate with them. The subsequent report helped shape the stakeholder engagement programme mentioned above.

Staff involvement

We place considerable reliance on the involvement of our employees. We make every effort to ensure that all staff members are kept informed of the NMC's plans and developments. The main channels of communication include whole organisation meetings, monthly team briefings, intranet and e-mail.

A Staff Consultation Group has been in operation since January 2008. The Staff Consultation Group provides a forum for discussion on matters affecting staff at work, and consultation on new policy initiatives within the organisation.

Health and safety

The NMC is committed to adhering to the Health and Safety at Work Act 1974 and other related UK and European requirements to ensure that staff and registrants enjoy the benefits of a safe environment.

Scotland

The NMC has been registered with the Office of the Scottish Charity Regulator since June 2007. As with each of the four countries of the UK, the NMC carries out a number of activities in Scotland and enjoys a close working relationship with Scotland's Chief Nurse and other senior officials. There were 70,557 Scottish nurses, midwives and specialist community public health nurses on our register as at March 2009, compared with 68,499 in March 2008. In 2008-09, 150 cases were considered by the Investigating Committee, and 32 conduct cases were heard (2007-08, 57) in Scotland.

4. Financial review

The net incoming resources for the year amounted to £14,315,000 (2007-08: £3,337,000).

The reserves of £25.85 million include the value of the lease of the Council's offices at 23 Portland Place, which contains a restrictive user clause. The lease was revalued on 31 March 2009 on an existing use basis at £13 million.

During the year income totalled £49,945,000 (2007-08: £34,063,000) and was comprised of fee income of £47,879,000 (2007-08: £32,723,000), investment income of £1,390,000 (2007-08: £1,226,000), and trading income of £126,000 (2007-08: £114,000), and a contribution from the Department of Health of £550,000 to support specific projects.

During the year expenditure totalled £35,630,000 (2007-08: £30,726,000). This is further analysed within note 12 to the accounts.

Reserves policy

The free reserves of the NMC were £8,068,000 at 31 March 2009 (negative £1,677,000 at 31 March 2008). The Council has agreed a reserves policy that the free reserves should equate to six months' expenditure. This level of reserve is required to provide adequate working capital to ensure that the NMC can operate efficiently and effectively.

To achieve the free reserves target by 2010, a financial recovery plan is in place. This would equate to £21 million at March 2010 on current projections. The NMC aims to maintain this target level of reserves through cost reductions and efficiencies across the organisation.

The Council has designated a contingency fund to finance expenditure which enables the strategic objectives of the NMC's business plan to be achieved.

The level of free reserves is reviewed by trustees quarterly. The reserves policy is reviewed by trustees as part of the annual planning process.

Investment policy

The NMC has the power to invest its surplus funds as it considers appropriate to generate income for the Council. Currently the NMC has a formal investment policy, which limits investment to low and no risk options. NMC funds are held in fixed interest deposit accounts spread across four UK high street banks. The revenue generated from the investment was £1,390,000 during the year.

Fixed assets

Information relating to changes in tangible fixed assets is given in note 15 to the accounts. The cost of fixed assets additions during the year was £5,190,000.

During the year four major capital projects were undertaken. These were the design and implementation of the Fitness to Practise case management system at a cost of £663,000, the refurbishment of leased office space for Fitness to Practise at 61 Aldwych at a cost of £1,797,000, the continuation of the NMC's ICT infrastructure upgrade at a cost of £1,427,000 and the second phase of the refurbishment of 23 Portland Place at a cost of £1,112,000.

5. Plans for the future

In advance of the appointment of our new Council, and the agreement of our new business plan, the NMC undertook some work with staff across the organisation to review and establish our vision, mission and values. Safeguarding the public stood central to our vision and mission, and was underpinned by the values of accountability, fairness, professionalism, and a commitment to progressive and inclusive action.

With this framework established, we are committed to delivering our work based on the best available evidence and best practice and have begun organising our work into five key areas. Some of the projects outlined below will be completed within the next year; others will be started with their completion expected by 2012 at the latest. Our core work is **safeguarding** the health and wellbeing of people using or needing the services of nurses and midwives. This central priority is supported by our activity in developing **standards** and engaging with **stakeholders**. None of this work is possible without high quality **staff** and the necessary supporting **systems**, which together form the last two parts of this plan.

Safeguarding

Safeguarding the health and wellbeing of people using the services of nurses and midwives is the heart of our work. We will maintain our register of nurses and midwives who are fit to practise, so that they can work to provide high quality healthcare. We will safeguard the public's health and wellbeing by taking swift and fair action to deal with individuals whose fitness to practise is questioned. We will monitor and enhance the quality of education programmes for nurses and midwives, and we will assure safety of women and families using maternity services through monitoring the statutory supervision of midwives.

Standards

Setting clear standards for education and practice is an essential part of effective regulation. Even as the world of healthcare changes and the roles of nurses and midwives evolve, our priorities remain consistent. The public must be confident of receiving safe and effective care from the healthcare professionals we register and regulate.

We will continue our work on Revalidation, including our standard for post registration education and practice. We will consult on and publish new rules and standards to govern midwifery practice and statutory supervision. We will provide new guidance to midwives on the care of vulnerable women using maternity services.

As a regulator, we believe our role must go beyond providing advice and guidance and setting rules and standards to help professionals develop their own practice. To that end we will look to establish a learning resource centre and increase the scope of our ethical guidance to encompass new and emerging areas of nursing and midwifery practice.

We will develop policies and set clear standards for education and practice so that the public can be confident of receiving safe and effective care, review and update standards for local supervising authorities and supervision of midwives, and continue to keep our standards and advice under regular review, ensuring that they reflect contemporary practice and the best available evidence.

Stakeholders

People, not policies, are at the heart of healthcare. Our priority continues to be involving patients, service users and the public in developing effective nursing and midwifery standards. Over the next year we will begin to expand the scope of our communication activity, to talk directly with the public about the care they should expect from nurses and midwives, focusing first on the needs of older people and women using maternity services.

Putting the public's interests and needs first means that we must collaborate with others who influence healthcare delivery. We will develop strong and effective partnership with professional bodies, trade unions, health departments and others, not only so that our standards are embedded in day-to-day practice but also so that we influence agendas that improve public health and wellbeing. We will also look to establish our presence across the four countries of the UK.

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The demanding lives of nurses and midwives make them a uniquely challenging audience to engage. We will adopt new and innovative approaches across our communications channels, to reach more people where they are with the information they need.

Staff

Despite the size of our register and the scale of our activities, we rely on a small and committed staff group to deliver our work. Over the next three years, we intend to become an employer of choice, attracting talented people and building on the diversity of our staff group.

We will attract, support, develop and retain a diverse staff group, providing learning and development opportunities so that they are the best they can be. We will build a culture of excellence, motivating our staff to provide a high quality, professional service.

Systems

Our business support functions, financial systems and governance arrangements contribute to our ability to deliver a high quality, professional service. In the next year we intend to begin transforming our approach to customer relationship management and the full implementation of our governance reforms, ensuring our effectiveness in safeguarding the health and wellbeing of the public.

We will develop and maintain business services that support the fulfilment of our statutory functions. This will involve embedding equality impact assessments throughout the organisation, implementing a new organisation-wide customer relationship management approach, and developing and maintaining our ICT infrastructure, support and applications.

We will continue to improve our processes and procedures, optimising our resources and providing best value by strengthening project and programme management, ensuring the organisation complies with procurement regulations and achieves best value, maintains stewardship of assets and ensures propriety and regularity of expenditure.

Finally, we will ensure we take clear and robust decisions and have transparent governance processes. Activities will include a review of the effectiveness of our governance reforms, the recruitment of new Fitness to Practise panellists and committee members, and appraisals of the performance of Council and committee members, Fitness to Practise chairs, panellists and local supervising authority reviewers.

Chair, NMC
Date: 7 July 2009

Chief Executive and Registrar, NMC
Date: 7 July 2009

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Statement of Responsibilities of Council and its Chief Executive in Respect of the Accounts

The accounts are prepared in accordance with the Accounts Guidance received from the Privy Council which requires the accounts to be prepared in accordance with the Statement 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.

The Nursing and Midwifery Order 2001 requires that annual accounts are prepared and audited. The Council and its Chief Executive and Registrar (as Accounting Officer) are responsible for the preparation and approval of the accounts. In preparing these accounts they are required to:

- a. Observe the applicable accounts directions issued by the Privy Council;
- b. Select suitable accounting policies and then apply them consistently;
- c. Make judgments and estimates on a reasonable basis;
- d. Prepare the accounts on a going concern basis unless it is inappropriate to presume the Council will continue in operation; and
- e. State whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements.

The Council and its Chief Executive and Registrar are responsible for the keeping of proper accounting records which disclose with reasonable accuracy at any time the financial position of the Council and enable them to ensure that the accounts comply with the Nursing and Midwifery Order 2001. They are also responsible for safeguarding the assets of the Council and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Privy Council has appointed the Chief Executive of the Nursing and Midwifery Council as Accounting Officer for the Nursing and Midwifery Council. Her relevant responsibilities as Accounting Officer, including her responsibility for the propriety and regularity of the public finances for which she is answerable and for the keeping of proper records, are set out in the Accounting Officer's Memorandum, issued by the Privy Council, and in *Managing Public Money*.

NURSING AND MIDWIFERY COUNCIL

Statement On Internal Control

Scope of responsibility

As Accounting Officer and Chair of the Council, we have responsibility for maintaining a sound system of internal control that supports the achievement of the Nursing and Midwifery Council's (NMC) policies, aims and objectives, whilst safeguarding the public funds and assets for which we are personally responsible.

The post of Chief Executive and Registrar of the NMC carries with it the responsibility of Accounting Officer. The Chief Executive and Registrar is responsible for the execution of the Council's obligations under the Nursing and Midwifery Order 2001 and is accountable to the Privy Council and the NMC.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the NMC's policies, aims and objectives. The system of risk management is designed to evaluate the likelihood of those risks being realised and the impact thereof and to put risk treatment in place to manage them efficiently, effectively and economically. The system of internal control has been in place in the NMC for the year ended 31 March 2009 and up to the date of approval of the annual report and accounts.

Capacity to handle risk and the risk and control framework

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. The process of risk management ensures that top risks facing the organisation are regularly identified within an embedded risk management system. Directors lead on the risk and control framework at directorate level with risk co-ordinators in each directorate, to champion the risk initiative at local level. Corporate risk policies, procedures and reports are developed by the Head of Risk Management and the Executive Management Board (EMB).

In 2008-09, risks were escalated to and discussed by EMB through the corporate risk register, and the top risks were identified and kept under review by EMB, the Audit and Risk Committee (until December 2008) and by the Audit, Risk and Assurance Committee from 1 January 2009. The top risks were kept under review by Council. A revised escalation process, incorporating a portfolio management risk reporting structure for projects and programmes became fully functional in 2008-09. Business as usual and project risks were managed and escalated on a regular basis. Programme managers were appointed and oversee projects which fall under the different strategic themes. They were aided by Project Leads to ensure deliverables were achieved and reported on a regular basis to EMB.

The Audit, Risk and Assurance Committee also oversees a strategic programme of internal audit which reviews the internal controls of key activities within the organisation. The Committee receives regular audit reports and progress against plans. The risk and control framework includes:

- Directorate risk registers, project and programme registers and a corporate risk register.
- Regular meetings by the Head of Risk Management with risk managers and risk co-ordinators.
- A comprehensive programme of risk management training for directors, managers, and project leads according to their duties which in 2008-09 was facilitated through the commissioning of external risk management trainers.
- Guidance and advice through the Audit and Risk department
- A governance process which includes a scheme of delegation, together with Standing Orders of Council and committees and codes of conduct for members.
- A strategic Business Plan devised by EMB and agreed and monitored by the Business Planning and Governance Committee (BPGC) and Council.
- Directorate and Project budgeting systems with an annual budget which is monitored and reviewed by EMB, BPGC and agreed by Council.
- A system of measuring performance by the use of key performance indicators.
- Financial regulations with clearly defined procedures for the authorisation and control of items of revenue and capital expenditure.
- A Council which meets to consider the plans and the strategic direction of the NMC.

NURSING AND MIDWIFERY COUNCIL

The NMC consults with a number of stakeholders e.g. nurses and midwives, user representation groups, professional bodies, HEIs, Government health departments, trade unions etc in the formulation of new policies and standards through a variety of consultation methods. Decisions at Council are also informed by the use of stakeholder engagement.

On the publication of the CHRE Report in June 2008, the NMC produced an Action Plan against which a fortnightly highlight report was produced and monitored by the Performance and Business Planning Committee and subsequently by the Business Planning and Governance Committee. All risks associated with the CHRE Report have been monitored by the Audit, Risk and Assurance Committee and its predecessor body.

The NMC takes information security seriously and recognises the importance of maintaining confidentiality of nurses', midwives' and stakeholder information and the integrity of data. It has considered this in the light of recent guidance and is satisfied that it meets the requirements in most respects and is taking action to strengthen controls.

The main risks facing the NMC in 2008-09 were the risks concerning:

- The lack of a Fitness to Practise case management system.
- Risks surrounding the transition from an elected to an appointed Council and the impact of the work on the Council.
- The development and implementation of a robust business continuity strategy for NMC offices.

Review of effectiveness

As the Accounting Officer and the Chair of the Council, we have responsibility for reviewing the effectiveness of the system of internal control. Our review is informed by the work of the Audit and Risk department, our internal auditors PKF (UK) LLP, the executive managers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letters and reports. We have also been advised and supported by EMB and the Audit and Risk Committee (to 31 December 2008) and the Audit, Risk and Assurance Committee as from 1 January 2009. Plans to address weaknesses and ensure continuous improvement of the systems are in place.

Our review of the effectiveness of the system of internal control included the following:

- Periodic reports from the Chairman of the Audit and Risk Committee (to 31 December 2008) and the Audit, Risk and Assurance Committee as from 1 January 2009, to the Council.
- A two year strategic internal audit plan, devised to target higher risk areas and which has been agreed and monitored by the Audit and Risk Committee.
- An outsourced Internal Audit function which operates under the management of the Audit and Risk department and reports into the Audit, Risk and Assurance Committee.
- Regular progress reports against plans and regular internal audit reports for discussion.
- Management action plans where enhancements to control systems are identified, and which are monitored by EMB and the Audit, Risk and Assurance Committee.
- An annual report on the effectiveness of the systems of internal control under review.

Chair, NMC
Date: 7 July 2009

Chief Executive and Registrar, NMC
Date: 7 July 2009

NURSING AND MIDWIFERY COUNCIL

Independent Auditors' Report to the Nursing and Midwifery Council

We have audited the financial statements of Nursing and Midwifery Council for the year ended 31 March 2009 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with the regulations made under the Charities Act 1993. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Council as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Council and auditors

As described in the Statement of Council Responsibilities the Council are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Council's Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit.

We read the Council's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

NURSING AND MIDWIFERY COUNCIL

Opinion

In our opinion the financial statements:

- Give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2009 and of its incoming resources and application of resources in the year then ended; and
- Have been properly prepared in accordance with the Charities Act 1993.

haysmacintyre
Chartered Accountants
Registered Auditors

Fairfax House
15 Fulwood Place
London
WC1V 6AY

Date: 7 July 2009

NURSING AND MIDWIFERY COUNCIL

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

I certify that I have audited the financial statements of the Nursing and Midwifery Council for the year ended 31 March 2009 under Article 52 of the Nursing and Midwifery Order 2001. These comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them.

Respective responsibilities of the Council, the Chief Executive, and auditor

The Nursing and Midwifery Council and the Chief Executive as Accounting Officer are responsible for preparing the Trustees' Report and the financial statements in accordance with the Nursing and Midwifery Order 2001 and Privy Council directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Responsibilities of Council and its Chief Executive.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Nursing and Midwifery Order 2001 and Privy Council directions made thereunder. I report to you whether, in my opinion, the information which comprises; reference and administrative details; structure, governance and management; objectives, achievements and performance; financial review; and plans for the future, included in the Trustees' Report, is consistent with the financial statements. I also report whether in all material respects the incoming and outgoing resources have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if the Nursing and Midwifery Council has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by relevant authorities regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the Nursing and Midwifery Council's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of the Nursing and Midwifery Council's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Trustees Report and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinions

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Nursing and Midwifery Council and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Nursing and Midwifery Council's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error, and that in all material respects the incoming and outgoing resources have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

NURSING AND MIDWIFERY COUNCIL

Opinions

In my opinion:

- the financial statements give a true and fair view, in accordance with the Nursing and Midwifery Order 2001 and directions made thereunder by the Privy Council, of the state of the Nursing and Midwifery Council's affairs as at 31 March 2009 and of its incoming resources and application of resources for the year then ended;
- the financial statements have been properly prepared in accordance with the Nursing and Midwifery Order 2001 and directions made thereunder by the Privy Council; and
- information given within the Trustees Report, which comprises: reference and administrative details; structure, governance and management; objectives, achievements and performance; financial review; and plans for the future, is consistent with the financial statements.

Audit Opinion on Regularity

In my opinion, in all material respects, the incoming and outgoing resources have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

Amyas C E Morse

Comptroller and Auditor General

National Audit Office

151 Buckingham Palace Road

Victoria

London Sw1W 9SS

10 July 2009

NURSING AND MIDWIFERY COUNCIL

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2009

	Note	Unrestricted Funds 2009 £'000	Restricted Funds 2009 £'000	Total Funds 2009 £'000	Total Funds 2008 £'000
INCOMING RESOURCES					
Incoming resources from charitable activities:					
• Fee income	3	47,879	-	47,879	32,723
Incoming resources from generated funds:					
• Investment income	2	1,390	-	1,390	1,226
• Trading income	4	126	-	126	114
• Contribution (DoH)	27	-	550	550	-
TOTAL INCOMING RESOURCES		49,395	550	49,945	34,063
RESOURCES EXPENDED					
Charitable activities	5	28,305	24	28,329	24,662
Governance costs	6	3,835	50	3,885	3,264
Costs of generating funds:					
• Costs of generating trading income	8	25	-	25	23
Other resources expended:					
• Communications and public engagement	7	3,391	-	3,391	2,777
TOTAL RESOURCES EXPENDED		35,556	74	35,630	30,726
NET INCOMING RESOURCES FROM OPERATIONS		13,839	476	14,315	3,337
OTHER RECOGNISED GAINS					
Unrealised loss on revaluation of fixed assets	15	2,487	-	2,487	-
NET MOVEMENT IN FUNDS		11,352	476	11,828	3,337
Reserves brought forward		13,996	24	14,020	10,683
TOTAL FUNDS CARRIED FORWARD		25,348	500	25,848	14,020

All of the Council's activities in the above two financial years were derived from continuing operations. All recognised gains and losses are included in the above statement.

The notes on pages 23 to 39 form part of these accounts.

NURSING AND MIDWIFERY COUNCIL
BALANCE SHEET AS AT 31 MARCH 2009

	Note	2009 £'000	2008 £'000
FIXED ASSETS			
Tangible assets	15	<u>17,280</u>	<u>15,673</u>
TOTAL FIXED ASSETS		<u>17,280</u>	<u>15,673</u>
CURRENT ASSETS			
Debtors	17	431	457
Short term deposits	25	41,000	27,000
Cash at bank and in hand	25	<u>4,277</u>	<u>2,316</u>
TOTAL CURRENT ASSETS		45,708	29,773
LIABILITIES			
CREDITORS (amounts falling due within one year)	18	<u>(37,026)</u>	<u>(31,301)</u>
NET CURRENT ASSETS/ (LIABILITIES)		<u>8,682</u>	<u>(1,528)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		25,962	14,145
CREDITORS (amounts falling due after more than one year)	19	<u>(114)</u>	<u>(125)</u>
NET ASSETS		<u><u>25,848</u></u>	<u><u>14,020</u></u>
Restricted Fund	27	500	24
Unrestricted Fund	28	<u>25,348</u>	<u>13,996</u>
TOTAL FUNDS		<u><u>25,848</u></u>	<u><u>14,020</u></u>

The notes on pages 23 to 39 form part of these accounts.

Chair, NMC
Date: 7 July 2009

Chief Executive and Registrar, NMC
Date: 7 July 2009

NURSING AND MIDWIFERY COUNCIL
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

	Note	2009		2008	
		£'000	£'000	£'000	£'000
NET CASH INFLOW FROM OPERATING ACTIVITIES	23		19,761		7,264
RETURNS ON INVESTMENT AND SERVICING OF FINANCE					
Interest received	2	1,390		1,226	
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT					
Payments to acquire tangible fixed assets	15	(5,190)		(103)	
Receipt from sale of 21 Duchess Mews			-	1,682	
			<u>(3,800)</u>		<u>2,805</u>
INCREASE IN CASH IN THE YEAR			<u>15,961</u>		<u>10,069</u>

The notes on pages 23 to 39 form part of these accounts.

Notes to the Accounts

1) Accounting Policies

The accounts are prepared in accordance with the Accounts Direction (see Appendix 1) from the Privy Council which requires the accounts to be prepared in accordance with the Statement of Recommended Practice *Accounting by Charities* (Charities SORP 2005) and that the accounts also comply with the applicable Accounting Standards issued or adopted by the Accounting Standards Board.

a) Accounting convention

The accounts are prepared under the historical cost convention as modified to include the revaluation of certain fixed assets.

b) Fixed Assets

Depreciation is provided on tangible fixed assets to write them down to a nominal value of £1 over their estimated useful lives in equal instalments as follows:

Equipment	-	03 years
Furniture	-	10 years
Refurbishment - 23 Portland Place	-	10 years
Leasehold Premises	-	50 years
Leasehold Premises – 61 Aldwych	-	10 years (over the life of the lease)
Refurbishment – 180 Oxford St	-	03 years (over the life of the lease)
I.T. Projects	-	03 years

Tangible fixed assets costing over £1,000 have been capitalised.

The NMC has a policy of revaluing its leasehold property every five years with interim impairment review in the third year in accordance with FRS15, and an interim valuation in the intervening years where it is likely that there has been a material change in value.

c) Resources arising - income

Investment income

Investment income is accounted for when receivable and includes any related tax recoverable.

Income from charitable activities

Registration, verification and replacement of PIN card fees have been credited to income on the day of receipt. Periodic fees have been allocated to the appropriate financial year based on the accruals concept.

Trading income

Trading income is recognised in the statement of financial activities when receivable. The income is to defray the cost of some publicity activities.

d) Allocation of costs

The charity's operating costs include staff costs, premises costs and other related costs. Such costs are allocated between direct charitable expenditure, communications and public engagement, and governance. Staff costs are allocated according to the costs of staff working directly in the relevant departments. Premises costs are allocated according to staff numbers in each department and computer and other costs are apportioned to departments on an appropriate basis (e.g. usage, staff numbers).

Charitable activities

Expenditure on charitable activities includes all expenditure related to the objects of the charity which comprise Fitness to Practise, Maintaining the Register and Standards Promotion and Policy Development.

NURSING AND MIDWIFERY COUNCIL

Governance Costs

Governance costs relate to expenditure incurred in the management of the Council's assets, organisational administration and compliance with statutory requirements.

Other expenditure

Other expenditure is analysed under the following two headings:

Communications and public engagement

Communications and public engagement costs relate to the costs of the Communications department, the main elements of which are stakeholder engagement, European and UK parliamentary work, conferences and events, media relations and expenditure on the Council's newsletter *NMC News*.

Cost of generating funds

This cost relates to expenditure on the trading activities.

e) Development costs

Costs incurred on software developments are written off in the year in which they are incurred.

f) Fund accounting

The Council maintains various types of funds as follows:

i) Restricted funds

These are funds, which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

ii) Unrestricted funds

These are funds, which are available for use at the discretion of the Council in the furtherance of the general objectives of the organisation and which have not been designated for other purposes.

g) Leased Assets

Rentals applicable to operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged to the statement of financial activities in equal amounts over the periods of the leases.

h) Pension Costs

Retirement benefits are provided by a defined benefits scheme, which is funded by contributions from both the Council and employees. Payments are made to a pension trust, which is financially separate to the Council. These payments are made in accordance with periodic calculations by professionally qualified actuaries. Pension costs are accounted for on a basis of charging the expected cost of providing pensions over the period during which the Council benefits from the employees' services. The effect of variations from regular costs is spread over the expected average remaining service lives of members of the scheme.

2) Investment income

	2009	2008
	£'000	£'000
Income from UK listed investments	-	-
Interest receivable		
• from Money market	<u>1,390</u>	<u>1,226</u>
	<u>1,390</u>	<u>1,226</u>

NURSING AND MIDWIFERY COUNCIL

3) Fee income

	2009	2008
	£'000	£'000
Periodic fees	47,313	32,092
Registrations	249	314
Verifications	309	305
Replacement of PIN cards	8	12
	<u>47,879</u>	<u>32,723</u>

4) Other income

	2009	2008
	£'000	£'000
Trading income		
NMC News	126	114
	<u>126</u>	<u>114</u>

5) Charitable activities

	Unrestricted	Restricted	2009	2008
	£'000	£'000	£'000	£'000
Standards Promotion and Policy Development	3,563	24	3,587	3,497
Maintaining the Register	6,906	-	6,906	6,197
Fitness to Practise	17,836	-	17,836	14,968
	<u>28,305</u>	<u>24</u>	<u>28,329</u>	<u>24,662</u>

These costs include direct costs (as in note 10), staff costs and related overheads.

6) Governance Costs

	Unrestricted	Restricted	2009	2008
	£'000	£'000	£'000	£'000
Members' allowances, travel and subsistence	731	-	731	559
Auditors' remuneration - audit fees - haysmacintyre	21	-	21	21
Auditors' remuneration - audit fees – NAO	5	-	5	5
Allocation of operating costs (inc. salaries) (Note 1d)	3,078	50	3,128	2,679
	<u>3,835</u>	<u>50</u>	<u>3,885</u>	<u>3,264</u>

NURSING AND MIDWIFERY COUNCIL

7) Other Expenditure – Communications and public engagement

	2009 £'000	2008 £'000
Conferences, seminars and publicity	114	164
Council Newsletter <i>NMC News</i>	1,007	1,048
Communications	94	108
Printing of Council publications	426	100
Allocation of operating costs (inc. salaries) (Note 1d)	1,750	1,357
	3,391	2,777

8) Other Expenditure – Cost of generating funds

	2009 £'000	2008 £'000
Trading expenditure	25	23
	25	23

9) Charitable activities costs

	Staff costs £'000	Depre- ciation £'000	Other costs £'000	Total 2009 £'000	Total 2008 £'000
Charitable activities:					
• Standards Promotion and Policy Development	1,603	129	1,855	3,587	3,497
• Maintaining the Register	4,372	388	2,146	6,906	6,197
• Fitness to Practise	4,407	432	12,997	17,836	14,968
Governance costs	1,625	54	2,206	3,885	3,264
Other expenditure:					
• Communications and public engagement	990	92	2,309	3,391	2,777
• Trading expenditure	-	-	25	25	23
	12,997	1,095	21,538	35,630	30,726

NURSING AND MIDWIFERY COUNCIL

10) Analysis of Direct Costs

	Direct costs £'000	Support costs £'000	Total 2009 £'000	Total 2008 £'000
Cost of generating funds:				
Costs of generating trading income	25	-	25	23
Charitable activities:				
• Standards Promotion and Policy Development	3,142	445	3,587	3,497
• Maintaining the Register	5,571	1,335	6,906	6,197
• Fitness to Practise	16,353	1,483	17,836	14,968
Sub-total	25,066	3,263	28,329	24,662
Governance	3,700	185	3,885	3,264
Communications and public engagement	3,075	316	3,391	2,777
Total	31,866	3,764	35,630	30,726

11) Analysis of Support Costs

Support Cost	Standards Promotion & Policy Development	Maintaining the Register	Fitness to Practise	Governance	Communi-cations and public engagement	Total 2009	Total 2008
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Facilities	87	261	290	36	62	736	732
Finance	190	570	633	79	135	1,607	1,434
Human Resources	168	504	560	70	119	1,421	1,221
	445	1,335	1,483	185	316	3,764	3,387

The support costs have been allocated on the basis of number of staff in each area.

NURSING AND MIDWIFERY COUNCIL

12) Total resources expended by natural classification

	2009 £'000	2008 £'000
Salaries and associated costs ¹	12,997	10,578
Other staff expenses	523	470
Premises ²	1,671	846
Insurance	69	72
Sundry, furniture, equipment and maintenance	139	90
Hire of equipment	29	68
Fitness to Practise ³	10,863	10,333
Depreciation	1,095	1,034
Election cost	6	12
Catering for hearings and meetings	151	56
Canteen- 23 Portland Place	287	285
Standards promotion and policy development	1,131	1,040
Loss/ gain on disposal of assets	1	(23)
Professional fees ⁴	1,793	1,506
Auditors' remuneration - audit fees	21	21
Auditors' remuneration - audit fees (NAO)	5	5
IT development and support	336	334
Telephones	183	169
Postage	666	720
Printing and stationery	766	645
Advertising and recruitment	292	333
Bank charges	139	130
Communications	94	108
Conferences, seminars and publicity	114	164
Council newsletter <i>NMC News</i>	1,007	1,048
Printing of Council publications	426	100
Members' allowances, travel and subsistence ⁵	731	559
Committee costs	70	-
Cost of generating funds	25	23
Total Resources Expended	35,630	30,726

¹ Additional staff resource has been directed in 2008-09 principally towards Fitness to Practise activity. This resource strengthened activity in a number of areas, including the reduction of both the backlog of cases and the time taken for processing cases, and training for new Panellists to support increased hearing activity. Additional legal and para-legal staff were also engaged as 2008-09 was the first full year in which the in-house legal team presented the majority of the conduct hearing cases which had previously been presented by external legal firms. Additional resource was also engaged to strengthen governance, stakeholder engagement and communications activity, in line with the NMC Action Plan and strategic requirements. 2008-09 was also the first full year for the equality and diversity unit which is ensuring the NMC's compliance with statutory equality and diversity requirements, and for the programme management team which ensures delivery of the NMC's strategic aims.

² The increase is due primarily to higher costs for the new leased offices for Fitness to Practise at 61 Aldwych.

³ Please refer to page 5 for details of Fitness to Practise activity in the year. The cost of additional hearing activity was offset by a substantial reduction in external legal costs during the year.

⁴ External expertise was required to drive a number of significant workstreams forward in 2008-09. This included the engagement of the Appointments Commission to recruit the new Board which came into effect on 1 January 2009. External consultants were engaged to initiate the NMC's work on its Customer Relationship Management (CRM) strategy, which is expected to have a significant impact on the way the NMC engages with its stakeholders and customers in the future. PwC were engaged to review the Action Plan. There was ongoing consultancy work on the NMC's ICT strategy to modernise practises and ensure IT systems and processes are fit for purpose. In addition, external legal and other external expertise was required to close out a number of legacy issues arising in the period presided over by the previous Council.

⁵ The variance is due to increased member activity and additional tax provisions arising from this activity. Tax provisions are the subject of ongoing negotiations with HMRC.

NURSING AND MIDWIFERY COUNCIL

13) Information regarding employees

	2009	2008
	£'000	£'000
Salaries and associated costs		
Wages and salaries ¹ :		
• Management	611	369
• Administration	7,352	6,263
Social Security costs:		
• Management	66	41
• Administration	620	531
Pension costs - present staff (Note 21):		
• Management	87	62
• Administration	1,518	1,334
Pension costs - retired staff of previous organisations (Note 21)	43	44
Temporary staff	2,700	1,934
	<u>12,997</u>	<u>10,578</u>

The aggregate remuneration of the directors was as follows:

Salary bands	2009	2008
(£)	Number of	Number of
	Staff	Staff
60,001 – 70,000	2	1
70,001 – 80,000	1	-
80,001 – 90,000	1	2
90,001 – 100,000	2	-
110,001 – 120,000	-	1
Total Accrued	2009	2008
Pension at 60 at	Number of	Number of
31/3/2009	Staff	Staff
(£)		
0 - 5,000	4	2
5,000 - 10,000	1	1

All the above employees are Ordinary members of the Capita Hartshead scheme number FPS 1654. Pension benefits are provided through a scheme operated by Capita Hartshead.

¹ Please refer to note 12, footnote 1

NURSING AND MIDWIFERY COUNCIL

The scheme provides benefits on a 'final salary' basis at a normal retirement age of 60. Benefits accrue at a rate of 1/60th of pensionable salary for each year of service. In addition, members have the option to commute part of their pension for a tax-free lump sum. They also have the option to accept a lower pension in order to provide a pension for a surviving nominee. On death within five years of retirement, a lump sum is payable equal to the balance of the pension, which the pensioner would have received had he/she survived to the fifth anniversary of his/her retirement.

On death in service, a lump sum of twice pensionable pay is payable together with the return of all the member's contributions with compounded tax free interest of 3% per annum. On death in service where there is a surviving spouse, a pension equal to 1/60th of pensionable salary is also payable, for each year of service.

Medical retirement is possible in the event of permanent incapacity. In this case pensions are brought into payment immediately without actuarial reduction.

- (i) In addition to the above, there were 9 (2008 : 6) members of staff whose remuneration fell in the following bands:

	2009 Number of Staff	2008 Number of staff
£60,001 -£70,000	6	3
£70,001 -£80,000	1	2
£80,001 -£90,000	2	-

- (ii) The average number of employees in the year was 249 (management 6 and administration 243) and in the previous year was 220 (management 4 and administration 216).

- (iii) During the year, season ticket loans given to the directors were as follows:

	2009 £	2008 £
S Williams	1,501 - 2,000	1,501 - 2,000
S Thewlis	1,001 - 1,500	1,001 - 1,500

Special severance payments

The former Chief Executive and Registrar, Sarah Thewlis, received special severance payments totalling £121,825 by way of compensation in connection with the termination of her employment.

14) Taxation

Due to its charitable status the Council is not liable to corporation tax on its charitable activities. It is not liable to Capital Gains Tax on the sale of assets where the profit is used for charitable purposes.

NURSING AND MIDWIFERY COUNCIL

15) Tangible Fixed Assets for use by the charity

	Furniture	Equipment	Building Refurbish- ment	Long Leasehold Premises Note (a)	Building 180 Oxford St Refurbish- ment	Building 61 Aldwych	I.T. Projects CMS & ITP	Total £'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost:								
1 April 2008	341	2,136	4,515	11,380	313	-	-	18,685
Additions during year	9	199	1,095	-	-	1,797	2,090	5,190
Disposals	(44)	(739)	-	-	(313)	-	-	(1,096)
Revaluation	-	-	-	(2,950)	-	-	-	(2,950)
31 March 2009	<u>306</u>	<u>1,596</u>	<u>5,610</u>	<u>8,430</u>	<u>-</u>	<u>1,797</u>	<u>2,090</u>	<u>19,829</u>
Depreciation:								
1 April 2008	104	1,907	578	231	192	-	-	3,012
Charge for year	29	168	462	232	121	46	37	1,095
Disposals	(44)	(738)	-	-	(313)	-	-	(1,095)
Revaluation Adj't	-	-	-	(463)	-	-	-	(463)
31 March 2009	<u>89</u>	<u>1,337</u>	<u>1,040</u>	<u>-</u>	<u>-</u>	<u>46</u>	<u>37</u>	<u>2,549</u>
Net book value								
31 March 2009	<u>217</u>	<u>259</u>	<u>4,570</u>	<u>8,430</u>	<u>-</u>	<u>1,751</u>	<u>2,053</u>	<u>17,280</u>
Net book value 31 March 2008	<u>237</u>	<u>229</u>	<u>3,937</u>	<u>11,149</u>	<u>121</u>	<u>-</u>	<u>-</u>	<u>15,673</u>

NURSING AND MIDWIFERY COUNCIL

15) Tangible Fixed Assets for use by the charity – Contd.

- a) The UKCC (the NMC's predecessor body) acquired the leasehold interest in 23 Portland Place, London W1B 1PZ from the General Nursing Council for England and Wales at nil cost. The lease expires in the year 2933. The lease was valued as at 31 March 2009 on an existing use basis, inclusive of the refurbishment, by external valuers Drivers Jonas, at £13,000,000. It should be noted that due to the restrictive user clause the lease is un-assignable.
- b) The following capital projects were undertaken during the year :
- o Fitness to Practise case management system
 - o ICT infrastructure upgrade
- The total cost of these projects is shown together under the heading of 'I.T. Projects' above.
- c) The lease on Fitness to Practise premises at 180 Oxford Street expired in March 2009, and the building was vacated.

NURSING AND MIDWIFERY COUNCIL

16) Related Party transactions

The Nursing and Midwifery Council is accountable to the Privy Council. The Nursing and Midwifery Order 2001 sets out the nature of the relationship between the NMC and the Privy Council and the reporting mechanisms required. Whilst not accountable to the Department of Health, the NMC has regular contact with the Department on policy and other matters.

Two Presidents held office during the period 1 April 2008 – 31 December 2008. The Presidents were paid £28,080 (2007-08: £14,040). The current Chair of Council was paid £13,820 for time spent on NMC business during the year.

During the year, allowances and travel and subsistence expenses of £731,000 (2007-08: £559,000) were paid to members of the Council. There were 48 members of Council during the year. Four members held floats for the payment of travel and subsistence expenses. The total amount held by these members at 31 March 2009 was £3,500 (2007-08: £15,300).

Members of Council until 31 December 2008 received an attendance allowance of £260 per day, as approved by the Council, for their time incurred on NMC business. Full details of the attendance allowances paid to members in 2008-09 are set out below.

Registrant/Lay Council member (1 April 2008 – 31 December 2008)	Amount paid to or on behalf of member (£)
Mr A. Akinoshun	3,770
Ms. M. Ali	6,110
Ms C Baron	8,710
Ms. R. Carter	9,490
Mrs. L. Coey	7,800
Ms M Cowpe	4,680
Ms. J. N. Crawford (Carter)*	23,660
Mrs. C. Dowling	3,094
Mrs. A. Gardner	5,720
Mr. A. Kershaw	7,930
Ms. N. Kirkland*	4,420
Mrs. B. Maitland	5,980
Mrs. K. Martin	3,380
Mrs. M. McElligott	7,800
Mr. A. Middleton	7,930
Mrs. P. Southgate	5,980
Mrs. I. White	1,560
Mr. G. Williams	4,810

NURSING AND MIDWIFERY COUNCIL

Alternate Council member (1 April 2008 – 31 December 2008)	Amount paid to or on behalf of member (£)
Mrs. S. Arthur	6,630
Mrs. M. Benefield	780
Professor P. Lewis	10,400
Mrs. C. Etta Mackay	4,160
Mr. D. Maslen-Jones	5,200
Mrs. R. Malone	3,120
Professor J.Orr	780
Mr. G. Smith	4,420
Mr. P. Wilson	1,300

Members of the council which took office on 1 January 2009 are paid £12,000 per annum. The Chair is paid £48,000 per annum. An attendance allowance of £260 per day was paid for attendance at training and induction activity prior to 1 January 2009.

Current Council members (1 January 2009 – 31 March 2009)	Amount paid to members (£)
Mrs. A. Aitken	3,520
Mrs. C. Baron	3,000
Dr. K Bharj	3,520
Prof. J. Ellis	3,000
Mrs. J. Fletcher	3,520
Prof. T. Hazell – Chair**	13,820
Mrs. L. Jacobs	3,520
Mrs. G. Nelson	3,520
Mr. G. Owen	3,520
Mr. D. Pyle	3,520
Mrs. C. Rees-Williams	3,000
Prof. M. Renfrew	3,520
Ms. R. Sawtell	1,260
Prof. J. Tunstill	3,520

* President of the NMC during the year.

** Chair of the NMC

The total amount due to Council members at 31 March 2009 was £38,020 (2007-08: £95,705).

The above table represents payments made directly and indirectly to Council members by the NMC however this does not necessarily relate directly to the number of days committed by Council members. The names of some members do not appear on the list because they had either not claimed by 31 March 2009 for attendance allowance due to them or do not intend to do so. Please refer to page 40 and 41 for a full list of members and the periods for which they held office.

NURSING AND MIDWIFERY COUNCIL

An accrual of £108,000 (2007-08: £133,000) has been made for potential income tax and National Insurance liabilities on payments for members' attendance allowance and travel and subsistence expenses.

Special Severance Payment

The former Vice-President, Moi Ali, received a special severance payment of £40,000 in settlement of all and any claims arising out of or in connection with her period as an office holder of the NMC.

17) Debtors

	2009	2008
	£'000	£'000
Other debtors	104	146
Prepayments and accrued income	327	311
	431	457

18) Creditors

	2009	2008
	£'000	£'000
Amounts falling due within one year		
Other creditors and accruals	7,707	5,234
Other taxes and social security	287	208
Deferred income - Periodic fees for 2008-09	-	25,859
Deferred income - Periodic fees for 2009-10	29,032	-
	37,026	31,301

19) Creditors

	2009	2008
	£'000	£'000
Amounts falling due after more than one year		
Deferred income - Periodic fees for 2009-10	-	125
Deferred income - Periodic fees for 2010-11	114	-
	114	125

Deferred income relates to periodic fees prepaid, for amounts falling due after more than one year.

20) Charitable Status

On 27 March 2002 the Council was registered in the Central Register of Charities (Charity No.1091434). In view of this a rate relief has been allowed by the City of Westminster. There are also tax benefits because of this status (Note 14). On 18 June 2007 the Council was registered with the Office of the Scottish Charity Regulator (no. SC038362).

NURSING AND MIDWIFERY COUNCIL

21) Pension Commitments

The Council participates jointly with the Department of Health, NHS Education for Scotland, and the National Assembly for Wales in a pension scheme administered by Capita Hartshead (FPS 1654). The scheme, to which most of the Council's employees belong, is a funded, defined benefit scheme.

Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives. Contributions are determined by a qualified actuary on the basis of triennial valuations.

The latest completed valuation of the scheme was carried out by Mercer Limited as at 31 March 2007, using the projected unit method of valuation. At the date of the valuation the market value of the fund of the scheme was £60.7 million (excluding annuities purchased to meet pension benefits). The actuarial value of the assets represented 77% of the value of the benefits, which had accrued to members after allowing for expected future increases in earnings and pensions. The past service shortfall of assets is being amortised over 10 years. The main assumptions used in the valuation were a real return on investments above salary increases of 1% per annum and above pension increases of 2% per annum.

The pension cost assessed on the basis of past actuarial advice and charged in the accounts was as follows:

	2009	2008
	£'000	£'000
Council's (employer's) contributions to all schemes made in year	<u>1,604</u>	<u>1,396</u>
	1,604	1,396
Council's (employer's) contribution (to 31 July 2008)	23.0%	23.0%
Council's (employer's) contribution (from 1 Aug 2008)	24.1%	-
Employees' contribution	6.0%	6.0%

If the scheme had discontinued on the valuation date (31 March 2007), the assets would have been approximately 63% of the amount necessary to purchase insurance contracts to meet the accrued benefits for active members and past leavers and the current benefits for pensioners.

Following the actuarial valuation of the scheme at 31 March 2007, all participants of the scheme agreed to an increase in contributions to the scheme from 1 August 2008. It is expected that the new higher contributions will mean a gradual improvement in the funding level of the scheme, so that at the end of 10 years from the valuation date the funding level will have reached 100% based on current actuarial assumptions.

Accounting standard, FRS 17: No provision relating to NMC's share of the total scheme deficit of £18.3 million as at the time of the latest actuarial valuation (31 March 2007) is included within the accounts at the end of the year, as it is a multi-employer scheme and the Council is unable to identify its share of the underlying assets and liabilities.

In these circumstances, FRS 17 provides for contribution to the scheme to be accounted for as if it were a defined contribution scheme. As such, the cost recognised within the Council's SOFA will be equal to the contribution payable to the scheme for the year.

The Council meets the cost of unfunded pension increases provided to pensioners of predecessor organisations who are not members of FPS 1654. These costs are met on a pay-as-you-go basis and are charged to the Statement of Financial Activities as they arise. In 2008-09 this expenditure amounted to £43,114 (2007-08: £44,495).

NURSING AND MIDWIFERY COUNCIL

22) Capital commitments

At 31 March 2009, there was no capital expenditure that was approved but not contracted for, nor any capital expenditure that had been contracted for but that had not been provided for in the financial statements.

23) Reconciliation of net incoming resources to net cash flow from operating activities

	2009	2008
	£'000	£'000
Net incoming resources from operations	14,315	3,337
Investment income	(1,390)	(1,226)
Depreciation charges	1,095	1,034
Loss/(gain) on disposal of tangible fixed assets	1	(23)
Decrease/(increase) in debtors	26	(30)
Increase in creditors and provisions	5,714	4,172
Net cash inflow from operating activities	<u>19,761</u>	<u>7,264</u>

24) Reconciliation of net cash flow to movement in net funds

	2009	2008
	£'000	£'000
Increase in cash in year	15,961	10,069
Net funds at 1 April	29,316	19,247
Net funds at 31 March	<u>45,277</u>	<u>29,316</u>

25) Analysis of changes in net funds

	1 Apr 08	Cash flows	31 Mar 09
	£'000	£'000	£'000
Cash at bank and in hand	29,316	15,961	45,277
Total	<u>29,316</u>	<u>15,961</u>	<u>45,277</u>

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26) Leasing commitments

At 31 March 2009 the Council had commitments for payments in the following year under non-cancellable operating leases as set out below.

	Land and Buildings		Plant and Machinery	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Operating leases which expire:				
• Within 1 year	-	422	66	4
• in the second to fifth years inclusive	-	-	6	89
• in more than five years	1,119	-	-	-
Annual commitment at year end	<u>1,119</u>	<u>422</u>	<u>72</u>	<u>93</u>

The NMC leased rental premises at 61 Aldwych during the year, for the period until 10 September 2019.

27) Movement in restricted funds

	Balance at 1 April 2008 £'000	Income £'000	Resources Expended £'000	Balance at 31 March 2009 £'000
Care of older people donation – (i)	24	-	(24)	-
Dept of Health contribution – (ii)	-	550	(50)	500
Balance at 31 March	<u>24</u>	<u>550</u>	<u>(74)</u>	<u>500</u>

i) The balance of £24,000 at 1 April 2008 related to a donation for work in relation to the care of older people. This was utilised during 2008-09, with the preparation and launch of the NMC's *Guidance for the care of older people*.

ii) During 2008-09 the Department of Health contributed £550,000 towards the work of revalidation (£500,000) and the recruitment of the new council (£50,000). The £50,000 was spent on the recruitment of the new council. The balance brought forward of £500,000 will be utilised in the next financial year.

NURSING AND MIDWIFERY COUNCIL

28) Net Assets by fund

	General unrestricted	Restricted	Total
	£ '000	£ '000	£ '000
Fixed assets	17,280	-	17,280
Current assets	45,208	500	45,708
Current liabilities	(37,026)	-	(37,026)
Long-term liabilities	(114)	-	(114)
Balance at 31 March 2009	<u>25,348</u>	<u>500</u>	<u>25,848</u>

29) Special payments

Special payments totalling £231,152 were made on three cases in the year to 31 March 2009 (year to 31 March 2008 no payments). There were no individual payments that exceeded £250,000.

NURSING AND MIDWIFERY COUNCIL

Membership of the NMC Council 1 April 2008 – 31 December 2008

(All elected or appointed on 1 August 2006 unless stated otherwise)

President

Ms. N. Kirkland	Nursing Representative, SCOTLAND	Resigned 12 August 2008
Mrs. J. N. Crawford	Lay Member, ENGLAND	13 August 2008 - 31 December 2008

Vice-President

Mrs. M. Ali	Lay Member, SCOTLAND	Resigned 25 June 2008
-------------	----------------------	-----------------------

Registrant/Lay Council Members

Mr. A. Akinoshun	Nursing Representative, ENGLAND	
Mrs. E. Bannon	Midwifery Representative, NORTHERN IRELAND	
Ms. C. Baron	Lay Member, ENGLAND	Appointed 15 August 2007
Ms. R. Carter	Lay Member, ENGLAND	
Mrs. L. Coey	Nursing Representative, NORTHERN IRELAND	
Ms. M. Cowpe	Specialist Community Public Health Nursing Representative, WALES	Elected 1 August 2007
Mrs. C. Dowling	Midwifery Representative, WALES	Elected 1 August 2007
Mrs. A. Gardner	Lay Member, ENGLAND	Reappointed 1 August 2007
Mrs. C. Gritzner	Lay Member, ENGLAND	
Mr. A. Kershaw	Lay Member, WALES	Appointed 15 August 2007
Ms. N. Kirkland	Nursing Representative, SCOTLAND	Elected 31 May 2007
Mrs. B. Maitland	Lay Member, NORTHERN IRELAND	
Mrs. K. Martin	Midwifery Representative, ENGLAND	
Mrs. M. McElligott	Midwifery Representative, SCOTLAND	
Mr. A. Middleton	Lay Member, ENGLAND	
Professor D. Pennington	Lay Member, ENGLAND	
Professor B. Poulton	Specialist Community Public Health Nursing Representative, NORTHERN IRELAND	
Mr. T.G. Purt	Lay Member, ENGLAND	
Mrs. P. Southgate	Specialist Community Public Health Nursing Representative, ENGLAND	
Mrs. I. White	Specialist Community Public Health Nursing Representative, SCOTLAND	
Mr. G. Williams	Nursing Representative, WALES	Re-elected 1 August 2007

NURSING AND MIDWIFERY COUNCIL

Alternate Council Members

Mrs. S. Arthur	Midwifery Representative, WALES	Elected 1 August 2007
Mrs. M. Benefield	Specialist Community Public Health Nursing Representative, SCOTLAND	
Mr. P. Dwan	Nursing Representative, WALES	Elected 1 August 2007
Professor P. Lewis	Midwifery Representative, ENGLAND	
Mrs. C. Etta Mackay	Midwifery Representative, SCOTLAND	Elected 6 December 2007
Mr. D. Maslen-Jones	Specialist Community Public Health Nursing Representative, ENGLAND	
Mrs. R. Malone	Midwifery Representative, NORTHERN IRELAND	
Professor J. Orr C.B.E.	Nursing Representative, NORTHERN IRELAND	
Mr. G. Smith	Nursing Representative, ENGLAND	
Mrs. J. Taylor	Specialist Community Public Health Nursing Representative, NORTHERN IRELAND	
Mrs. C. Williams	Specialist Community Public Health Nursing Representative, WALES	Elected 1 August 2007
Mr. P. Wilson	Nursing Representative, SCOTLAND	Elected 6 March 2008

Lay members were appointed by the Privy Council. All Nursing, Midwifery and Specialist Community Public Health Nursing Representatives were elected by registrants.

Membership of the NMC Council

1 January 2009-March 2009

(All appointed by the Privy Council on 1 January 2009 unless stated otherwise)

Prof. Tony Hazell	Chair	
Mrs. Alison Aitken		
Ms. Christina Baron		
Dr. Kuldip Bharj		
Prof. Judith Ellis		
Mrs. Joyce Fletcher		
Mrs. Lorna Jacobs		
Mrs. Gayle Nelson		
Mr. Grahame Owen		
Mr. David Pyle		
Mrs. Carole Rees- Williams		
Prof. Mary Renfrew		
Ms. Ruth Sawtell	Appointed 1 March 2009	
Prof. Jane Tunstill		

Under the new governance arrangements, the council consists of seven registrant and seven lay members, including one member from each of the four countries of the UK.

NURSING AND MIDWIFERY COUNCIL

The Council's Advisors

Joint Auditors

haysmacintyre
Chartered Accountants
Fairfax House
15 Fulwood Place
London
WC1V 6AY

Bankers

HSBC
117 Great Portland Street
London
W1A 4UY

Internal Auditors

PKF
Accountants and Business Advisors
Farringdon Place
20 Farringdon Road
London
EC1M 3AP

Joint Auditors

Comptroller and Auditor General
National Audit Office
151 Buckingham Palace Road
Victoria
London SW1W 9SS

Solicitors

Hempsons
Hempsons House
40 Villiers Street
London
WC2N 6NJ

Beachcroft Wansbroughs
1 Redcliffe Street
Bristol
BS1 6NP

Field Fisher Waterhouse
35 Vine Street
London
EC3N 2AA

Herbert Smith
Exchange House
Primrose Street
London
EC2A 2HS

ACCOUNTS DIRECTION

1. The Privy Council, with the approval of the Treasury, in pursuance of Article 52 of the Nursing and Midwifery Order 2001, hereby gives the following Direction:

In this Direction, unless the context otherwise requires –

“the Order” means the Nursing and Midwifery Order 2001

“the Council” means the Nursing and Midwifery Council.

2. The statement of accounts, which it is the duty of the Council to prepare in respect of the financial year ended 31 March 2004 and subsequent financial years, shall be as set out in the following paragraphs.

3. The statement of accounts in respect of the Council shall comprise:

- (a) a foreword;
- (b) a statement of financial activities;
- (c) a balance sheet;
- (d) a cash flow statement;
- (e) notes to the accounts.

4. The statement of accounts shall give a true and fair view of the incoming resources, application of resources and cash flow for the year and the balance sheet shall give a true and fair view of the state of affairs at the end of the year. Subject to these requirements, the statement of accounts shall also, without limiting the information given, meet:

- (a) generally accepted accounting practice in the United Kingdom including accounting standards issued or adopted by the Accounting Standards Board;
- (b) all relevant guidance given by the Charity Commission, including the Statement of Recommended Practice (SORP) “Accounting by Charities”;
- (c) any disclosure and accounting requirements which the Treasury may issue from time to time;

In so far as these are appropriate to the Council and are in force for the financial year for which the statement of accounts is to be prepared.

5. A notional charge for the cost of capital need not be entered in the accounts, and is not required by the SORP. Nor need modified historic cost accounting (MHCA) be adopted with regard to fixed assets.
6. The accounts direction shall be reproduced as an appendix to the published accounts.

G C Donald
Deputy Clerk of the Privy Council

Dated: 21 October 2004

Signed by the authority of the Privy Council



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