

Meeting of the Council

To be held from 09:30 to 13:00 on Thursday 21 May 2015
at 23 Portland Place, London, W1B 1PZ

Agenda

Dame Janet Finch
Chair

Fionnuala Gill
Secretary

- | | | | |
|----------|---|-----------|-------|
| 1 | Welcome and Chair's opening remarks | NMC/15/37 | 09:30 |
| 2 | Apologies for absence | NMC/15/38 | |
| 3 | Declarations of interest | NMC/15/39 | |
| 4 | Minutes of the previous meeting: 25 March 2015 | NMC/15/40 | |

Chair of the Council

- | | | | |
|----------|---------------------------|-----------|--|
| 5 | Summary of actions | NMC/15/41 | |
| | Secretary | | |

Corporate reporting

- | | | | |
|-----------|---|-----------|-------|
| 6 | Chief Executive's report | NMC/15/42 | 09:35 |
| | Chief Executive and Registrar | | |
| 7 | Performance and risk report 2014-2015 | NMC/15/43 | 09:50 |
| | Chief Executive and Registrar | | |
| 8 | Performance and risk report: April 2015 | NMC/15/44 | 10:15 |
| | Chief Executive and Registrar | | |
| 9 | Financial monitoring report | NMC/15/45 | 10:30 |
| | Director of Corporate Services | | |
| 10 | Budget 2015-2016 and fee strategy October 2014: reconciliation | NMC/15/46 | 10:45 |
| | Director of Corporate Services | | |

BREAK (11:00 – 11:20)**Matters for decision**

- | | | | |
|-----------|--|-----------|-------|
| 11 | MRPQ: Consideration of English language policy and consultation | NMC/15/47 | 11:20 |
| | Director of Strategy | | |
| 12 | Time limits in NMC education standards | NMC/15/48 | 11:50 |
| | Director of Continued Practice | | |

Matters for discussion

- | | | | |
|-----------|---|-----------|-------|
| 13 | Revalidation update | NMC/15/49 | 12:05 |
| | Director of Continued Practice | | |
| 14 | ICT update | NMC/15/50 | 12:25 |
| | Director of Registration / Chief Technology Officer | | |
| 15 | Questions from observers | NMC/15/51 | 12:45 |
| | Chair of the Council | (oral) | |

Matters for information

Matters for information will normally be taken without discussion. Members should notify the Chair or the Secretary to the Council in advance of the meeting should they wish for any item to be opened for discussion.

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|-----------|---|-----------|
| 16 | Chair's action taken since the last meeting of the Council | NMC/15/52 |
| | Chair of the Council | |
| 17 | Report of the Audit Committee | NMC/15/53 |
| | Chair of the Audit Committee | |
| 18 | Report of the Midwifery Committee | NMC/15/54 |
| | Chair of the Midwifery Committee | |

The next meeting of the Council will be held on Wednesday 29 July 2015 at 09:30 at 23 Portland Place, London, W1B 1PZ.

Meeting of the Council
 Held at 09:30 on 25 March 2015
 at 23 Portland Place, London W1B 1PZ

Minutes

Present

Members:

Dame Janet Finch	Chair
Maura Devlin	Member
Quinton Quayle	Member
Louise Scull	Member
Carol Shillabeer	Member
Amerdeep Somal	Member
Stephen Thornton (until 11:50am)	Member
Lorna Tinsley	
Dr Anne Wright	Member
	Member

NMC officers:

Jackie Smith	Chief Executive and Registrar
Jon Billings	Director of Strategy
Katerina Kolyva	Director of Continued Practice
Sarah Page	Director of Fitness to Practise
Alison Sansome	Director of Registration
Mark Smith	Director of Corporate Services
Fionnuala Gill	Secretary to the Council
Paul Johnston	Council Services Manager

Minutes

NMC/15/17 Welcome from the Chair

- 1 The Chair welcomed all attendees to the meeting and, on behalf of the Council, welcomed Fionnuala Gill as the newly appointed Secretary to the Council.

NMC/15/18 Apologies for absence

- 1 Apologies for absence were received from Maureen Morgan.

NMC/15/19 Declarations of Interest

- 1 NMC/15/29 - Revalidation update: Maura Devlin, Carol Shillabeer and Lorna Tinsley declared an interest by virtue of being registrant members and Louise Scull declared an interest by virtue of being the Chair of an NHS Trust which employed registrants.
- 2 The Chair determined that the interests declared were not material and that all members would be permitted to participate in discussion of the item.

NMC/15/20 Minutes of previous meetings

- 1 The minutes of the meeting held on 28 January 2015 were confirmed as a correct record, subject to ensuring that all actions were recorded to provide visibility to the Council that decisions were being implemented. In particular:
- a) In relation to NMC/15/06, actions flowing from the decision to accept the King's Fund recommendations.
 - b) In relation to NMC/15/09, reference to the meeting to be held by the Director of Fitness to Practise with members from Northern Ireland and Wales.

Action: All actions arising from decisions to be captured in minutes and summary actions report.

In particular:

- **NMC/15/06: Review of midwifery regulation - add actions flowing from decisions, including the ongoing role of the Midwifery Committee.**
- **NMC/15/09: Add reference to Council members meeting with the Director of Fitness to Practise to discuss the Employer Link Service.**

For: Secretary
By: 21 May 2015

NMC/15/21 Summary of actions

- 1 The Council received a report on progress in implementing actions from the meeting held on 28 January 2015.
- 2 Arising from NMC/15/06:
- a) The Chief Executive advised that the NMC was conscious of the commitment given at the last meeting to play its role in the transition to ensure that midwifery supervision continue to be supported going forward. The Chief Nursing Officers in each of the four UK nations were taking forward the strategic leadership role with regular meetings.
 - b) The Chair had written to the Parliamentary Under Secretary of State for Health pressing for legislative change and the Department's response committed to legislating at the next suitable opportunity.
 - c) The Midwifery Committee had discussed the Council's decisions on 25 February 2015 and was mindful of the importance of playing a full role during the transitional period, including monitoring the operation of the current framework.

NMC/15/22 Chief Executive's report

- 1 The Council discussed the Chief Executive's report on key developments in the external environment, key internal developments and strategic engagement activity. The Council noted in particular the publication of the Morecambe Bay investigation report by Dr Bill Kirkup CBE on 3 March 2015, developments on the duty of candour guidance to be published jointly by the NMC and the General Medical Council and the positive response to launch of the new Code which would take effect on 31 March 2015.
- 2 In discussion, the following points were noted:
- a) There was scope to build on the successful engagement and communications activity around the new Code, including for example, to encourage further registrant take up of NMC Online.
 - b) Similarly there had been effective collaboration with a range of partners in development and promotion of the Code which could be built on for the future.

Action: Consider ways of building on positive momentum generated by promotion of the new Code to increase take up of NMC Online and report to the next Council

For: Director of Registration

By: 21 May 2015

NMC/15/23 Performance and risk report

- 1 The Council discussed a report on operating performance and risk, including details of progress against the NMC's current key performance indicators; a new registration performance dashboard; and the Corporate Risk Register.

Key Performance Indicators performance

- 2 In discussion, the following points were noted:
- a) KPI 1 (Registrations): Performance at year end was expected to be below target. This was primarily due to the variation in time taken to process UK and EU/non-EU applications for registration. The current composite KPI made it difficult to identify where there was scope to improve and it was proposed to measure performance separately for 2015 – 2016 to provide greater clarity (NMC/15/26 refers).
 - b) KPI 2 (Interim Orders): Performance in the second half of 2014 - 15 was lower than in the first six months and it would be helpful to understand the reasons for this. Consideration should be given to adding further contextual information to the FTP Dashboard, including the number of Interim Orders (IOs) and number of IOs applied for but not imposed.
 - c) KPI 3 (Investigations): Average performance had dipped in the last six months due to the higher number of older cases at the investigations stage. Performance had been affected by high staff turnover.
 - d) KPI 4 (Adjudications): As anticipated, overall performance had been affected by the older cases which had missed the December 2014 target coming through; however 97% of new cases referred for adjudication since July 2014 had met the target. Performance in March 2015 was predicted to be for approximately 92% of cases to achieve the target.
 - e) KPI 5 (Available free reserves): Available free reserves stood at £11.5 million compared to the planned level of £ 7.5 million. This was due principally to lower than budgeted ICT capital expenditure. ICT issues were a recurring theme across a number of matters on the agenda.
 - f) KPI 6 (Staff turnover rate): The year-end target would not be achieved. The Executive recognised the need for a much more sophisticated analysis, to understand the range of reasons why staff leave the organisation and to identify the action which might be taken. This might include, for example, the age profile of staff; the NMC's position in the recruitment

market; as well as pay and progression issues. More detailed analysis would be developed for future in depth discussion by the Council.

Fitness to Practise and Registration dashboards

3 In discussion on the dashboards the following points were noted:

- a) The backlog of FtP investigation cases was a concern: the Council asked that total caseload figures be reinstated on the dashboard.
- b) The Registration dashboard was welcomed. Future iterations would benefit from clearer labelling of data and commentary; for example, on the deterioration in call centre performance. The dashboard also highlighted the need for a greater focus on customer services issues, as identified in successive PSA reports. This would be the subject of future in depth discussion by the Council.

Corporate Risk Register

4 In discussion, the following points were noted:

- a) The new risk added around midwifery regulation was welcome and would need to be monitored closely.
- b) The new risk around risk intelligence which recognised the need to protect the public by sharing risk intelligence.
- c) The revalidation risk included factors which were both within the NMC's control and factors which the NMC could seek to influence but which were ultimately for others.
- d) A number of risks would benefit from review including those which had the same pre- and post-mitigation scorings in place including:
 - CR5 (Financial Resources)
 - CR10 (Profile & Proactivity)
 - CR11 (Legislative change)
 - CR12 (ICT)
- e) A sub-group of the Council, with internal audit support, would undertake an initial review of corporate risks to assist the Council's annual review.

Action:	Revise the FtP Dashboard in line with paragraphs 2b) and 3a) above
For:	Director of Fitness to Practise

By:	21 May 2015
Action:	Revise the Registration Dashboard in line with paragraph 3b) above
For:	Director of Registration
By:	21 May 2015
Action:	Schedule Council seminar discussion on staff turnover, including analysis of factors and drivers and potential mitigating actions
For:	Director of Corporate Services
By:	21 May 2015
Action:	Schedule Council seminar discussion on customer service
For:	Director of Strategy
By:	21 May 2015
Action:	Review risk register in line with paragraph 4 above
For:	Director of Strategy
By:	21 May 2015
Action:	Council sub-group to undertake a corporate review of risk for consideration by full Council
For:	Director of Strategy
By:	21 May 2015
NMC/15/24	Financial monitoring report: January 2015 results
1	The Council noted the report, which set out financial performance information for current and forthcoming reporting periods.
2	The Council noted that expenditure for the Fitness to Practise function was generally in line with forecast, which represented a significant achievement given the volume of work undertaken over the financial year.
NMC/15/25	NMC Strategy 2015 - 2020
1	The Council considered the report and presentation from the Director of Strategy.
2	In discussion, the following points were noted: <ul style="list-style-type: none"> a) Both the quality of the process adopted in developing the Strategy, and the draft Strategy itself, were to be commended. The process had helped build consensus and understanding both within the organisation and with stakeholders of what the NMC was here to do and future strategic priorities. b) It was important to recognise the extent of the complexity and challenge inherent in the external environment. Whilst the

Strategy could not encompass everything, recognition of issues such as the 'expert patient' and 'normality' in midwifery would be welcome additions. Greater clarity would be helpful on what could be delivered.

- c) The focus on intelligence, data, evidence and research was welcome. Regular horizon-scanning was essential to ensure that the Strategy remained current and reflected the constantly changing environment in which the NMC operated.
- d) The more detailed, strengthened section on equality and diversity was welcome.
- e) The section on values and principles should make clear that these were aspirational.
- f) The emphasis on collaboration and co-operation reflected the growing recognition of the NMC as an equal partner and the more proactive role it could play in discussions with partners, including with system regulators.
- g) The Strategy was ambitious and there would be a need to work smarter, be more creative in the use of resources and be more mission led in prioritising effort. The Council needed to ensure resources were used to best effect to deliver the Strategy.
- h) Agreement of the Strategy marked a significant turning point: the NMC was now in a position to set its own agenda and direction for the future.

3 Decision: The Council approved the Strategy, subject to revisions and actions as below.

Action:	Revise the Strategy in line with paragraph 2 above
For:	Director of Strategy
By:	21 May 2015
Action:	Continue to undertake horizon-scanning and review the Strategy regularly (at least twice yearly) to ensure that it reflects and is responsive to current/forthcoming developments
For:	Director of Strategy
By:	8 October 2015

NMC/15/26 Corporate and financial plans 2015 - 16

- 1 The Council considered the proposed Corporate Plan; key performance indicators and targets; and budget for 2015 – 2016.

Draft Corporate plan 2015-2016

2 In discussion, the following points were noted:

- a) Particular concern was expressed in respect of progress on ICT, already noted as a recurring theme across the agenda. Clarity was needed about when the organisation would move to the transformational stage, as was assurance that this was a top priority for the Executive. There were examples of good delivery of key programmes such as NMC Online and the overseas test of competence. The Executive was confident that steps taken, including the appointment of a Chief Technology Officer and development of a clear plan to address the wide range of complex issues, would secure the progress needed. The authorisation given by the Council to the Chief Executive to take necessary action to attract and retain the right calibre of staff would also assist in this respect.
- b) There was scope to inject greater energy and dynamism into the draft plan as a whole, in line with the new NMC Strategy. A sharper focus was needed, including on issues such as customer service and quality assurance. The plan should set out tangible deliverables and what success would look like if the NMC achieved each deliverable.

3 **Decision: The Council approved the Corporate plan for 2015-2016, subject to revisions as set out within the actions below.**

Action:	Report on ICT improvement programme to the next meeting
For:	Director of Registration/Chief Technology Officer
By:	21 May 2015
Action:	Revise draft plan as follows:
	<ul style="list-style-type: none"> • Sharpen up and inject energy into content; capture dynamism of Strategy. • Set out clearly what will be delivered and what success will look like. • Strategic priority 3: add reference to work with other regulators under collaboration. • Strategy priority 4: clarify what will be delivered and when in relation to: <ul style="list-style-type: none"> ○ ICT ○ Customer Service/quality assurance ○ Equality and diversity ○ Workforce ○ Efficiency programme
For:	Director of Strategy
By:	21 May 2015

Proposed key performance indicators 2015-2016

4

The Council welcomed the work which had been done on the development of KPIs. In discussion the following points were noted:

- a) KPI 1a - UK registrations: further information on current performance should be brought to the next meeting to establish how stretching the proposed targets were, together with proposals for a secondary target to ensure that all applications were being processed within a reasonable period.
- b) KPI 1b - EU / non-EU registrations: further consideration should be given to breaking down EU and non-EU performance; information should be provided about efforts to improve communication of requirements to EU and non-EU applicants, and proposals for a secondary target for assessments not meeting a 70 day target should be developed for October 2015.
- c) KPI 2 - Interim Orders: it was proposed to maintain the current target, although this was being met consistently, as it was important not to compromise the quality of decision-making. The addition of further contextual information to the FtP dashboard to help monitor the quality of decision-making, as discussed at NMC/15/23, would assist.
- d) KPI 3 - FtP cases concluded within 15 months. Noting that this KPI is new, the Council agreed that no target be set until the impact of changes, such as the introduction of case examiners, was clearer subject to an expectation that performance should not fall below the current level of 65%. Proposals should be put forward in October 2015 for both a primary target and secondary target for cases not concluded within 15 months, together with further consideration of how to account for cases affected by third party activity.
- e) KPI 4 – Available free reserves: this was a condition of the Department of Health grant and the existing target should remain in place at least until January 2016.
- f) KPI 5 – staff turnover: the Council agreed that a target should not be set until the further analysis of workforce and staff turnover issues was available as discussed under NMC/15/23.
- g) Consideration should be given to developing measures around customer service.
- h) Quality measures were important and the FtP and Registration dashboards should in future include greater information on quality.

- 5 **Decision: The Council approved the corporate KPIs and targets for 2015-2016, subject to the points above.**

Action: Produce further information and proposed targets for i) KPI 1a and ii) KPI 1b as recorded above
For: Director of Registration
By: i) 21 May 2015 and ii) 8 October 2015

Actions: KPI 3 i) Report against minimum expectation that performance not fall below 65%; ii) bring forward proposals for primary and secondary targets in October 2015; iii) consider further how to account for cases affected by third party activity
For: Director of Fitness to Practise
By: i.) May to October 2015; ii) and iii) 8 October 2015

Action: Provide further information on staff turnover and work force issues as discussed under NMC/15/23
For: Director of Corporate Services
By: 29 October 2015

Action: Bring forward proposals for customer service / quality measures
For: Director of Strategy
By: 8 October 2015

Action: Consider adding elements capturing quality to the FtP dashboard, such as, number of IO extensions; registrant and section 29 appeals
For: Director of Fitness to Practise
By: 8 October 2015

Proposed Budget 2015-2016

- 6 In discussion the following points were noted:

- a) The proposed budget was predicated on holding the registration fee at £120 for 2015-2016: the next annual review of the fee levels would take place in March 2016.
- b) The proposed budget reflected assumptions on the staff pay award as proposed by the Remuneration Committee; risk based reserves; and the NMC's future liabilities for the defined benefits pension scheme. The budget also reflected the expected PSA fees and the agreed accounting treatment of the Department of Health grant of £20m.
- c) It was important to highlight the costs of the PSA levy being borne by registrants, although absorbed within the current year's budget.

- d) There was a lack of clarity about the variance between the revenue expenditure set out in the fee strategy 2015 – 2016 agreed in October 2014 and the draft budget 2015 – 2016: in particular the increase to the cost base now proposed. Further information to reconcile the variances was needed for the Council to have the assurance it required.
- e) Noting that some assumptions had been made about cost-savings to be released by investments, members felt that clearer identification of the proposed efficiencies and cost-savings was required so that the Council could monitor implementation closely. External validation of the delivery of efficiency savings should be considered and a fall back plan developed should expected cost-savings not be realised.
- f) Three year budget projections showed a predicted shortfall of income over expenditure for 2016-17 and 2017-18. It was noted these were simply current projections, and that Council was not being asked to give approval for this. Nonetheless it was essential to begin work on a longer term financial strategy, to ensure robust finances for future years.
- g) Work had been undertaken, as requested by the Council, to explore the scope for differentiated fee levels and Fitness to Practise cost recovery and it was not proposed to pursue these further at the present time for the reasons set out in the report.

7 Decision: The Council agreed that:

- a) the annual registration fee should remain at its current level of £120.
- b) the target risk-based reserves level should remain in the range of £10 million to £25 million.

8 Decision: The Council approved the budget for 2015-2016, subject to the provisos set out below:

- a) Further information to be provided to reconcile the revenue expenditure figures put forward in the October 2014 fee strategy and the March 2015 budget proposals.
- b) Efficiencies and cost savings to be specified in a way that would enable the Council to monitor progress in delivery.
- c) Further consideration to be given to obtaining external validation of delivery of efficiency savings.
- d) Development of a contingency plan if cost-savings not on track to deliver.
- e) Work to develop a robust financial strategy for future years, including information on the 'big ticket'

commitments for 2016–2017 and 2017–2018.

- f) Continue to pursue the need for appropriate mechanisms to be put in place to control the size of the PSA budget and consequent levy and to highlight the impact of this on the NMC budget/future fee levels.

Action:	Provide the further information required to the next meeting and take action as set out in paragraph 8a and report back at the next meeting
For:	Director of Corporate Services for 8a) to e)
By:	21 May 2015
NMC/15/27	Education and LSA Quality Assurance Annual Report 2013 – 14
1	The Council considered the report, which set out an overview of the findings of the quality assurance activity of Approved Education Institutions (AEIs) and Local Supervising Authorities (LSAs) for 2013 – 2014.
2	In discussion, the following points were noted: <ul style="list-style-type: none"> a) The report related to the first year of operation of the risk-based quality assurance framework. Initial learning had been incorporated into the framework for 2014-2015 and further learning would be implemented for 2015-2016. b) The full report had been discussed by the Midwifery Committee: it was recognised that this was a transitional report and that future reports should focus on the assurance that the Council could derive from the quality assurance programme and reports. c) Future annual reports would be produced earlier and the 2014-2015 report would be brought to the Council in October 2015.
3	Decision: The Council approved the overview report.
Action:	Improve the assurance that the Council derives from the quality assurance programme; and bring the QA annual report 2014 – 2015 to the October 2015 Council meeting
For:	Director of Continued Practice
By:	8 October 2015
NMC/15/28	Deputy and Assistant Registrars
1	The Council considered the report, which proposed amendments to the Standing Orders to introduce a two stage process governing the appointment and authorisation of Deputy and Assistant Registrars;

and to appoint three additional Assistant Registrars.

2

Decision: The Council:

- a) approved amendments to Standing Order 6.6 and consequential renumbering of existing Standing Orders.
- b) appointed the named individuals as Assistant Registrars subject to authorisation by the Registrar, in accordance with the Standing Orders, to act on her behalf in any matter.
- c) confirmed that existing Assistant Registrars may be authorised by the Registrar to act in any matter in accordance with the Standing Orders.

Action:	Amend Standing Orders as approved by the Council.
For:	Secretary
By:	21 May 2015

NMC/15/29 Revalidation update

1

The Council discussed the report, which set out an update on the revalidation programme, including launch and transitional arrangements.

2

In discussion, the following points were noted:

- a) Two pieces of work were progressing in parallel on readiness: one focused on overall system readiness and the work being lead by programme boards instituted in each of the four UK nations; and work on NMC internal readiness.
- b) Communications and engagement was currently red-rated due to concerns that messaging on the introduction of a model of revalidation had not been consistent across the four UK nations. While staff had been focussed on support to the pilots to date, a communication plan had been agreed by all programme boards and would be delivered in the near future.
- c) The report set out the timetable for further reports and decisions by the Council and the proposed October launch to provide six months' notice for the first registrants to be subject to revalidation.

NMC/15/30 ICT update

1

The Council noted the report and that the issues had been largely covered under discussions on the Corporate Plan 2015 -2016 (NMC/15/26).

NMC/15/31 Shape of Caring review

- 1 The Council welcomed publication of the Shape of Caring Review, the results of a collaboration between the NMC and Health Education England.
- 2 In discussion, the following points were noted:
- a) The review was an excellent example of collaborative working between the NMC and partners. The Council congratulated the Chief Executive and Registrar and staff on the positive outcomes from the NMC's co-chairing of the review.
 - b) The review was timely and raised a number of important points for the sector, including the NMC. The review's messages also complemented the drive in the NMC Strategy on ensuring that education for nurses and midwives remained fit for purpose.
 - c) While the focus of the review was England-only, there were important areas of learning that could be applied across all four UK nations. The Council agreed that an in-depth discussion on the report's findings and recommendations be scheduled for a future seminar session.

Action:	Council to have in-depth discussion on the Shape of Caring review
For:	Director of Continued Practice
By:	28 April 2015

NMC/15/32 Questions from observers

- 1 The Chair of the Council invited questions and comments from observers.
- a) Attrition rates of midwifery students: this was an issue that had also been raised by Lead Midwives for Education. The NMC was keen to further understand the experiences of nursing and midwifery students, both in education institutions and in practice settings and was seeking to undertake further engagement with students to capture more fully their views and perspectives. The NMC had identified, as a future data and intelligence requirement, the need to identify the numbers of newly qualified professionals that were subject to the Fitness to Practise process.
 - b) Raising Concerns: It was important to recognise that this was a wider issue and not just about nurses and doctors. The Chairs and Chief Executives of both the NMC and GMC had already met with Sir Bruce Keogh to discuss the action requested by the Secretary of State for Health following

Council

Summary of actions

Action: For information.

Issue: A summary of the progress on completing actions agreed by the meeting of Council held on 25 March 2015.

Core regulatory function: Supporting functions.

Strategic priority: Strategic priority 4: an effective organisation.

Decision required: To note the progress on completing the actions agreed by the Council.

Annexes: None.

Further information: If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

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Secretary: Fionnuala Gill
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Summary of actions outstanding (Council)

Actions arising from the Council meeting on 25 March 2015

Minute	Action	For	Report back to: Date:	Progress
NMC/15/20	<p>Capture in minutes and summary actions report all actions arising from decisions:</p> <ul style="list-style-type: none"> • NMC/15/06 Review of midwifery regulation – add actions flowing from decisions, including ongoing role of Midwifery Committee; • NMC/15/09: Add reference to Council members meeting with the Director of Fitness to Practise on the Employer Link Service 	Secretary	21 May 2015	The minutes of the open session of the Council on 28 January 2015 have been revised and will be presented to the Chair of the Council for signature at the 21 May 2015 meeting.
NMC/15/22	<p>Consider ways of building on positive momentum generated by promotion of the new Code to increase take up of NMC Online and report to the next Council</p>	Director of Registration	21 May 2015	Item 8: “Performance and risk report: April 2015” includes an update on the action plan to promote NMC Online in the Registration section at Annexe 1.

NMC/15/23	Revise the FtP Dashboard in line with paragraphs 2b) and 3a) of minute NMC/15/23	Director of Fitness to Practise	21 May 2015	Complete: caseload information and a breakdown of IO applications are included in item 8: "Performance and risk report: April 2015"
NMC/15/23	Revise the Registration Dashboard in line with paragraph 3b) of minute NMC/15/23	Director of Registration	21 May 2015	Complete. Corrections have been made to the Registrations dashboard at annexe 1 to Item 8: "Performance and risk report: April 2015". Additional information has also been included on customer satisfaction. Action has been taken to address the performance issues experienced in January 2015 and the outcomes are reported in Item 8, annexe 1.
NMC/15/23	Schedule Council seminar discussion on staff turnover, including analysis of factors and drivers and potential mitigating actions	Director of Corporate Services	21 May 2015	This has been scheduled for discussion in December 2015.
NMC/15/23	Schedule Council seminar discussion on customer service	Director of Strategy	21 May 2015	Scheduled for 29 October 2015 Council seminar.

NMC/15/23	Review risk register in line with paragraph 4 above Director of Strategy 21 May 2015	Director of Strategy	21 May 2015	All risks have been reviewed and updated. Scores remain the same, with the exception of CR10: <i>Profile and proactivity</i> , where the post-mitigation score has been reduced from 9 to 6; and CR5: <i>Financial resources</i> , where the inherent risk score has been reduced from 20 to 15.
NMC/15/23	Council sub-group to undertake a corporate review of risk for consideration by full Council	Director of Strategy	21 May 2015	The Council sub-group met on 13 May 2015 to undertake review of corporate risks and is reporting to the Council seminar on 20 May 2015.
NMC/15/25	Revise the Strategy in line with paragraph 2 above	Director of Strategy	21 May 2015	The strategy has been revised in accordance with Council's suggestions and signed off by the Chair. It will be published on the NMC website shortly.

NMC/15/25	Continue to undertake horizon-scanning and review the Strategy regularly (at least twice yearly) to ensure that it reflects and is responsive to current/forthcoming developments	Director of Strategy	8 October 2015	The NMC's policy and strategic relations teams produce regular round ups of policy and parliamentary developments across the UK, which support awareness of, and are responsive to, new strategic developments in the healthcare and regulatory sectors.
NMC/15/26	Report on ICT improvement programme to the next meeting	Director of Registration / Chief Technology Officer	21 May 2015	A report on the ICT improvement plan is detailed in Item 14 on this agenda.

NMC/15/26	<p>Revise draft corporate plan 2015 - 2016 as follows:</p> <ul style="list-style-type: none"> • Sharpen up and inject energy into content; capture dynamism of Strategy. • Set out clearly what will be delivered and what success will look like. • Strategic priority 3: add reference to work with other regulators under collaboration. • Strategy priority 4: clarify what will be delivered and when in relation to: <ul style="list-style-type: none"> ○ ICT ○ Customer Service/quality assurance ○ Equality and diversity ○ Workforce ○ Efficiency programme 	Director of Strategy	21 May 2015	<p>Completed.</p> <p>Further work was undertaken on the draft Corporate Plan 2015-2016 to take account of points raised at the Council meeting. The revised draft was shared with the Chair. The final plan will be published on the NMC website shortly.</p>
NMC/15/26	<p>Produce further information and proposed targets for i) KPI 1a and ii) KPI 1b as recorded [in the minutes] (NMC/15/40)</p>	Director of Registration	<p>i) 21 May 2015</p> <p>ii) 8 October 2015</p>	<p>i) + ii) Addressed in the Performance and Risk report: April 2015 (Item 8 on the agenda)</p>

NMC/15/26	KPI 3 i) Report against minimum expectation that performance not fall below 65%; ii) bring forward proposals for primary and secondary targets in October 2015; iii) consider further how to account for cases affected by third party activity	Director of Fitness to Practise	i) May to October 2015; ii) and iii) 8 October 2015	(i) Complete: reported in the Performance and Risk report: April 2015 (Item 8 on the agenda) (ii) and (iii) not yet due. These actions will be carried forward.
NMC/15/26	Provide further information on staff turnover and work force issues as discussed under NMC/15/23	Director of Corporate Services	29 October 2015	Scheduled for discussion in December 2015. Annual HR&OD report will be reported to Council in July 2015.
NMC/15/26	Bring forward proposals for customer service / quality measures	Director of Strategy	8 October 2015	Council seminar date: 29 October 2015 identified for this.
NMC/15/26	Consider adding elements capturing quality to the FtP dashboard, such as, number of IO extensions; registrant and section 29 appeals	Director of Fitness to Practise	8 October 2015	Complete: reported in the Performance and Risk report: April 2015 (Item 8 on the agenda)

NMC/15/26	Provide the further information required [under 8a -8f of minute NMC/15/26] and report to the Council	Director of Corporate Services (8a – 8e) Director of Strategy (8f)	21 May 2015	8a – 8e): Completed. Report included in May 2015 Council papers. 8f) Awaiting Privy Council consultation, the date of which is yet unknown.
NMC/15/27	Improve the assurance that the Council derives from the quality assurance programme; and bring the QA annual report 2014 – 2015 to the October 2015 Council meeting	Director of Continued Practice	8 October 2015	The QA annual report will be presented to the October 2015 Council.
NMC/15/28	Amend Standing Orders as approved by the Council	Secretary	21 May 2015	Completed. Revised Standing Orders have been published on the NMC website.
NMC/15/31	Council to have in-depth discussion on the Shape of Caring review	Director of Continued Practice	28 April 2015	Completed. The Council discussed the review at its seminar meeting on 28 April 2015.

Council

Chief Executive's report

Action: For information.

Issue: The Council is invited to consider the Chief Executive's report on (a) key developments in the external environment and (b) key strategic engagement activity.

Core regulatory function: This paper covers all of our core regulatory functions.

Strategic priority: Strategic priority 3: Collaboration and communication.

Decision required: None.

Annexes: None.

Further information: If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

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- Context:**
- 1 This is a standing item on the Council agenda and reports on (a) key developments in the external environment; and (b) key strategic engagement activity. The focus of recent strategic engagement has been primarily around midwifery issues, revalidation and the shape of caring review.
 - 2 Updates on operating performance can be found in the Performance and Risk Report for April 2015.

Discussion: Professional Standards Authority (PSA) issues

Performance review 2014–2015

- 3 We submitted our final evidence and data for the performance review process as agreed with the PSA on 10 April 2015. We subsequently received a draft of the performance review report and responded with our comments and corrections by the PSA's deadline of 30 April 2015. We have also commented on the overview section of the PSA's annual report which considers cross-regulatory issues. The final performance review report is expected to be published at the end of June 2015 and we will report to the Council in July 2015 on the findings and how these are being addressed.

Review of the performance review process

- 4 The PSA's public consultation on a revised performance review process is now underway. The consultation proposals are in line with those previously discussed informally. There will be a two stage process, with the PSA assessing for each regulator the type and extent of performance review to be applied each year. Other key changes include a proposed additional new Standard relating to regulatory risk; introduction of registration audits, alongside existing FtP audits; a requirement for regulators to submit an expanded set of data to the PSA on a quarterly basis to enable the PSA to monitor trends in performance; and a rolling programme of review with publication of an individual performance review report for each regulator annually (rather than a compilation report as now). No substantive changes are proposed to the current 24 Standards of Good Regulation. The new process is expected to be introduced for 2015-2016. We are considering the proposals and will be discussing further with the Council in June before responding formally by the PSA's deadline of 27 July 2015.

Consultation on the PSA fees for 2015-2016

- 5 We await the consultation by the Privy Council on the PSA fees for 2015-2016. In responding to the consultation, we will pursue the issues raised by the Council in March 2015 (NMC/15/26) around the need for appropriate mechanisms to be put in place to control the size of the PSA budget and consequent levy and to highlight the

impact of this on the NMC budget / future fee levels.

- 6 The Chief Executive continues to engage closely with Harry Cayton, the PSA's Chief Executive. Discussions focused on the draft performance review report 2014–2015 and the draft initial stages FtP audit report 2014. Additionally, the Chief Executive and the Chair met with Harry Cayton and Baroness Pitkeathley, the PSA Chair on 13 May 2015.

NMC website

- 7 On 9 April we launched the new website, on a new URL: www.nmc.org.uk. The structure of the new site is now organised by subject rather than audience, making it accessible to all visitors. The design is responsive, meaning that it works far better on mobile devices. All the content has been edited to make sure it is up to date and written in plain English. The introduction of BrowseAloud means that the site can now be read by visitors in any of 64 languages, translated onscreen in those languages, or highlighted in such a way that makes it easier to read by those who have dyslexia.

Engagement and activities relating to revalidation

- 8 Our redeveloped website includes a range of new material on revalidation.
- 9 The Chief Executive continues to engage closely with key professional stakeholders as the run-up to the Council considering the final requirements for revalidation in October 2015 continues.
- 10 In addition to a meeting with the four UK Chief Nursing Officers on 30 March 2015, accompanied by the NMC Chair, meetings have taken place since the last report with Jane Cummings, the Chief Nursing Officer for England; Dame Eileen Sills, the Chief Nurse at Guy's and St Thomas' NHS Foundation Trust; and Sarah Elliot, Director of Nursing and Quality for NHS England (South). On 6 May 2015, the Chief Executive attended the NHS revalidation implementation board meeting in London. The Chief Executive also participated in a Department of Health event looking at the approach to addressing the readiness for revalidation in England held at Skipton House in London on 15 April 2015.
- 11 On 14 May 2015, the Chief Executive spoke at an Equiniti 360 clinical event on revalidation.

Engagement on midwifery issues

- 12 In line with our undertaking at the January 2015 Council, we have been participating in interactions between the Department of Health, the Chief Nursing Officers, the Local Supervising Authority Midwifery Officers Forum and the Royal College of Midwives about

approaches to midwifery supervision outside of statutory legislation.

- 13 The Chair of the Midwifery Committee and the Director of Continued Practice met with the Lead Midwives of Education Forum on 15 April 2015 and spoke at the Royal College of Midwives' Conference on 21 April 2015.

Collaboration

- 14 We have had two meetings with the Care Quality Commission (CQC) covering a range of issues including information sharing, joint training, engagement between the chief inspectors and NMC directors and the relationship between the CQC fit and proper persons test and our fitness to practise process.
- 15 We attended the Welsh Concordat meeting chaired by Healthcare Inspectorate Wales and presented on the strategic direction of the NMC and plans for revalidation.
- 16 We have been planning an international event with other regulators in May 2015 focused on changes to EU nursing standards. There has been extensive engagement with the Department of Health and the Department for Business, Innovation and Skills over this period on the Directive.
- 17 The Chief Executive has continued her regular engagement with Niall Dickson, the Chief Executive of the General Medical Council (GMC). Among the issues discussed was the progress with the formal launch of the joint GMC/NMC duty of candour guidance later in 2015. The Chief Executive and the Chair also met their GMC opposite numbers on 29 April 2015.
- 18 On 21 April 2015, the Chief Executive participated in a GMC teleconference as part of their work to set up a series of events focusing on medical professionalism themes. The Chief Executive has been invited to speak at a couple of these events taking place later in the year.
- 19 Our analysis of the NMC's corporate public affairs activity over the 2014–2015 financial year shows that 71 per cent of Law Commission Bill references in Parliament were attributable to NMC briefing.
- 20 Planning is underway for our contribution to the joint regulators' parliamentary reception in Belfast in June 2015 and the joint regulators' conference in Scotland, in Autumn 2015.
- 21 The Chief Executive met members of the Gosport Investigation Inquiry team on 14 April 2015 to discuss NMC input to their work.

Stakeholder engagement

- 22 Our Professional Strategic Advisory Group met on 14 April 2015. The Chief Executive discussed the launch of the revised Code and progress with revalidation, including an update on the pilots. The Group also contributed to discussions on the role of the register, language controls and the developing employer link model.
- 23 The Chief Executive continues to meet Department of Health officials, including Nick Clarke, the Deputy Director, Professional Standards. In addition, the Chief Executive and the Chair met Gavin Lerner, the Director of Quality at the Department of Health on 1 April 2015. On 20 April 2015, the Chief Executive spoke with David Foster, the Deputy Chief Nursing Officer for England on a range of issues including midwifery supervision.
- 24 The Chief Executive met Danny Mortimer, the recently-appointed Chief Executive of NHS Employers on 26 March 2015. The Chief Executive and the Chair met with Dame Jessica Corner, the Chair of the Council of Deans later the same day. The main item at this meeting was the outcome of the Shape of Caring review.
- 25 The Chief Executive continues to meet regularly with Lisa Bayliss-Pratt, the Director of Nursing at Health Education England, in the context of the Shape of Caring review. The Chief Executive will undertake a series of engagements linked to the review later in the year.
- 26 The Chief Executive represented the NMC at the KPMG/Stonewall equality event on 28 March 2015.
- 27 On 30 April 2015, the Chief Executive and the Chair hosted the latest of the regular round-table meetings with colleagues from the Royal College of Nurses, the Royal College of Midwives, Unison and Unite/CPHVA. The meeting covered a number of issues including progress with the Law Commission, revalidation and midwifery regulation. The Chief Executive also spoke by telephone with Dr Peter Carter, the General Secretary of the Royal College of Nursing on 8 April 2015.
- 28 On 15 May 2015, the Chief Executive attended the Trust Development Agency's (TDA) regional nurse directors' meeting. The Chief Executive also met separately with Peter Blythin, the TDA's Director of Nursing on 1 April 2015.

Chief Executive's media activity

- 29 The Chief Executive has undertaken significant media activity in this period relating to the launch of the revised Code on 31 March 2015. The Chief Executive gave interviews to the following:

- 29.1 BBC Radio Mersey (27 March 2015);
- 29.2 BBC Radio Cornwall (27 March 2015);
- 29.3 Radio Five Live (30 March 2015);
- 29.4 BBC Radio Wales (30 March 2015);
- 29.5 BBC London (31 March 2015);
- 29.6 BBC Breakfast TV (31 March 2015);
- 29.7 BBC Radio 4's 'You and Yours' programme (31 March 2015).

30 On 24 April 2015, the Chief Executive was interviewed by Chris Smyth, health correspondent of *The Times*. The interview informed an item for International Nurses Day (12 May 2015) focused on the revised Code, the fundamentals of care, raising concerns, the concept of professionalism, the duty of candour and the NMC's social media guidance.

Public protection implications:

31 No direct public protection implications.

Resource implications:

32 No direct resource implications.

Equality and diversity implications:

33 No direct equality and diversity implications.

Stakeholder engagement:

34 Stakeholder engagement is detailed in the body of this report.

Risk implications:

35 No direct risk implications.

Legal implications:

36 No direct legal implications.

Council

Performance and risk report 2014–2015

Action: For discussion.

Issue: This paper reports on performance and risk management for the financial year 2014–2015.

Core regulatory function: All of our core regulatory functions.

Strategic priorities: As this report is for the financial year 2014–2015, the NMC corporate objectives for that reporting period provide the context for performance and risk management.

Decision required: The Council is recommended to:

- Note and discuss the Quarter 4 and end of year assessment of progress against the Corporate plan for the year 2014–2015 (paragraph 6).
- Note and discuss the progress against our Key Performance Indicators (KPIs) for March 2015 and the end of year summary of corporate KPI figures for 2014–2015 (paragraph 11).
- Note and discuss the summary of the movement of corporate risks during the year (paragraph 20).

Annexes: The following annexes are attached to this paper:

- Annexe 1: Quarter 4 and end of year assessment against the Corporate plan for the year 2014–2015.
- Annexe 2: Progress against our KPIs for March 2015 and an end of year summary of corporate KPI figures for 2014–2015.
- Annexe 3: FtP performance dashboard 2014–2015.
- Annexe 4: Registration performance dashboard 2014–2015.

**Further
information:**

If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

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- Context:** 1 This paper provides an overview of performance and management of risk for the financial year 2014–2015.
- Discussion:** **Quarter 4 and end of year assessment against the Corporate plan for 2014–2015**
- 2 **Annexe 1** reports on our progress in Quarter 4 and presents a summary of performance for the year against our Corporate plan 2014–2017¹. It also provides an end of year assessment based on a red / amber / green rating system.
- 3 Our Corporate plan made 63 commitments for 2014–2015. Our assessment is that:
- 3.1 We delivered 45 of our commitments (green).
- 3.2 We delivered the majority of planned activity for 13 of our commitments (amber).
- 3.3 We did not complete significant aspects of planned activity for 5 of our commitments and significant work has to carry forward to 2015–2016 (red).
- 4 The red-rated commitments are:
- 4.1 Improve the quality and completeness of data available to enable evidence-based regulation (commitment 6.1).
- 4.2 Develop and deliver a robust evaluation model to support our understanding of the effects of our interventions and standards (commitment 6.4).
- 4.3 Embed a culture of continuous learning and improvement which provides strong assurance and results in process improvements, risk reduction and efficiency savings (commitment 8.3).
- 4.4 Continue to improve our information technology, security and governance arrangements (commitment 8.7).
- 4.5 Implement effective workforce planning, demonstrating a proactive and longer term approach to decision-making and resource planning (commitment 9.1).
- 5 We will progress work to address these red-rated commitments in 2015–2016 as follows:
- 5.1 We will progress our data improvement work as reflected in the commitments in our Corporate plan 2015–2016 around

¹ From 1 April 2015, the Corporate plan 2014–2017 was replaced by the Strategy 2015–2020 and the Corporate plan 2015–2016.

risk intelligence, and research and analysis activities to provide insight for effective regulation.

- 5.2 We will define our approach to evaluation.
- 5.3 We will complete the implementation of our information security plan.
- 5.4 We will implement a programme of ICT improvement.
- 5.5 Our focus for continuous learning and improvement will be on embedding the processes that we have put in place and ensuring that they deliver value.
- 5.6 We will undertake a full workforce review to assess organisational structures, capability and capacity mapped against the future needs of the corporate strategy.

6 Recommendation: The Council is invited to discuss the Quarter 4 and end of year assessment of progress against the Corporate plan for the year 2014–2015.

Key Performance Indicators

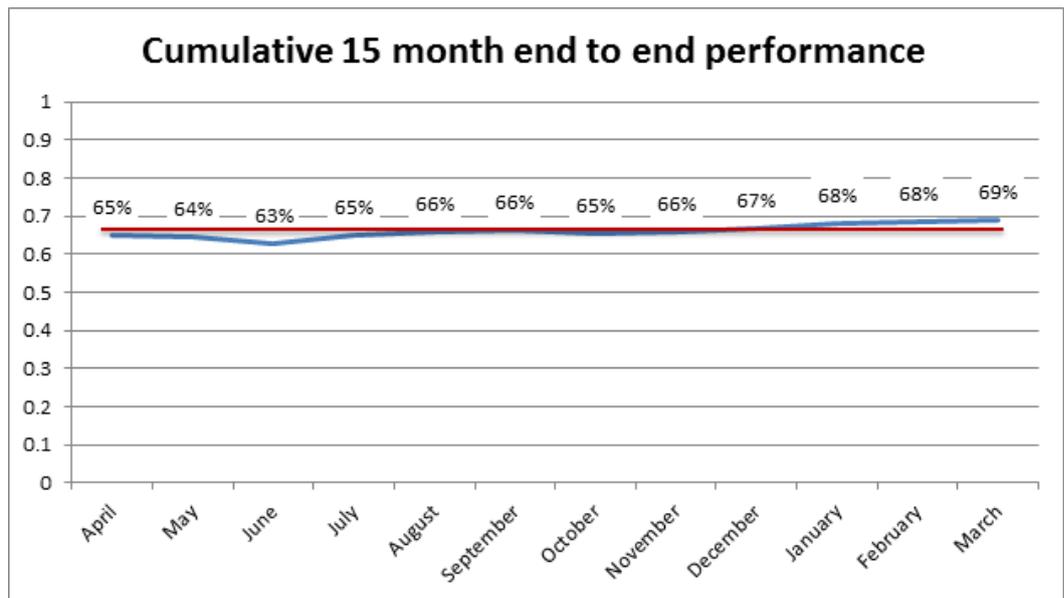
- 7 **Annexe 2** provides information on March 2015 progress against our key performance indicators (KPIs) as well as a summary of corporate KPI figures across the 12 month period.
- 8 We achieved our KPI targets for KPI 2 (interim orders) and KPI 5 (available free reserves). Critically, we exceeded our KPI 4 target for 90% of cases to reach the first day of a hearing within six months by December 2014 and delivered a performance of 93%. This represents a significant achievement and is testament to the considerable effort of staff both in the Fitness to Practise (FtP) directorate and across the organisation. Importantly, we have continued to meet this KPI for all new cases referred since July 2014 with 97% of cases meeting the target. Overall, performance is slightly below this due to the expected carry-over of cases which did not meet the December 2014 target.
- 9 We did not meet the targets for KPI 1 (registration applications) and KPI 6 (staff turnover) and will continue to monitor and report on our performance in these areas during 2015–2016. Average performance against KPI 3 (investigations) was also slightly below the target. KPI 3 and KPI 4 have been replaced by the new 15 month end-to-end KPI, which we consider to be a better measure of performance from the point of view of patients, the public and the parties to fitness to practise cases. These areas are captured within the April KPI and dashboard information, which are presented in the next paper on the Council's agenda.
- 10 Supplementary Fitness to Practise information is presented at

Annexe 3. Supplementary Registration information is at **Annexe 4.**

- 11 **Recommendation: The Council is invited to discuss the progress against our KPIs for March 2015 and the end of year summary of corporate KPI figures for 2014–2015.**

Fitness to Practise cases completed within 15 months from start to end

- 12 The graph below reflects a 12 month rolling average for each month for the financial year 2014–2015.



Risk

- 13 At the beginning of the financial year, we had four red-rated risks on the corporate risk register, all with post-mitigation scores of 16. Of these, the score for CR1B *Integrity of the register – historic* was reduced to 12 (amber) in December 2014. The following three risks remained static at 16 throughout the year:
- 13.1 CR6 *Information security*;
 - 13.2 CR11 *Legislative change*;
 - 13.3 CR12 *ICT business systems*.
- 14 In November 2014 the amber-rated CR3 *Revalidation* was closed and replaced by two new risks:
- 14.1 CR13 A *Revalidation – programme delivery*;
 - 14.2 CR13 B *Revalidation – system impact and readiness*.
- 15 CR13 A was added to the register scored at 8 (green) and has

remained at this score. CR13 B was added to the register scored at 12 (amber) but was increased to 16 (red) in December 2014 and has been static since then.

16 Two amber risks remained static on the risk register throughout the 12 month period. These were:

16.1 CR1 A *Integrity of the register – current* (12);

16.2 CR2 *Fitness to Practise performance* (15).

17 Two new risks were added to the corporate risk register in February 2015:

17.1 CR14 *Midwifery supervision* (9);

17.2 CR15 *Effective use of risk intelligence* (12).

18 In addition to CR3 *Revalidation*, the following corporate risk was closed during the year, following successful implementation of the Professional indemnity insurance requirements:

18.1 CR 4 *Professional indemnity insurance*.

19 The next paper on the Council's agenda shows how we continue to address the red and amber risks on our corporate risk register.

20 **Recommendation: The Council is invited to discuss the summary of the movement of corporate risks during the year.**

Public protection implications:

21 Public protection implications are considered when reviewing performance and the factors behind poor or good performance.

Resource implications:

22 The Financial monitoring report elsewhere on the Council's agenda includes an out-turn report for the year 2014–2015.

Equality and diversity implications:

23 The Q4 and end of year summary against our Corporate plan 2014–2017 includes a report against corporate objective 7: "*We will promote equality and diversity in carrying out our functions and in delivering our services as a regulator and as an employer.*"

Stakeholder engagement:

24 KPI information and performance dashboards are in the public domain.

Risk implications:

25 The impact of risks is assessed and rated on the risk register. Future action to mitigate risks is also described.

Legal implications: 26 No direct legal implications.

Annexe 1

Quarter 4 (1 January – 31 March 2015) and end of year assessment of progress against the Corporate plan 2014-2017

This report is an overview of (a) progress made in quarter 4; and (b) whether we have completed the work that we said we would do in 2014-2015 as stated in the Corporate plan 2014-2017.

Overview of performance for the year 2014-2015 by corporate goal

NMC Corporate goals 2014-2017		Red	Amber	Green
Goal 1: Protecting the public	Protecting the public will be at the centre of all our activities. Our work will be designed around and measured against the benefits we can bring to the public.	0	1	21
Goal 2: Open and effective relationships	We will have open and effective relationships that will enable us to work in the public interest.	2	3	13
Goal 3: Services, systems and staff	Our staff will have the skills, knowledge and supporting systems needed to help us provide excellent services to the public and the people that we regulate.	3	9	11
Activity RAG totals		5	13	45

Key to the table headings

Activity for 2014-2015	As outlined in the Corporate plan, this is key work that we had planned to do in the financial year 2014-2015. <i>Italic text indicates the activity is (a) linked to addressing a PSA Standard we did not meet in 2013/2014; and/or (b) linked to meeting a Francis commitment.</i>	
Red/amber/green (RAG) rating for the year	R	Significant aspects of the activity, as originally specified, were not completed within the year. Significant work has to carry over into 2015-2016.
	A	An issue / potential problem was identified but action was taken to resolve it and the majority of the activity was completed for 2014-2015.
	G	Corporate plan activity was completed for 2014-2015.
Q4 update	Brief explanation of what happened in quarter 4 and also any key issues.	
Review of the year	States highlights, achievements and setbacks in relation to the activity and whether work contributed towards meeting external commitments (e.g. Francis, Health Committee) and PSA Standards of Good Regulation.	
Next steps	Outlines notable work which was not completed within the year, reasons why not and new expected completion date.	

GOAL 1: Protecting the public

Corporate objective 1: We will protect the public's health and wellbeing by keeping an accessible accurate register of all nurses and midwives who meet the requirements for registration and who are required to demonstrate that they continue to be fit to practise.

Ref	Activity for 2014-2015	RAG for the year	Q4 update <i>Brief outline of what happened in Q4 and any key issues</i>	Review of the year <i>1. Highlights/achievements/setbacks 2. Contribution to meeting external commitments and PSA Standards of Good Regulation</i>	Next steps <i>If work wasn't completed, why wasn't it? Will it continue into the next year? When will it be completed?</i>
1.1	Continue to strengthen and improve our registration policies and processes. <i>PSA Standard not met – Registration 2</i>	G	Work has included further development and initial operation of the overseas Test of Competence. First applicants have now progressed through the entire process and are ready to be registered. We continued to enhance the appeals process and guidance and governance around this.	A Regulatory Policy Lawyer was appointed to the Registration directorate to lead on the development of policy and its application to processes. Prioritisation and mapping of necessary policy work has now taken place. We drafted and implemented a new UK Registration Policy and associated regulatory enhancements around the appeal workstream and outcomes.	Continued work on policy priorities such as readmission, phased payments, health and character guidance and guidance for Panel members. This work is ongoing.
1.2	Provide secure and easy-to-use online services for nurses and midwives. <i>PSA Standard not met – Registration 2</i>	G	Since December 2014 new UK registration applications are made through the service and subsequent registration/additional qualifications can be processed online.	The NMC Online service was launched in June 2014. To date 219,291 (approximately 32% of registrants) have signed up. This contributes towards meeting the PSA standard to provide secure and continuously improving services.	Further enhancements will follow in 2015-16 as part of promoting further online take up.
1.3	Introduce a test of competence for overseas applicants who were trained outside the European Economic Area. <i>PSA Standard not met – Registration 2</i>	G	The Test has been live since October 2014 and first applicants have now completed both stages of the test and are ready to be registered.	The Test of Competence went live in early October 2014. There has been high take up of Part 1 of the test and now first applicants have completed the entire process. The challenging timescale for implementation has resulted in some elements being excluded	Introduction of Phase 2 in late April 2015 and then further development of both the system and processes to ensure effectiveness and ability to cope with expected demand.

				from the initial scope but these will be included in later phases.	
1.4	<p>Improve our customer service for everyone who seeks registration with us or relevant information about our register.</p> <p><i>PSA Standard not met – Registration 2</i></p>	G	<p>We have undertaken a comprehensive review of our customer service standards related to registration matters, which has enabled us to produce a clear statement of what customers can expect from us, particularly in terms of registration process timeframes and customer interaction. This statement has been published on the new NMC website.</p> <p>The Registration directorate is fully engaged in the corporate Customer Service Excellence project which was launched in early 2015.</p> <p>We have completed an analysis of complaints related to registration over the period January – December 2014 to identify themes and trends and to ensure that learning is identified and acted upon.</p>	<p>In addition to the publication of the Registration directorate customer service standards, in September 2014 we launched an updated call centre contact customer survey. This aims to capture information about the overall customer experience, including whether the query has been addressed, the time taken to answer the call and clarity of information provided. The responses are analysed on a monthly basis and results feature in a dashboard report. Any specific free text comments are also analysed to identify any actions or improvements.</p> <p>This contributes towards meeting the PSA standard to provide efficient, transparent and continuously improving services.</p>	<p>We will work on refining the Call Centre customer survey, and continue work on the NMC Customer Service Excellence project throughout 2015-16.</p>
1.5	<p>Scope our business requirements and commence modernisation of the systems supporting registration activities.</p>	G	<p>This work is closely related to the corporate development of a “shared database”. We have commenced the mapping of our current state in Registration to enable the development of a future state model to inform the development of the corporate shared database.</p>	<p>As this work is now part of a wider corporate activity, Registration-specific activity has been largely re-profiled to ensure alignment with this corporate work.</p>	

1.6	<p>Enable nurses and midwives to self-declare that they have in place, or will have in place, an appropriate indemnity arrangement when they practise in the UK.</p> <p><i>PSA intend to follow up 2014-2015</i></p>	G	<p>The requirement to declare that an appropriate professional indemnity arrangement (PIA) is held by a registrant became law in July 2014. The ability to self-declare has been live since this time.</p> <p>Legislation has been delivered in the Registration Rules to allow us to meaningfully comply with the EU Directive by being able to request and disclose (in order to verify) professional indemnity insurance information.</p>	<p>The ability to self-declare professional indemnity arrangement for all registrants was introduced in July 2014.</p> <p>There has been further enhancement of our ability to collect PIA information according to setting etc.</p> <p>In the lead up to this, we successfully delivered the consultation and legislation.</p> <p>There has been influence and impact on Department of Health (DH) legislation and improved relations with the Professional Standards team in DH.</p>	<p>Further work in 2015-16 particularly in relation to revalidation will enable the NMC to collect greater detail about a registrant's PIA.</p>
1.7	<p>Continue to implement and engage on changes to European legislation.</p>	G	<p>The Mutual Recognition of Professional Qualifications (MRPQ) Programme has commenced and first board meetings have been held. Workstreams are defined and business processes are being mapped and defined for future state.</p> <p>We have proactively engaged with DH, BIS, the EC, Alliance of UK Health Regulators on Europe (AURE), other European regulators and professional bodies. This has resulted in some changes to the proposed implementing act to our benefit. We have provided feedback to DH, BIS and EC consultations and the proposed legislation and will continue to do so over the coming months.</p>	<p>Final clarity about exact content and requirements of the legislation remains outstanding and as a result the programme and workstreams remain flexible in the development of options.</p> <p>Over the year we have undertaken stakeholder engagement, involving influencing the government and EU, and starting to reform the EU regulators' network.</p>	<p>Continued delivery of workstreams against programme plan in 2015-16 with implementation of English language requirements in early 2016 ahead of the full implementation of the Directive.</p>

Corporate objective 2: We will set evidence-based and accessible standards of education and practice. We will assure the quality of education programmes for nurses and midwives and the quality of supervision of midwives, so that we can be sure that everyone on our register is fit to practise.					
Ref	Activity for 2014-2015	RAG for the year	Q4 update <i>Brief outline of what happened in Q4 and any key issues</i>	Review of the year <i>1. Highlights/achievements/setbacks 2. Contribution to meeting external commitments and PSA Standards of Good Regulation</i>	Next steps <i>If work wasn't completed, why wasn't it? Will it continue into the next year? When will it be completed?</i>
2.1	<p>Consult on, refine and publish evidence about our model for revalidation of nurses and midwives.</p> <p><i>Francis action 8</i></p> <p><i>PSA Standard not met – Education and Training 2</i></p>	G	<p>During Q4, the revalidation pilot was set up in 19 participating organisations. The aim of the revalidation pilot is to test the NMC revalidation model and processes to feed into the overall assessment of readiness to proceed with full rollout in 2016. During Q4, a number of research activities were planned to meet this aim, including work by Ipsos MORI on the registrant experience of the revalidation pilot; a cost benefit analysis and readiness assessment by KPMG.</p> <p>We have commissioned an external provider to develop material and deliver sessions across the four countries on revalidation. Sessions involving 180 nurses and midwives took place during this period and positive feedback was received.</p>	Parts 1 and 2 of the consultation on revalidation and the Code were successfully completed. The revalidation model was revised in light of the findings from the consultation and evidence reports on revalidation and the Code were published and presented to the Council.	<p>The Ipsos MORI and KPMG work is on track to be completed at the end of July 2015. An evidence report bringing together the strands of the report will be prepared and presented to the Council in October 2015.</p> <p>More sessions on revalidation are planned to be delivered to nurses and midwives across the four countries within the first quarter of 2015-16.</p>
2.2	Develop and publish a revised Code and standards for practice	G	Provisional guidance for revalidation has been developed and published online.	Publication of the provisional guidance for revalidation supports the wider objectives around the Code and revalidation and also	The provisional guidance for revalidation was published. The final version of the guidance will

	<p>supported by guidance on revalidation.</p> <p><i>Francis actions 5 and 8</i></p> <p><i>PSA intended to follow up for 2014–2015</i></p>	A	<p>A revised Code was approved by the Council in December 2014, published in January 2015 and came into effect on 31 March 2015.</p> <p>This was supported by new guidance on social media and updated guidance on raising concerns, both of which were also published on 31 March 2015.</p> <p>Draft revalidation guidance was approved by the Council in January 2015 and is now being tested in the revalidation pilots.</p>	<p>demonstrates progress towards the launch of revalidation by October 2015.</p> <p>Publication of the revised Code was a highlight and met one of the organisation's key targets for the year. It was achieved to time and budget.</p> <p>Publication of the new Code and the fact that it now focuses on issues such as 'fundamentals of care', the duty of candour, delegation and raising concerns, meets commitments made in response to a number of reports such as Francis and the Liverpool Care Pathway.</p> <p>Publication of guidance on social media and social networking fulfils pledges we made that such guidance would be produced during the consultation exercises on the new Code.</p>	<p>be published in October 2015, subject to the Council's decision.</p> <p>Following feedback on our communications we are also publishing material to support the guidance which will be available on our website. This includes material such as case studies, decision trees and visuals.</p> <p>The Code will be subject to a post-implementation review in 2015-16.</p>
2.3	<p>Develop and publish guidance on the duty of candour.</p>	A	<p>Joint guidance on the professional duty of candour was developed in conjunction with General Medical Council (GMC) colleagues.</p> <p>In discussion with the GMC the launch of the guidance was rescheduled to allow further stakeholder engagement and to avoid the General Election period when communication would be more challenging.</p>	<p>Publication of joint guidance on candour will fulfil a pledge given in response to recommendations made by Francis.</p>	<p>This guidance will now be published in June 2015.</p>
2.4	<p>Review our current model of midwifery regulation to ensure that it is fit for purpose.</p>	G	<p>The King's Fund completed its review of midwifery regulation and made its recommendations to the Council in January 2015. It has recommended that the</p>	<p>Completion of the King's Fund Review. The Council accepted the recommendation for change and received a positive response for doing so from a number of key partners.</p>	<p>Continued engagement with DH to progress legislative change.</p> <p>Continued engagement with stakeholders to support the</p>

	<i>PSA intended to follow up for 2014–2015</i>		<p>unique extra layer of regulation for midwives in our legislation is removed. This recommendation was accepted by the Council.</p> <p>The Council has formally made its request to the Department of Health (DH) and been informed that the earliest opportunity will be following the election. We are engaging with DH and the Chief Nursing Officers (CNOs) to explore transition arrangements and have drafted interim amendments to the midwives rules and standards (MRS).</p>	<p>Interim amendments to MRS have been drafted and checked by lawyers. They are being reviewed by Midwifery Committee in April 2015 and we envisage launching a consultation after the General Election.</p> <p>Involvement in the DH/CNO process to consider next steps for supervision, which will result in proposals to the Secretary of State in July 2015.</p>	<p>transition of supervisory arrangements.</p> <p>Implementation of interim arrangements to increase our direct control in regulatory investigation and sanction.</p> <p>The QA of LSAs framework will be strengthened until legislative change takes effect.</p> <p>Communication and engagement to support continuity and clarity until change occurs.</p>
2.5	Monitor and review our framework for the quality assurance of nursing and midwifery education to ensure that it is fit for purpose.	G	<p>We reviewed our quality assurance (QA) framework in October 2014 and refined our risk-based model.</p> <p>Monitoring visits concluded on time at the end of March 2015. We will analyse the findings and report to the Midwifery Committee and the Education Advisory Group.</p>	<p>Early feedback from the PSA has been positive around how we managed the extraordinary review in Guernsey and escalated concerns to other regulators.</p> <p>The first year of the QA framework has been constructive in framing our activity for this year and will continue to inform ongoing work in this area.</p> <p>The internal audit of the QA function by our auditors resulted in a green rating in terms of its purpose, process and contract management.</p>	<p>The findings will inform criteria for selection for 2015-2016 and will be reported formally within our QA framework annual report.</p>
2.6	Develop a new education strategy. <i>Francis action 6</i>	G	<p>Five UK wide education listening events took place across the four countries. The events helped to raise awareness of the NMC's education function as well as incorporate stakeholder views in the development of the</p>	<p>A draft Education Strategy was presented to the Education Advisory Group in Q3.</p> <p>Recommendations were made and are currently being fed into the development of an education strategic delivery plan. This is in line with the NMC corporate strategy approved by</p>	<p>An Education Board is being established from April 2015 with full project management arrangements in place. Representatives from across the organisation are involved.</p>

			education strategic delivery plan.	the Council in March 2015.	An analysis report of the data collected at the listening events will be prepared and submitted to the Education Board.
2.7	Evaluate our pre-registration nursing and midwifery standards. <i>Francis action 6</i>	G	The evaluation of our pre-registration education standards proceeded as planned. An interim report was received from the external provider carrying out the evaluation on our behalf in February 2015 and the final evaluation report is due in the autumn of 2015. The findings and recommendations of this evaluation will feed into the review of pre-registration midwifery standards which will commence later in the year.	Publication of the interim report was delivered by IFF (external provider) on time. Reviewing our pre-registration education standards is a Francis commitment. Ensuring that any new standards focus on the fundamentals of care and treatment of those in the last days and hours of life will meet a Liverpool Care Pathway commitment. Focusing in particular on our pre-registration midwifery education standards as a matter of priority in 2015-16 will meet commitments given in the light of midwifery issues highlighted in the past year, including those from Guernsey, the Kirkup enquiry and the King's Fund report.	The final evaluation report is due from IFF in November 2015. The findings and recommendations of this evaluation will feed into the review of pre-registration midwifery standards which will commence later in the year. Work on pre-registration nursing standards will take place in 2016-17.

Corporate objective 3: We will take swift and fair action to deal with individuals whose integrity or ability to provide safe care is questioned, so that the public can have confidence in the quality and standards of care provided by nurses and midwives.

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3.1	Continue to review our fitness to practise processes to improve efficiency, speed, quality, proportionality, fairness and learning. <i>Francis action 2 PSA Standards not met –</i>	G	Performance against the Adjudication KPI remains high following closure of significant case volumes in Q3.	The Adjudication KPI was met and steady performance was achieved against the Investigation KPI in Q4. As reported to the Audit Committee in February 2015, we have a quality management framework in place which enables us to identify improvements and	In 2015-16, our focus will move to the 15 month end-to-end KPI and we will continue to focus on quality and proportionality throughout the FtP process. We have established a quality management working group, will review our current quality

	<i>FtP 6 and 8 PSA Standards inconsistent – FtP 4 and 5</i>			track progress.	checking arrangements, and will introduce a system for reporting on quality management.
3.2	Review and implement changes to our scheduling to ensure we are efficient with our resources.	G	<p>The Senior Leadership Team in FtP and Representative bodies agreed to the extension of directive scheduling.</p> <p>This has allowed resource to be moved to other areas of the business whilst sustaining performance.</p>	<p>Scheduling is linked to known availability of panel members driving more efficient use of resources.</p> <p>Scheduling and Panel Support teams were co-located at the new hearing centre enabling more effective team working and reducing risk. Significant cost savings resultant from interim order (IO) reviews are now being completed as stored work rather than scheduled events.</p>	
3.3	<p>Deliver a new investigations model.</p> <p><i>PSA Standard not met – FtP 6 PSA Standard inconsistent – FtP 4</i></p>	G	<p>The following activity took place in Q4:</p> <ul style="list-style-type: none"> • Proportionality refresher workshops. • Pre Allocation Assessment trial started which will assist with proportionality, identification and action of alternative disposals. • Early engagement workshops delivered to majority of staff. • Accreditation further progressed, team structures reviewed to enable legal team to become more involved in investigation. 	<p>We have delivered the new investigation model which has resulted in:</p> <ul style="list-style-type: none"> • Increased throughput from experienced staff together with quality improvements. • Improved screening closure rate. • Staff development, subsequent multi skilled staff contribution and succession plan success. • Improved capability of legal team. • Improved ability to deal with volume increases. <p>We recognise that there are further enhancements to make in quality and throughput. High staff turnover was a limiting factor in 2014-15.</p>	We have put in place additional resources through the business planning and budgeting process to ensure that we make further enhancements in 2015-16.
3.4	Subject to legislative change, introduce case examiners to improve the	G	We delivered the Rules to enable case examiners, reviewing no case to answer	<p>Delivery of legislation.</p> <p>Case examiners are now operational and</p>	The legislation workstream is complete.

	<p>timeliness, consistency and quality of early-stage decision making.</p> <p><i>Francis action 7</i></p> <p><i>PSA Standards not met – FtP 6 and 8</i></p> <p><i>PSA Standards inconsistent – FtP 4 and 5</i></p>		<p>decisions, changes to the composition of registration appeals panels, clarifying our ability to strike off, requesting and disclosing PII information and the ability to collect payment of the registration fee in instalments, to be implemented on time.</p> <p>Recruitment, induction and training of the first group of case examiners were completed. Assistant registrars were trained in the power to review process which came into effect on 9 March 2015 at the same time as case examiners.</p>	<p>deciding on whether registrants have a case to answer against an allegation that their FtP is impaired.</p> <p>The successful implementation of case examiners and the power to review is a significant achievement that will contribute to improvements in quality and timeliness of our processes.</p>	<p>The development of case examiners and power to review cases will be closely monitored.</p>
3.5	<p>Improve the quality of decision making by capturing learning points to inform guidance and training and to create a culture of continuous improvement.</p> <p><i>PSA Standard not met – FtP 8</i></p>	G	<p>Our decision review group (DRG) has continued to meet to review cases and has identified learning for panel members, legal assessors, and staff.</p> <p>Panel Support Team restructure was agreed, with the team refocused on its core purpose of ensuring quality decision making.</p>	<p>DRG feedback informed all aspects of the 2014 training programme for panel members.</p> <p>The Service Quality Team provides regular learning trends analysis which is disseminated to teams.</p> <p>Consensual panel determination (CPD) and local supervising authority midwifery officer (LSAMO) training videos have been released to panel members in response to identified learning needs.</p>	<p>Securing further improvements to the quality of decision-making remains a priority for 2015-16.</p>

3.6	<p>Implement changes to our case management system leading to greater efficiencies.</p>	G	<p>All components completed and delivered from the software development company to NMC.</p> <p>Functional testing was completed.</p> <p>Component 1 and reporting for Case examiners was implemented.</p> <p>Development of workstreams and alerts (software configuration) underway.</p> <p>Change Champions received full case management system (CMS) training to aid “super-user” status.</p>	<p>Highlights:</p> <ul style="list-style-type: none"> • Cases examiner functionality was rolled out. • Development of a process for implementation of CMS upgrade (4.0) successful with no disruption to our business as usual work. Process successfully adopted for other ICT upgrades. • Improvements in relationship with third party supplier resulting in earlier delivery of all V4.1 components. 	<p>Additional process mapping will be carried out and the next phases of CMS improvements rolled out.</p>
3.7	<p>Deliver a programme of customer service improvements based on feedback from our customers.</p> <p><i>Francis action 4</i></p> <p><i>PSA Standard not met – FtP 7</i></p>	G	<p>Pre and post hearing support is in place for witnesses.</p> <p>Established links with regulators and charities to ensure advice and information is available for witnesses.</p> <p>Witness facilities at Aldwych were improved to mirror those available at our Stratford and Edinburgh offices.</p>	<p>Positive feedback on changes made to witness facilities at all our main sites from users and employers.</p> <p>Relationships established with charities and regulators to share best practice.</p>	<p>Witness support will be extended so it is available to witnesses at every stage of the Fitness to Practise process.</p> <p>Extension of support services to registrant nurses and midwives who are subject to Fitness to Practise proceedings.</p> <p>The corporate customer service excellence project will continue into 2015-16.</p>
3.8	<p>Develop new and improved processes in accordance with changes to the legal framework.</p>	G	<p>Developed processes and accompanying guidance in following areas:</p> <ul style="list-style-type: none"> • Power to review no case to 	<p>We were able to take full advantage of the legislative change. This has led to the introduction of case examiners and a process to review no case to answer decisions, removal of restrictions on striking off</p>	<p>There are still areas where further IT developments are required to ensure that the modifications to process are properly reflected in our case management system.</p>

	<i>Francis action 7</i>		<p>answer decisions.</p> <ul style="list-style-type: none"> • Introduction of case examiners. • Modifications to incorrect / fraudulent entry allegations. <p>Please also see 3.4 above.</p>	<p>registrants in health and lack of competence cases, and a more streamlined incorrect/fraudulent entry process. We have also developed a process to allow us to take action against registrants who practise without professional indemnity insurance. All of the above changes mean that we are better placed to concentrate on matters relating to public protection.</p>	
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GOAL 2: Open and effective relationships

Corporate objective 4: We will maintain open and effective regulatory relationships with patients and the public, other regulators, employers, parliamentarians and the professions. This will help us positively influence the behaviour of nurses and midwives to make the care of people their first concern, treat them as individuals, and respect their dignity.

Ref	Activity for 2014-2015	RAG for the year	Q4 update <i>Brief outline of what happened in Q4 and any key issues</i>	Review of the year <i>1. Highlights/achievements/setbacks 2. Contribution to meeting external commitments and PSA Standards of Good Regulation</i>	Next steps <i>If work wasn't completed, why wasn't it? Will it continue into the next year? When will it be completed?</i>
4.1	<p>Improve our UK-wide understanding and engagement.</p> <p><i>Francis action 1</i></p>	G	<p>Attended the Health and Social Care Scottish regulators liaison group.</p> <p>Co-hosted a reception with other regulators in the Welsh Assembly.</p> <p>We have engaged with forums such as RQSG and the Welsh Concordat, along with AURE, the public health specialists working group and a number of DH, BIS and EC forums. We have started proceedings to re-establish the EU regulators network.</p>	<p>We undertook a review of engagement in Scotland, Wales and Northern Ireland.</p> <p>We supported the establishment of revalidation programme boards in all four countries.</p> <p>We had a successful Council meeting and programme of engagement in Edinburgh.</p>	<p>We will continue to engage with these groups and re-establish the EU regulators network.</p> <p>We will take forward the engagement review.</p>

4.2	<p>Strengthen our approach to patient and public engagement across the four countries of the UK.</p> <p><i>Francis action 1</i></p> <p><i>PSA Standard not met – Registration 3</i></p>	G	<p>Directors approved a new strategy for the public and patient advisory group (PPAG), which will set up groups in Northern Ireland and Wales, at which point the UK meetings will become England meetings.</p>	<p>We launched a PPAG in Scotland which met twice.</p> <p>The PPAG contributed significantly on two projects; the co-production of a public facing “raising concerns” leaflet and significant input on the revised Code.</p> <p>There has been substantial four nations engagement on midwifery regulation through 2014-15 and this continues.</p>	<p>We will be setting up a patient and public advisory group in Wales and Northern Ireland in 2015-16.</p>
4.3	<p>Learn through engagement about how senior nurses and senior midwives can contribute to our communications.</p>	G	<p>The Professionals’ Strategic Advisory Group (PSAG) met in January 2015.</p>	<p>We set up PSAG – the Professionals’ Strategic Advisory Group, which has met four times. This group has been closely involved in shaping the Code campaign and members have exemplified good practice in promoting the Code within their networks. They have also provided advice on the communication of other key developments including revalidation and forthcoming changes to the framework for EU applicants to the register.</p> <p>We increased our email communication with directors of nursing this year and improved our understanding and use of Twitter as a medium for engagement with senior leaders.</p>	<p>We will use the learning from the Code campaign in our communications approach with senior registrants to revalidation.</p>
4.4	<p>Develop a model to provide improved regional employer liaison and advice.</p> <p><i>Francis action 2</i></p>	G	<p>The set-up phase commenced in January 2015 as planned. A full business case was approved subject to outcomes of the set-up and soft launch phases.</p>	<p>The model design phase was completed on time with the recommendation of a centrally located service. This was agreed and a business case for the set-up phase was approved soon after (in Q4).</p>	<p>Implementation will continue as per the plan with reviews and decision points after each phase.</p>
4.5	<p>Engage proactively with developments and inquiries in the healthcare landscape and swiftly respond.</p>	G	<p>We have reviewed and responded to the Kirkup investigation, and repeated our call for progression of the Law Commission Bill to enable us to</p>	<p>Please see 2.4 above on the review of midwifery regulation.</p> <p>Worked with Department of Health on the introduction of new protection for student</p>	<p>Shape of Caring response.</p> <p>Policy development and engagement in preparation for new obligations on whistleblowing</p>

			<p>better protect the public. We have reviewed and internally assessed the latest tranche of Jimmy Saville reports. We have supported DH in the introduction of new whistle-blowing protection for student nurses and midwives.</p> <p>Effective co-sponsorship with the Shape of Caring review, commended widely by stakeholders.</p> <p>Building on our participation in the English RQSG we have been proactive in our follow up of settings causing concern.</p> <p>We have started work in response to the independent panel inquiry into Gosport Hospital.</p>	<p>nurses and midwives.</p> <p>Effective alignment of the Liverpool Care Pathway (LCP) recommendations and the NMC Code as part of the work of the LCP alliance.</p> <p>We have also been proactively engaged in cross-regulatory work on human factors, cosmetic interventions, hydration and nutrition and guidance on abortion.</p>	<p>and female genital mutilation (FGM) reporting.</p> <p>Contribution to the NHS England maternity review.</p>
4.6	<p>Explore ways in which we can assess the impact and effectiveness of our activities to raise awareness and understanding of our role.</p> <p><i>PSA Standard not met – Registration 3</i></p>	G	<p>We tendered for a first tranche of perceptions work and IPSOS MORI has now started that work. Stakeholder workshops took place in Q4.</p>	<p>We have commissioned a preliminary piece of stakeholder perceptions work, focused on the public, registrants and employers. We will use this work to establish a baseline for other related research.</p>	<p>This objective as framed is multifaceted and while we have explored ways to assess impact and effectiveness, we need to develop comprehensive programmes around effectiveness and awareness. We will undertake our first comprehensive student survey in 2015-16.</p>
4.7	<p>Promote understanding of our case for legislative change.</p>	G	<p>We briefed MPs ahead of fee debate on the Law Commissions changes and the impact these would have on future fee rises.</p>	<p>We met with 15 individual politicians to discuss legislative change.</p> <p>There were 50 parliamentary mentions of fundamental changes to regulatory legislation</p>	<p>This work will be ongoing into 2015-16 until a decision is made by the next government whether and if so, when, to introduce a draft Bill or allow other legislative</p>

			<p>We wrote to every party leader asking for a manifesto commitment.</p> <p>We provided briefings ahead of the Lords second reading on the Health and Social Care Quality Bill.</p> <p>We responded to the publication of the Government's response to the Law Commissions with the publication of a joint letter with key partners from patient and public groups, unions and professional bodies and others from the health economy.</p>	<p>on 24 different occasions, attributable to our work. This represented 71% of mentions of the Law Commissions Bill in Parliament. Following conversations with the Labour health team, a commitment to bringing forward the Bill was included in the Labour party manifesto.</p> <p>Our paper - <i>Better Legislation for Better Regulation</i> was published in October 2014 highlighting our specific need for new legislation.</p> <p>Two of the three main parties have recently included commitments to new legislation in their manifestos.</p>	change.
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Corporate objective 5: We will develop and maintain constructive and responsive communications so that people are well informed about the standards of care they should expect from nurses and midwives, and our role when standards are not met.

Ref	Activity for 2014-2015	RAG for the year	Q4 update <i>Brief outline of what happened in Q4 and any key issues</i>	Review of the year <i>1. Highlights/achievements/setbacks 2. Contribution to meeting external commitments and PSA Standards of Good Regulation</i>	Next steps <i>If work wasn't completed, why wasn't it? Will it continue into the next year? When will it be completed?</i>
5.1	Continue to keep stakeholders up to date on our progress and be honest about the improvements we still have to make.	G	<p>Our external newsletters continue to be published each month, updating stakeholders on our activities.</p> <p>As an important stakeholder group, the staff development day provided an opportunity for staff to reflect on progress and understand strategic priorities. It received very positive feedback.</p>	<p>In Q4 we published the Code, promoting it across all communications channels to all audiences. This was very well received and will provide a template for similar campaigns in 2015/2016.</p> <p>The KPMG report on progress with PSA strategic review recommendations was widely promoted and positively received.</p>	<p>Objective was delivered as framed.</p> <p>In 2015/2016 we will be developing a comprehensive communication programme to support our strategic priority in this area.</p>

5.2	<p>Launch our refreshed website to meet the needs of the public, and nurses and midwives.</p> <p><i>Francis action 1</i></p>	A	<p>Significant progress was made preparing the new website during Q4, with it successfully launching on 9 April.</p>	<p>The website development project has been a success with many improvements to design and functionality and a high degree of user involvement in shaping and testing the new site.</p>	<p>This is rated amber only in that we narrowly missed launching the website in Q4.</p> <p>Next steps are to exploit the functionality of the new site and maintain it more diligently than the previous version to ensure it will give us a good platform for future initiatives.</p>
5.3	<p>Improve materials which explain our role to the public.</p> <p><i>Francis action 1</i></p> <p><i>PSA Standard not met – Registration 3</i></p>	G	<p>We have updated the consolidated versions of our legislation on our web page, following the implementation of legislation changes we have secured.</p> <p>The new website has enhanced 'about us' pages that are clearer about our role.</p>	<p>Comprehensive review and restructure of the legislation pages on the website.</p> <p>Public leaflet about our role and how to raise concerns.</p> <p>Public leaflet about the education of nurses and midwives and our role.</p> <p>Public and easy read versions of the Code.</p>	
5.4	<p>Promote the revised Code as a resource for patients and the public in understanding what they can expect from nurses and midwives.</p> <p><i>Francis actions 1 and 5</i></p>	G	<p>Crystal marks were obtained for the Code and the public facing resource.</p> <p>Collaboration with PPAG on the public facing resource. We also produced an easy-read version of the same leaflet. Both are published on the website.</p>	<p>The revised Code was accompanied by material aimed at patients and the public, setting out what they should expect from a nurse or midwife.</p> <p>When it was launched, the new Code was widely promoted to a range of stakeholder groups in a number of ways. We undertook extensive media coverage of the revised Code with a potential audience reach of 31 million.</p>	<p>The further campaign for the public-facing materials will be in Q1 2015-2016, following the purdah prior to the election.</p> <p>We will continue to promote the new Code and how it can be used as a resource by patients and the public at every opportunity.</p>
5.5	<p>Enhance our digital presence through increased online services and extend our use of social media.</p>	G	<p>Both the Code and a range of supporting materials were published on the website on 29 January. That day we also sent close to 100,000 promotional</p>	<p>The Facebook page was successfully re-conceived to focus on the Code.</p> <p>Our Facebook and Twitter accounts hosted a daily countdown to the Code.</p>	<p>Next directions for the NMC Facebook page.</p> <p>Enhanced presence on LinkedIn.</p>

			<p>emails to launch the Code.</p> <p>The Code was very successfully launched across all our (predominantly digital) channels and to all our audiences.</p> <p>Substantial and extended use of social media took place around the publication of the Code.</p> <p>NMC Online was promoted to all registrants with the encouragement to sign up now in readiness for revalidation.</p> <p>Social media was also widely used to promote the education listening events held in February and March 2015. Live tweets were encouraged during the day and promoted by staff at the events.</p>	<p>The hashtags #NewCode and #NMCCodeselfie were tweeted and retweeted regularly and over 200 registrants posted pictures of themselves with the new Code.</p> <p>The new website gives more prominence to user services.</p>	<p>Consideration of impact of NMC Online on routine communications with registrants.</p> <p>Monitor user engagement with our web-based services.</p>
5.6	Review and develop the content, promotion and distribution of our public e-newsletters.	G	The newsletters were subject to ongoing review. We sent specific Code-focused emails to all subscribers on the publication date.	Newsletters were enhanced month-on-month through the year, with increased subscribes for all external newsletters.	
5.7	Use plain English in all our public-facing materials.	G	All website content was edited for plain English as part of the relaunch work. The Code and the public-facing Code resource both acquired crystal marks for plain English.		A crystal mark for the website will be sought.

Corporate objective 6: We will improve the collection and use of our both own data and intelligence from other sources, and share what we know with other regulators and relevant partner organisations to improve public protection.

Ref	Activity for 2014-2015	RAG for the year	Q4 update <i>Brief outline of what happened in Q4 and any key issues</i>	Review of the year <i>1. Highlights/achievements/setbacks 2. Contribution to meeting external commitments and PSA Standards of Good Regulation</i>	Next steps <i>If work wasn't completed, why wasn't it? Will it continue into the next year? When will it be completed?</i>
6.1	<p>Improve the quality and completeness of data available to enable evidence-based regulation.</p> <p><i>PSA Standard not met - Education and training 2</i></p>	R	<p>We recruited a Data Manager.</p> <p>The Data Steering Group has met.</p> <p>Two FtP data research projects were agreed.</p>	<p>Improvements to our data quality and utility are understood to be important. This activity is red rated because we did not make the progress we hoped this year for a number of reasons:</p> <ul style="list-style-type: none"> Recruitment slipped from Q2 to Q4. The data steering group was convened in Q3, later than hoped. Ongoing programme for improvements in our IT mean that we are not yet ready to make progress towards a single database. 	<p>We will establish a realistic pace and scope for our data improvement work. This will include work to assess and, where needed, improve the quality of our existing data. Other projects such as establishing the Employer Link Service (ELS) will help improve our understanding of how we can use our data better. We will decide how best to organise our capabilities for data improvement appropriately.</p>
6.2	<p>Build risk and intelligence capabilities, aligned with a research and evidence function, so that we can identify potential issues and risks to patients.</p> <p><i>PSA Standard not met - Education and training 2</i></p>	A	<p>We have agreed to build this capability alongside development of the Employer Link Service (see 4.4).</p> <p>Some progress was made toward development of a Strategic Relationships Management (SRM) system which in time would allow us to capture information about settings.</p>	<p>See above.</p> <p>The SRM was due to be delivered in Q1 of 2014-15 and is outstanding at the end of Q4.</p> <p>We have been attending regional quality surveillance groups across England and participating in risk summits about specific settings as required.</p>	<p>The data manager will review and start work on the data improvement plan.</p> <p>Development of a risk intelligence capability co-located with the Employer Link service (ELS).</p>
6.3	<p>Continue to develop a programme of collaborative work with other regulators and</p>	A	<p>Memorandum of Understanding (MoU) with Care Council Wales (CCW) and Healthcare Inspectorate Wales (HIW).</p>	<p>We developed or reviewed MoUs with:</p> <ul style="list-style-type: none"> NHS Education Scotland Disclosure and Barring Service CCW 	<p>This is amber for two reasons:</p> <ul style="list-style-type: none"> we have more to do to ensure NMC staff share information

	<p>organisations so that we can improve our joint working and intelligence-sharing arrangements to help identify and act on risks to patients.</p> <p><i>Francis action 3</i></p>		<p>Engagement with the Health and Safety Executive and HIS.</p> <p>Consultation on joint guidance on candour with GMC.</p> <p>Met with HIW.</p>	<ul style="list-style-type: none"> • TDA • HEE • HIW <p>Over the year we initiated discussions on joint work with:</p> <ul style="list-style-type: none"> • HIS • Health and Safety Executive <p>We are refreshing our MoU with NHS Protect.</p>	<p>as required.</p> <ul style="list-style-type: none"> • the state of our data means we cannot meet expectations of some of our partners around information sharing. <p>We will embed MoUs.</p> <p>We will develop a risk intelligence approach alongside the ELS.</p> <p>We will complete MoUs with HIS and HSE.</p> <p>We will initiate an MoU with RQIA.</p> <p>Q1 meeting with GMC and CQC on the implications of the fit and proper persons test.</p>
6.4	<p>Develop and deliver a robust evaluation model to support our understanding of the effects of our interventions and standards.</p>	R		<p>We commissioned an evaluation of the pre-registration nursing and midwifery standards during 2014/2015 (due to report in November 2015).</p> <p>We have begun a commissioning process for a qualitative perceptions survey to inform our future approach to evaluation.</p>	<p>This objective has been rated as red because we have not delivered it as described in the 2014/2015 business plan although we have undertaken evaluation work. Our thinking has evolved towards the concept of an evaluation programme rather than a single model. We will be commissioning further function-specific research in 2015/2016 and we will define further how we will address evaluation as part of the Use of Intelligence theme in the 2015/2016 Corporate Plan.</p>

GOAL 3: Services, systems and staff

Corporate objective 7: We will promote equality and diversity in carrying out our functions and in delivering our services as a regulator and as an employer.

Ref	Activity for 2014-2015	RAG for the year	Q4 update <i>Brief outline of what happened in Q4 and any key issues</i>	Review of the year <i>1. Highlights/achievements/setbacks 2. Contribution to meeting external commitments and PSA Standards of Good Regulation</i>	Next steps <i>If work wasn't completed, why wasn't it? Will it continue into the next year? When will it be completed?</i>
7.1	Implement a revised equality and diversity strategy across the organisation.	A	The corporate Strategy 2015-2020 was agreed by the Council in March 2015. The Council welcomed the inclusion of equality and diversity in the Strategy.	<p>Equality and diversity commitments are set out in the approved corporate Strategy 2015-2020, stating our ambitions for equality and diversity from 2015 in relation to supporting staff and to improving our regulatory functions and services.</p> <p>Our original intention was to produce a revised equality and diversity strategy this year and a first draft was developed in Q2. But an executive decision was later taken in Q3 to integrate our strategic level equality and diversity commitments into the corporate Strategy. The amber rating here reflects that we did not implement a revised strategy but instead developed strategic commitments as part of the corporate Strategy and continued to undertake work to fulfil our 2014-15 equality objectives action plan.</p>	An equality objectives action plan 2015-16 is being finalised, which will state in more detail how we intend to fulfil our strategic commitments. This will supersede the 2014-15 plan.
7.2	Improve our methods of collecting and analysing data about the diversity of nurses and midwives on our register and fitness to practise outcomes.	A	<p>We have integrated our revised diversity questionnaire with our online registrations system (NMC Online).</p> <p>The questionnaire was revised and redeveloped in conjunction with the Equality and Human Rights Commission's (EHRC) guidance on <i>Equality</i></p>	A revised diversity questionnaire has been integrated into NMC Online, with the aim of improving the method of collection and the quality of our diversity data.	This is rated amber to reflect that while we have improved the data collection, we must continue to proactively encourage registrants to provide diversity data in order to improve the quantity and quality of the new diversity data set. This will support improving our analysis of the data.

			<i>information and the equality duty: A guide for public authorities</i> and includes two additional questions which relate to national identity and gender reassignment.		
7.3	Analyse our activities, services and functions to see how they affect diverse groups.	A	We analysed feedback from witnesses with regard to their experience of FtP. The data collected from our online witness feedback forms between February 2014 and January 2015 suggest that, overall, we are performing adequately in terms of witness care, and a visible trend of increased customer satisfaction was observed over the period analysed.	<p>We have focused on improving the experience of witnesses in our FtP process, gathering quantitative and qualitative data to better understand their experience, for example, in relation to reasonable adjustments.</p> <p>As a result, we have provided support to distressed and anxious witnesses during, before and after they give evidence.</p> <p>We have provided one to one support for vulnerable witnesses with special measures by explaining the hearings process, addressing any concerns or queries.</p>	<p>This activity is rated amber because we still need to do more to further our understanding of the effects of our work on various groups.</p> <p>We will commission research during 2015-2016 to increase our understanding of the experience of BME registrants in our FtP processes.</p>
7.4	Deliver quality services relevant to the needs of diverse groups and communities.	G	<p>The new reasonable adjustment policy was agreed in March 2015.</p> <p>The scope of the policy was to ensure consistency for all participants in FtP so, for example, they can request adjustments at every step of the process from referral to appeal. This is to ensure that referrers have access to good quality information about what is involved in each step of the FtP process.</p>	<p>We worked in partnership with the Business Disability Forum, a best practice organisation for disability related issues, to develop the new reasonable adjustment policy.</p> <p>Training on the new policy has been provided to ensure that key colleagues, across the organisation, are knowledgeable and confident about how the adjustment processes work and their role/s within it.</p> <p>The development of the reasonable adjustment policy will help to improve our customer services and engagement with people with disabilities.</p>	We will continue to embed the new reasonable adjustment policy into our processes to improve our engagement and customer services for people with disabilities.

			<p>Consequently, this will equip employees (particularly front line employees) with advice and guidance so they are skilled and confident in all their interactions with disabled people and consistent in how they address requests for adjustments.</p>		
7.5	<p>Ensure that our staff and partners are aware of their accountabilities and responsibilities in relation to equality and diversity.</p>	G	<p>During Q4, three full day equality and diversity workshops took place for 45 employees. Evaluations were provided by 51% of attendees (23), of these 71% considered the 'overall assessment' of the course as 'excellent' with 26% 'good' and 3% 'satisfactory'. A further four workshops are scheduled for Q1 2015-16 (three in London, one in Edinburgh).</p> <p>An in-house training session was piloted to assist staff who deal with witnesses / registrants who may be emotional, vulnerable or have mental health issues. The course content was designed by FtP and Learning and Development staff and the external trainer who delivered the course. Two sessions were piloted in London, with a further session in Edinburgh planned for April 2015. Initial feedback has been extremely positive and further sessions for FtP and Registration staff are being</p>	<p>Mandatory equality and diversity training has been included as part of the staff induction process and this involves e-learning and face-to-face training. The training content was reviewed during the year, with input from staff.</p> <p>The face-to-face training we provide for staff is a full day workshop and we conduct evaluations of each session. Most people who completed an evaluation regarded the workshop as 'excellent'.</p> <p>The staff intranet (iNet) webpages have been revised to remind and inform staff of our equality and diversity duties and the policies and procedures we have in place to promote an inclusive work environment. The webpages also inform staff about Equality and Diversity Steering Group activities and include meeting agendas and minutes.</p> <p>Online access to Welsh language training has been provided to all staff and this has been communicated widely via the 'Insider Weekly' staff newsletter. The two links provide access to introductory, intermediate and advance level; both provide audio facilities making the learning experience more accessible.</p>	<p>Monthly face to face training sessions will continue, and evaluations will be monitored closely to ensure quality remains high.</p> <p>Compliance for e-learning will continue to be monitored to ensure 100% completion rates.</p> <p>A series of bitesize "lunch and learn" sessions covering different equality and diversity topics are planned for Q1 onwards. These are being designed in collaboration with the equality and diversity champions across the organisation who will deliver the sessions with support from Learning and Development.</p>

			planned.	There is now a stronger focus on respecting and upholding diversity and equality in the new Code for nurses and midwives.	
7.6	Continue to work in partnership with diverse groups and external diversity experts to inform our work.	G	Our work on the Code included specific focus on minority and seldom-heard groups as part of the qualitative work carried out in part 2 of the consultation exercise. The Code was also reviewed by a diversity expert as part of the drafting process.	<p>We continue to work in partnership with Race for Opportunity and Stonewall, using their expertise to help us understand key issues which affect Black, Asian and Minority Ethnic (BAME) and lesbian, gay and bi-sexual members of staff and service users and to attract BAME and LGB applicants for future Council and Committee member, FtP panellist and staff posts.</p> <p>We also continue to work in partnership with the Equality, Human Rights Commission to ensure equality and human rights remain a priority in our business activities.</p> <p>We are working in partnership with the Welsh Language Commissioner, and UK healthcare regulators and Welsh public healthcare bodies. We regularly meet to discuss operational challenges. We also share best practice ideas on how to embed the potential outcomes of the Welsh Language Standards, once they are agreed by the Welsh Language Commissioner.</p>	We will continue to work in partnership with diverse groups and external diversity experts.
7.7	Improve our governance processes to support the delivery of equality and inclusion.	G	The Equality and Diversity Steering Group met on 12 March 2015.	The Equality and Diversity Steering Group was formally established as a sub-committee of the Executive Board. The work of the Group, comprising 15 staff members and chaired by a director, has assisted in the improvement of our governance processes including commenting on the Strategy and business plan.	The Equality and Diversity Steering Group will monitor our equality objectives action plan 2015-2016 and ensure that the equality and diversity implications arising from work set out in the directorate business plans are addressed.

				The Group monitors performance on our compliance with our statutory obligations in equality and diversity, including the Welsh Language Standards. Members communicate our equality and diversity strategic and business developments, opportunities, challenges or changes to other group members and their colleagues.	
7.8	Demonstrate a good reputation as a fair employer and regulator.	A	A Q3 workforce report was produced and reviewed by the Executive Board. Diversity data about staff is standard in the report.	<p>We have monitored our progress against the equality objectives action plan 2014-2015. Quarterly meetings were held with directors and the Equality and Diversity Steering Group members to discuss and assess our performance against the equality objectives action plan 2014-2015.</p> <p>Reviews of policies and procedures are conducted on a cyclical basis with best practice organisations such as Stonewall and the Business Disability Forum who provide input and expertise on complex subject matters.</p> <p>Quarterly workforce reports have been produced for management and include analysis of equality and diversity data about staff.</p>	<p>We have rated this as amber because we have yet to complete an evaluation of activities carried out under this objective.</p> <p>We plan to add questions about staff perceptions on equality and diversity issues to the annual staff survey.</p>

Corporate objective 8: We will develop effective policies, efficient services and governance processes that support our staff to fulfil all our functions.

Ref	Activity for 2014-2015	RAG for the year	Q4 update <i>Brief outline of what happened in Q4 and any key issues</i>	Review of the year <i>1. Highlights/achievements/setbacks 2. Contribution to meeting external commitments and PSA Standards of Good Regulation</i>	Next steps <i>If work wasn't completed, why wasn't it? Will it continue into the next year? When will it be completed?</i>
8.1	Set a budget and long-term financial plan that	G	The budget and three year financial plan were approved by	The fee consultation and rise were implemented successfully, securing longer	The budget setting process, aligned to strategic and corporate

	support business needs and achieve our reserves targets.		<p>the Council in March. Reserves show a sustainable financial position.</p> <p>The increase in registration fee became effective and associated processes were implemented.</p> <p>Legislation was introduced to permit payment of fees by instalments.</p>	<p>term financial sustainability. The reserves target and Department of Health grant condition were delivered. Additional grant funding was secured from DH to deliver registration improvements. Legislation was introduced to permit payment of fees by instalments.</p>	<p>planning will be reviewed and evaluated as part of continuous improvement to ensure it is fit for purpose.</p>
8.2	Achieve efficiency savings through improved contracts management and procurement practice.	A	<p>Some savings were achieved through procurement exercises, for example the new legal services contracts, but a consistent and systematic way of recording and reporting is not yet in place across all contract areas.</p>	<p>Auditable procurement savings of between £650k and £1.1m (depending on volume of work commissioned) over the relevant contract periods can be evidenced. The rating is amber because we do not yet have a systematic approach to capturing savings.</p>	<p>Delivery of a procurement improvement programme to increase assurance and systematically record procurement and contract efficiencies is set for 2015, the latter being over seen by the Corporate Efficiencies Board.</p>
8.3	<p>Embed a culture of continuous learning and improvement which provides strong assurance and results in process improvements, risk reduction and efficiency savings.</p> <p><i>PSA intended to follow up effectiveness of our Quality Assurance</i></p>	R	<p>All internal audit reviews for the year have been completed with nine finalised and seven at the drafting stage.</p> <p>We have implemented Outcome 1 of the QA Strategy and designed a new QA manual/ methodology.</p> <p>The QA review of the serious event review (SER) process and database has been completed and recommendations will be made to the Executive Board. New and more concise complaints spreadsheet created</p>	<p>Complaints training commenced in 2014-15 and will continue into 2015-16.</p> <p>Complaints process was revised to introduce greater clarity on how the SER and complaints processes operate together, and the handling of complaints which concern 'live' FtP proceedings.</p> <p>The Complaints Manager provides monthly reports and regularly meets with service improvements managers in FtP and Registration directorates to discuss learning points from complaints and monitor implementation of service improvements. Moore Stephens carried out a Quality Assurance follow up review focusing on</p>	<p>This commitment is rated as red because whilst we have made good progress with putting processes in place, these need to bed in and begin to deliver value. This will be our focus for 2015–2016.</p> <p>The QA team did not complete the full set of reviews detailed in the 2014-15 QA programme, as their work to support the Outcome 1 implementation programme was prioritised by the Executive Board. We are creating E-learning programmes for complaints and</p>

			<p>has been live since January 2015 enabling better quality of data to be captured.</p> <p>A mechanism for capturing all feedback and suggestions into the Complaints team has been implemented in order to monitor trends and learning points.</p> <p>The proposed new complaints database is still awaiting development of CRM but we continue to maintain an Excel spreadsheet to monitor complaints data.</p>	<p>recommendations from previous reviews. The overall assessment was amber-green.</p> <p>The new approach set out in the QA Manual will be used for the QA programme of reviews for 2015-16.</p>	<p>SERs.</p> <p>The SER E-learning programme should be complete by August 2015 and complaints by November 2015. E-learning programmes can only be set up one at a time.</p> <p>Complaints training manual has been updated and training recommences in April 2015.</p> <p>Complaints presentations have been developed to be presented to each directorate to further embed the complaints policy and process organisationally wide.</p> <p>SER user manual is being updated for completion in Q1 2015-16.</p> <p>SE Investigation Manager training is being developed and will be rolled out in Q2 2015-16.</p>
8.4	<p>Improve the experience of all our customers when they interact with us.</p> <p><i>PSA Standards not met – Registration 2 and FtP 7</i></p>	A	<p>The approach to delivering customer service improvement was decided in September 2014 which has resulted in change to this activity. We agreed to adopt the Cabinet Office's Customer Service Excellence Standards. The project was set up in November and a supplier was selected to deliver the training and carry out initial assessment earlier this year.</p>	<p>Although work on the corporate customer service project did not start as soon as planned we have made considerable progress.</p> <p>We have:</p> <ul style="list-style-type: none"> • Set up a steering group of senior managers which sets the strategic direction • Identified a team of customer service champions from all parts of the organisation 	<p>Leading on the implementation of the Customer Service Excellence standards is one of the key focuses for the Strategy directorate in 2015-16.</p>

			<p>The first part of customer service training has been delivered to customer service 'champions' across the organisation.</p> <p>The initial assessment and remaining training is due to take place in Q1 and early Q2 of 2015-16.</p>	<ul style="list-style-type: none"> Selected an organisation to provide training and support and undertake an initial assessment against the standard Commenced training for the champions on the standard and starting collecting evidence and identifying areas for development. <p>The initial assessment which is due to be completed by early Q2 will inform the activities required to ensure the standards are achieved. We envisage that further planning will be required once this is completed.</p> <p>In addition we have made a number of improvements in customer service in many areas of the organisation, including introducing the NMC Online system.</p> <p>Over the year we endeavoured to make improvements to the experience of witnesses involved in FtP case hearings. Our hearings facilities were reviewed and adjustments made, a new Witness Liaison team and new processes were set up to enable better support for witnesses, and other existing processes have been reviewed. Evaluations and feedback from witnesses have indicated a trend of increased customer satisfaction over the year.</p>	
8.5	Ensure we are prepared for forthcoming legislative change.	G	The Corporate Legislation Adviser together with other policy and legislation colleagues across the NMC have engaged with DH and other regulators to inform the DH response to the	<p>Proportionate preparatory work in anticipation of a potential new Bill in the next parliament is underway.</p> <p>Briefing papers have been provided to DH on the SCPHN and Second Level Nursing parts</p>	This work will be ongoing into 2015-16 until a decision is made by the next government whether and if so, when, to introduce a draft Bill or allow other legislative change,

			<p>LC Report and Bill published on 29 January 2015 and its ongoing preparatory work for a draft Bill.</p> <p>We also engaged with DH on development and progress of the Lefroy Private Member's Bill. Briefing papers have been provided to DH on the SCPHN and Second Level Nursing parts of the Register.</p> <p>An internal paper scoping our Role of the Register work has been prepared. Internal impact assessment work has begun.</p>	<p>of the Register.</p> <p>An internal paper scoping our Role of the Register work has been prepared.</p> <p>Some initial cost/benefit work in relation to the most significant proposed FtP changes has been undertaken.</p> <p>Further internal impact assessment work has begun based on the DH response document and further policy discussions with DH.</p>	
8.6	<p>Redefine our Change programme to be one of transformation supporting our emerging corporate strategy.</p>	G	<p>The newly developed Strategic Development Boards started to meet in January 2015. Initial meetings concentrated on ensuring the terms of reference were agreed and the scope and remit of their work is understood.</p>	<p>The Change Management and Portfolio Board and change programme were closed following completion of the two year period and report from KPMG.</p> <p>A new programme structure has been put in place which is still evolving. Board meetings commenced from January and are beginning to shape the work that falls within their remit.</p>	<p>The strategic development programmes will be developed further during 2015-16 with strong focus on transformation. Focus will also remain on the immediate priorities that need to be delivered such as Revalidation, MRPQ, phased payments and Employer Link.</p>
8.7	<p>Continue to improve our information technology, security and governance arrangements.</p> <p><i>PSA Standards not met – FtP 10 and Registration 3 (CMS/Wiser)</i></p>	R	<p>Further progress was made against the Information Security Improvement Plan – now having completed 40 of the 51 high priority actions.</p> <p>A proactive and positive relationship has been established with the Information Commissioner's Office (ICO), including a voluntary visit.</p>	<p>There has been good progress in the high risk information security areas but not all planned actions were completed in time for the year end. The Information Governance and Security Board (IGSB) continues to closely monitor the programme and assessment of risk. We are also working closely with other regulators in sharing best practice. Feedback from the ICO in respect of specific breaches indicates the steps taken are appropriate.</p>	<p>Completion of the information security plan is ongoing and will continue to be delivered, with an additional independent review against the ISO27001 standard.</p> <p>As noted previously, a full IT improvement programme covering all areas of IT service provision, third party supplier management and project</p>

				<p>There were positive developments in the year in introducing online services for registrants, a new online process for new overseas applicants, e-procurement, and a new website, thereby enhancing our digital presence and improving customer service.</p> <p>Considerable work has been undertaken on developing thinking around future potential core systems. A decision point has been deferred to 2015-16 pending further business analysis and IT service improvements.</p> <p>A series of independent reviews have been undertaken into our IT service, processes and controls, which have led to the development of a substantive improvement programme for implementation in 2015. New interim leadership has been put in place to deliver that programme of improvement. This activity is rated red because the findings from independent reviews show controls and IT governance processes are not in place.</p>	<p>management has been developed and is being implemented through 2015.</p>
8.8	Develop our capacity regarding business analysis and project management.	A	We continue to provide project management training internally to all levels of staff that it is appropriate for. We evaluated the course and are using the feedback to improve the course for future training delivery.	<p>We have developed a pool of internal project managers which to an extent has reduced reliance on contract resources. As part of the job family framework we have developed a competence framework for the project managers which is aligned to the industry standard APM Competence Framework. The focus of next year will be to continue to build the capability of internal project managers and ensure we recruit project managers at the right level of competence.</p> <p>There has been slow progress in developing our internal business analysis capability. We</p>	<p>Project managers will go through a competence assessment as part of their individual performance and development plan (IPDP) appraisal process. We also plan to include a competence assessment as part of our recruitment process.</p> <p>We will start building internal business analysis capability. We may need to consider if there is a market for permanent BAs and if there is then explore the pay that</p>

				are reliant on contract business analysts which come at a cost however given the number of high priority projects which require delivery during the 2015-16, we will need to continue with the current situation.	should be offered for this capability.
8.9	Manage the transition of our hearings facility at Old Bailey to new accommodation.	G	The move from Old Bailey to the new hearing centre at Stratford was completed.	The move was completed successfully and on time / budget with no impact on productivity.	We aim to explore opportunities for other regulators to use any spare capacity we may have. Facilities at Stratford will be used for all London based panel training, reducing cost.

Corporate objective 9: We will build an open culture which engages and empowers staff to perform to their best and which encourages learning and improvement.

Ref	Activity for 2014-2015	RAG for the year	Q4 update <i>Brief outline of what happened in Q4 and any key issues</i>	Review of the year <i>1. Highlights/achievements/setbacks 2. Contribution to meeting external commitments and PSA Standards of Good Regulation</i>	Next steps <i>If work wasn't completed, why wasn't it? Will it continue into the next year? When will it be completed?</i>
9.1	Implement effective workforce planning, demonstrating a proactive and longer term approach to decision making and resource planning.	R	Business plans include an assessment of workforce requirements in each area, forming the basis of the budget. Monthly meetings were held between HR and directors to review immediate workforce issues and requirements, based on latest workforce management information.	Improvements were made to the quality and regularity of workforce reports and staff and managers have real time online access to workforce data. Improvements to ICT and HR systems and processes have resulted in a single record of all individuals working at the NMC, including permanent, temporary, consultant and contractor workers, and enabling a more holistic view of our workforce. The new online appraisal system has enabled better capturing of development needs. 2014–2015 delivery focused on ensuring that	A full workforce review will be undertaken in 2015 to assess organisational structures, capability and capacity mapped against the future needs of the corporate Strategy. Effective forward workforce planning is not yet embedded within the organisation and this review will assist in implementing that.

				we have accurate workforce reporting data and systems in place and that short term staffing needs were met efficiently. The red rating is because a longer term systematic approach to workforce planning is not yet in place.	
9.2	Improve performance management by implementing a new appraisal system.	G	<p>The appraisal system has been further developed for the incorporation of customer service and quality measures in 2015-16 objective setting.</p> <p>360 degree appraisals have been introduced for directors.</p>	<p>A new online appraisal system was implemented in 2014-15, incorporating behaviours and enabling better compliance tracking. It enables better access to information. A 79% completion rate was recorded.</p> <p>There are indications of managers taking a stronger approach to performance management and feedback on the new process has been positive.</p>	Quality and customer service objectives will be built into the appraisal process from April 2015.
9.3	Further develop career progression pathways, a rewards system and our market position as an employer.	A	<p>Further progress has been made in aligning pay to market rates, which is a positive step in helping retain and recruit skilled staff.</p>	<p>The staff turnover rate has reduced for the second consecutive year, albeit it at 24.5% (March) is still higher than target. The staff engagement score has increased by 7% in the year and there has been a less than 10% opt out from the new defined contribution pension scheme. We have also been able to attract more suitable applicants for hard-to-fill jobs through a more flexible approach to pay in some key areas.</p> <p>Whilst some job families have made good progress in developing career pathways for staff and there is evidence of career progression, this activity is rated amber because career progression is not yet fully understood within the NMC and job families require further development. There has however been good progress on improving our competitiveness and market position.</p>	There will be further development and consistency of approach to career progression and talent management.

9.4	Develop clear alignment between our workforce skills and behaviours and our emerging corporate strategy and transformation work.	A	<p>The corporate strategy is newly approved and will require a change programme to deliver it, which will be developed through 2015.</p> <p>The learning and development programme has been implemented and evaluated reflecting skills needs to meet business plan requirements.</p>	<p>Improved workforce reporting includes learning and development information.</p> <p>Learning options have been flexed to include more bite-size and e-learning options for staff to accommodate learning into their working practices.</p> <p>Organisational behaviours are incorporated into the performance review process. To support emerging organisational requirements, customer services and quality assurance have also been embedded into the process.</p> <p>A draft HR and Organisational Development Plan has been developed to meet the skill needs of the corporate Strategy, with more work needed to align the two.</p> <p>The rating is amber because the corporate Strategy has only been recently approved and its alignment to workforce planning needs to be made.</p>	<p>Management information will be further improved during the coming year with improvements in identifying capabilities and building career frameworks within job family models to support the corporate strategy. Information arising from the workforce review of the organisation's structure will inform this area further.</p>
9.5	Foster a culture of openness in which staff feel able to raise concerns so we can learn from our mistakes.	G	<p>There were no new initiatives in this quarter but the development of culture is iterative and long term.</p>	<p>HR data is starting to show an increasing confidence and preparedness for staff to raise concerns informally and formally through our HR processes. The serious event review (SER) process also highlights a culture developing where staff and management are identifying and learning from incidents and events. There have also been examples where the NMC's whistleblowing policy has been used, again indicative of the open culture being fostered. In July 2014 the NMC signed up to Public Concern at Work as one of the First 100 organisations to do so.</p>	

				During the year the Chief Executive and directors have encouraged concerns to be raised. The Staff Consultation Group raise appropriate people issues at a corporate level.	
9.6	Conduct an annual staff survey, learn from what staff say and implement improvements in response.	G	There has been continued implementation and feedback of local action plans, developed from the 2014 survey.	<p>The 2014 survey showed an improved overall staff engagement score of 64%, up from the previous year score of 57%, reaching the CIPD index score for all average engaged organisations in the UK.</p> <p>Local directorate action plans involved teams and functions being engaged locally to celebrate strengths and improve areas of development and these have been promoted through directorates and with the Staff Consultation Group.</p>	A new staff survey will be held during June 2015, and then, later in the year on specific areas, pulse surveys will be used to monitor the organisational temperature.

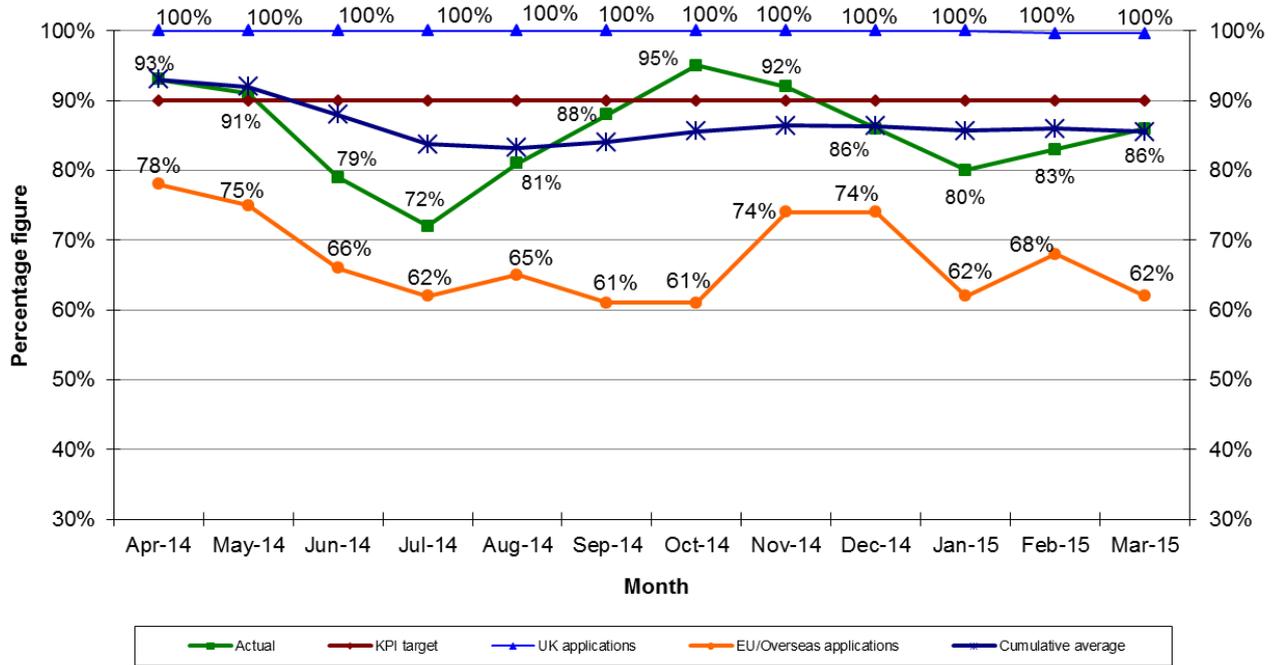
Annexe 2

Progress against our key performance indicators (KPIs)

Based on information as at **31 March 2015**.

KPI 1					
Percentage of registration applications completed within 90 days					
Rationale:	<p>In the short term we are able to measure receipt of completed initial paperwork through to entry to the register. Over time we will refine this to enable us to isolate NMC processing time and a separate record of time with the applicant.</p> <p>Relates to increased efficiency in Registration and improved customer service / communication. <i>(PSA standard not met – Registration 2)</i></p>				
Definition:	<p>The KPI will measure the time elapsed between receipt by the NMC of a new application and where appropriate the applicant joins the register. Ultimately we hope to develop reporting to include processing time (based on “stopping the clock” when information or decisions are required from the applicant for any reason).</p>				
<p>Corporate goal 1, objective 1 We will protect the public’s health and wellbeing by keeping an accessible accurate register of all nurses and midwives who meet the requirements for registration and who are required to demonstrate that they continue to be fit to practise.</p>					
			Performance for March and over the year		
Historical figure (Average for the year 2013-14)	January 2015	February 2015	March 2015	Year average	Year end average target
85%	80%	83%	86%	86% (Amber)	90%
<p><i>Year average:</i> Average of monthly percentages from April 2014 to March 2015. <i>RAG rating:</i> Year average vs. Year end average target.</p> <p>Red/Amber/Green rating: Based on 10% variance threshold. Green = figure matches or is higher than the target figure of 90%. Amber = figure is between 80-89%. Red = figure is 79% or lower.</p>					

Graphical information and commentary:



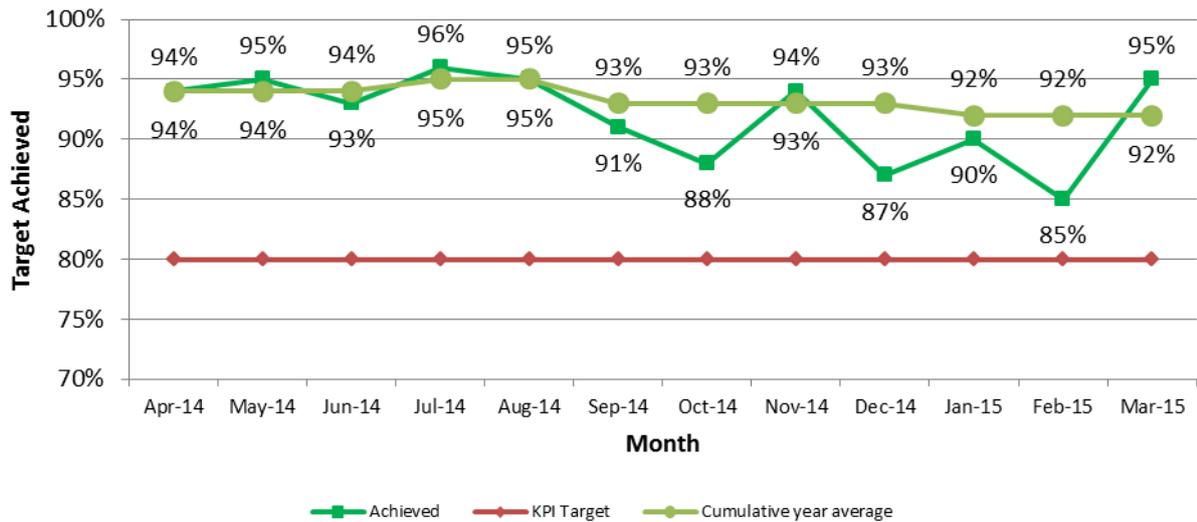
Although the figure for UK applications has been rounded up to 100%, there were six cases (from a total of 1,700) where further information was required in connection with declarations of cautions/convictions, and as a result took longer than 90 days to complete.

62% of EU applications were completed within 90 days. There are still large volumes of applications from Italy (237), Romania (187), Spain (167) and Portugal (89). We processed 114 Overseas applications, which is around 50% of the number processed in each of the last two months. These applications are still being processed under the old ONP system.

Our final year end average is 86% against the KPI target of 90%, which is just short of the 87% we were predicting. This overall year performance is the result of the proportions of international versus UK applications and it is this sensitivity that we are seeking to address through the revised KPIs for 2015-16. Although there has been a large increase in EU applications throughout 2014-15 (circa 60%), in addition to the workload around introducing the Test of Competence, our performance in making international assessments within our committed timeframe remains very high. The UK applications were almost all completed within 10 days.

KPI 2					
Percentage of interim orders (IOs) imposed within 28 days of a referral being logged					
Rationale:	We aim to protect the public in the most serious cases by applying restrictions to a nurse or midwife's practice as quickly as possible after the need is identified. <i>(PSA standard inconsistently met – FtP 4)</i>				
Definition:	Percentage of interim orders imposed within 28 days of opening the case.				
Corporate goal 1, objective 3					
We will take swift and fair action to deal with individuals whose integrity or ability to provide safe care is questioned, so that the public can have confidence in the quality and standards of care provided by nurses and midwives.					
			Performance for March and over the year		
Historical figure (Average for the year 2013-14)	January 2015	February 2015	March 2015	Year cumulative average	Year end average target
84%	90%	85%	95%	92% (Green)	80%
<p><i>Year cumulative average:</i> Average of numbers from April 2014 to March 2015 <i>RAG rating:</i> Year cumulative average vs. Year end average target</p> <p>Red/Amber/Green rating: Based on 10% variance threshold. Green = figure matches or is higher than the target figure. Amber = figure is between 70-79.9%. Red = figure is 69.9% or lower.</p>					

Graphical information and commentary:



Performance was 95% in March with a median time taken to impose an interim order of 26 days. This strong performance should be viewed in the context of 53 orders being imposed in the month, which is high when compared to an average of 37 for the preceding five months. IOs are recommended following a risk assessment of individual cases. We have not identified any particular trend relating to the increase in March.

Performance over the year was generally strong. The KPI target was exceeded every month and cumulative performance was 92% at the end of the year. There were no specific reasons for the fluctuation seen in the second half of the year but with a relatively small number of orders being imposed each month, any delay in what is a complex and intensive process can have a significant impact on the performance measure. The median time taken to impose an IO demonstrates that there is little tolerance for delay in the process.

KPI 3

Percentage of cases progressed through the investigation stage within 12 months

Rationale:	We aim to screen and investigate referrals within 12 months. We have a responsibility to balance the need for a swift decision on whether to refer the case for a substantive decision with the need for a proportionately thorough investigation. (PSA standard not met – FtP 6)
Definition:	The percentage of investigations which have been completed within 12 months of opening the case.

Corporate goal 1, objective 3

We will take swift and fair action to deal with individuals whose integrity or ability to provide safe care is questioned, so that the public can have confidence in the quality and standards of care provided by nurses and midwives.

			Performance for March and over the year		
Historical spot figure (March 2014)	January 2015	February 2015	March 2015	Year average	Year end average target
87%	80%	79%	83%	86% (Amber)	90%

Year average: Average of monthly percentages from April 2014 to March 2015.

RAG rating: Year average vs. Year end average target

Red/Amber/Green rating:

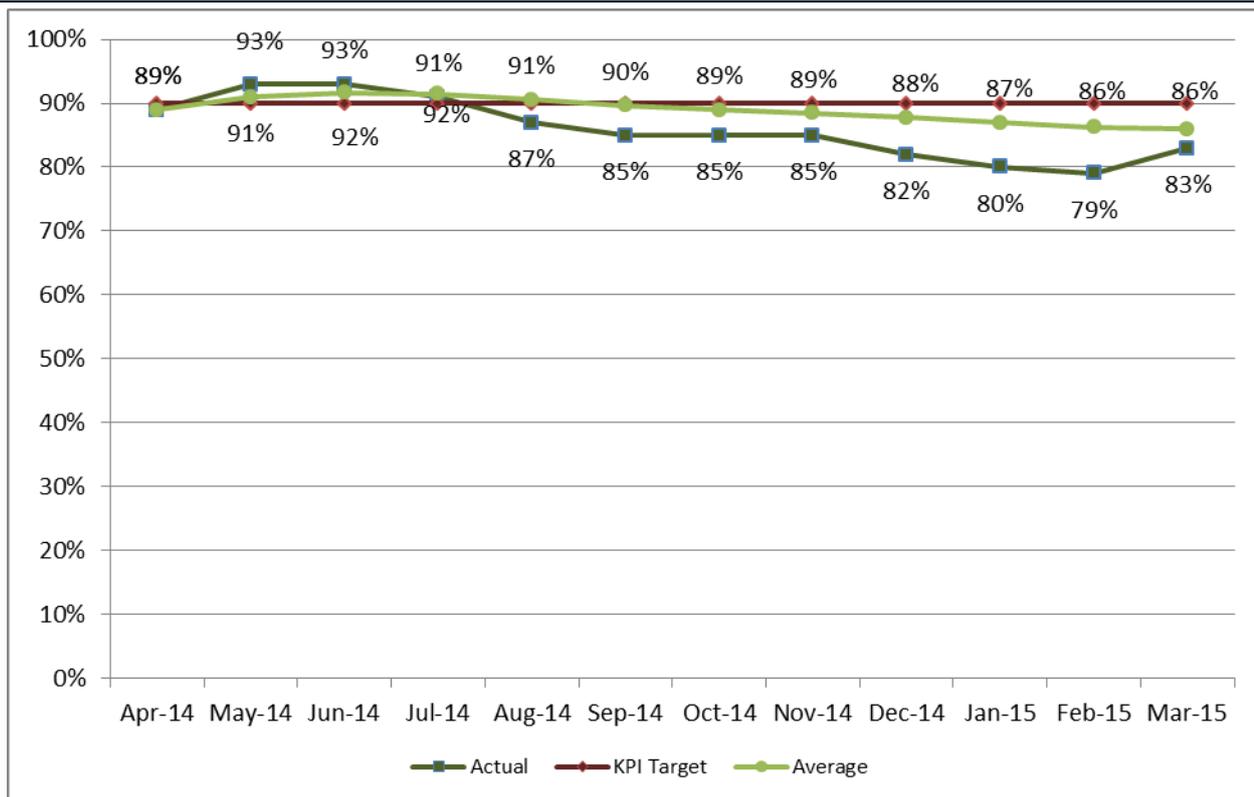
Based on 10% variance threshold.

Green = figure matches or is higher than the target figure.

Amber = figure is between 80-89%.

Red = figure is 79% or lower.

Graphical information and commentary:

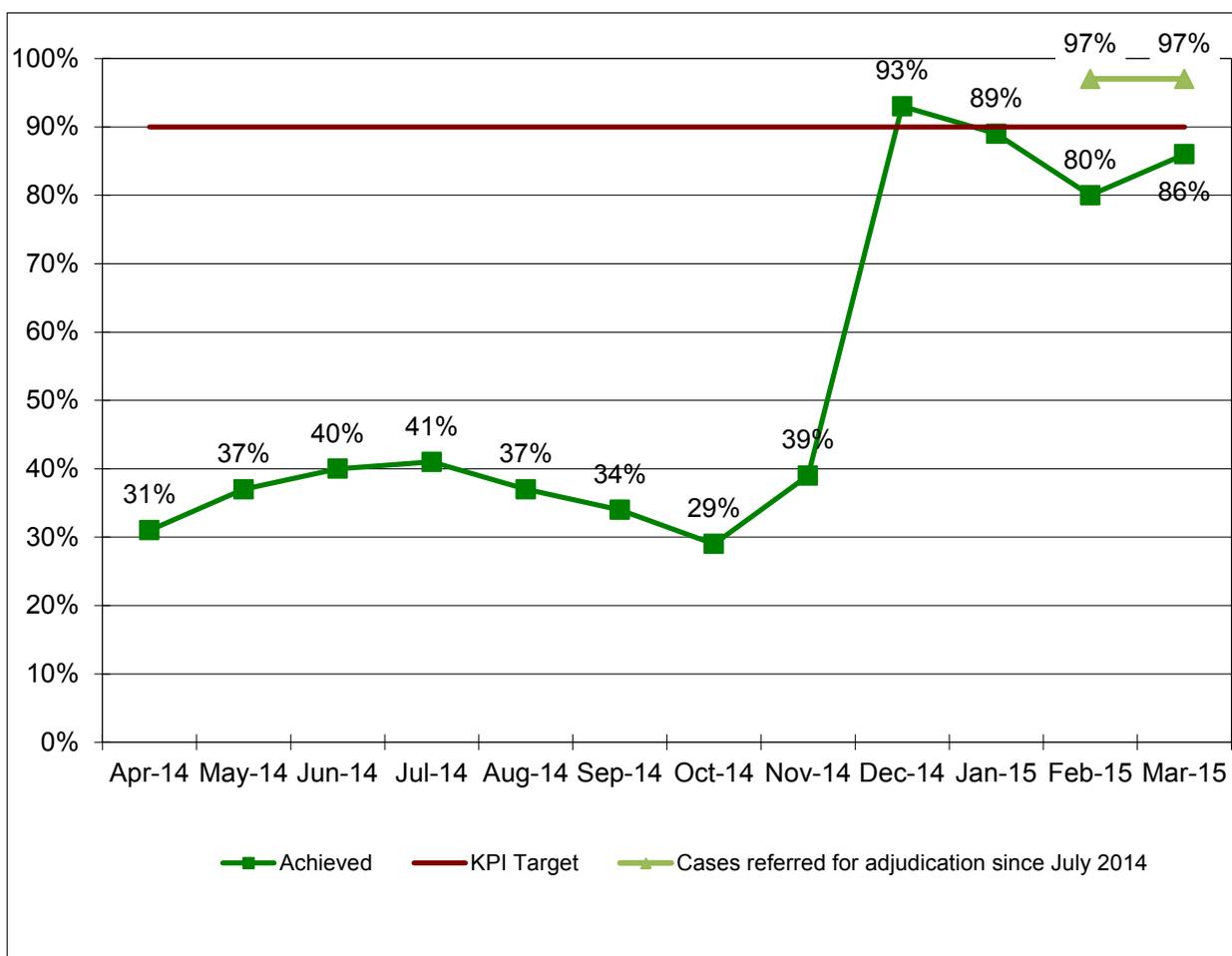


Performance in March was an improvement on the last three months but still slightly below the 90% target. As has been explained in previous months, older cases are being progressed through the decision point as and when they are ready and we have expected performance at around this level for some time.

Looking back over the year, the first four months clearly stand out and then there was a slight decline into the 80% to 90% range. We were clear early on that there was a cohort of older cases which would progress through the investigating committee or case examiners and pull down performance. That happened and the impact was as predicted. A focus on older cases saw a high number which had missed their KPI deadline progressing in January and February. All of this should be viewed in the context of average performance for the year coming in at 86%, which is slightly below the 90% target.

KPI 4				
Percentage of cases progressed through the adjudication stage to the first day of a hearing or meeting within 6 months				
Rationale:	When the investigating committee decides that there is a case to answer we have a responsibility to put it to a substantive committee as swiftly as possible. <i>(PSA standard not met – FtP 6)</i>			
Definition:	The percentage of cases which have reached their first day of a hearing or meeting within six months of referral from the investigating committee.			
Corporate goal 1, objective 3 We will take swift and fair action to deal with individuals whose integrity or ability to provide safe care is questioned, so that the public can have confidence in the quality and standards of care provided by nurses and midwives.				
Historical figure (Average for the year 2013-14)	January 2015	February 2015	March 2015	March 2015 target*
31%	89%	80%	86% (Amber)	90%
*Target we were aiming for at the end of this financial year, following achievement of the December 2014 target.				
<i>RAG rating:</i> March 2015 performance figure vs. March 2015 target				
Red/Amber/Green rating: Based on 10% variance threshold. Green = figure matches or is higher than the March 2015 target figure of 90%. Amber = figure is between 80-89%. Red = figure is 79% or lower.				

Graphical information and commentary:



As in the last performance and risk report, in the interests of reporting our performance fairly and transparently we have reported two figures for March: (1) our performance for cases referred for adjudication since July 2014 stands at 97%; (2) performance for all cases at adjudication stands at 86%. Further explanation of the two figures follows.

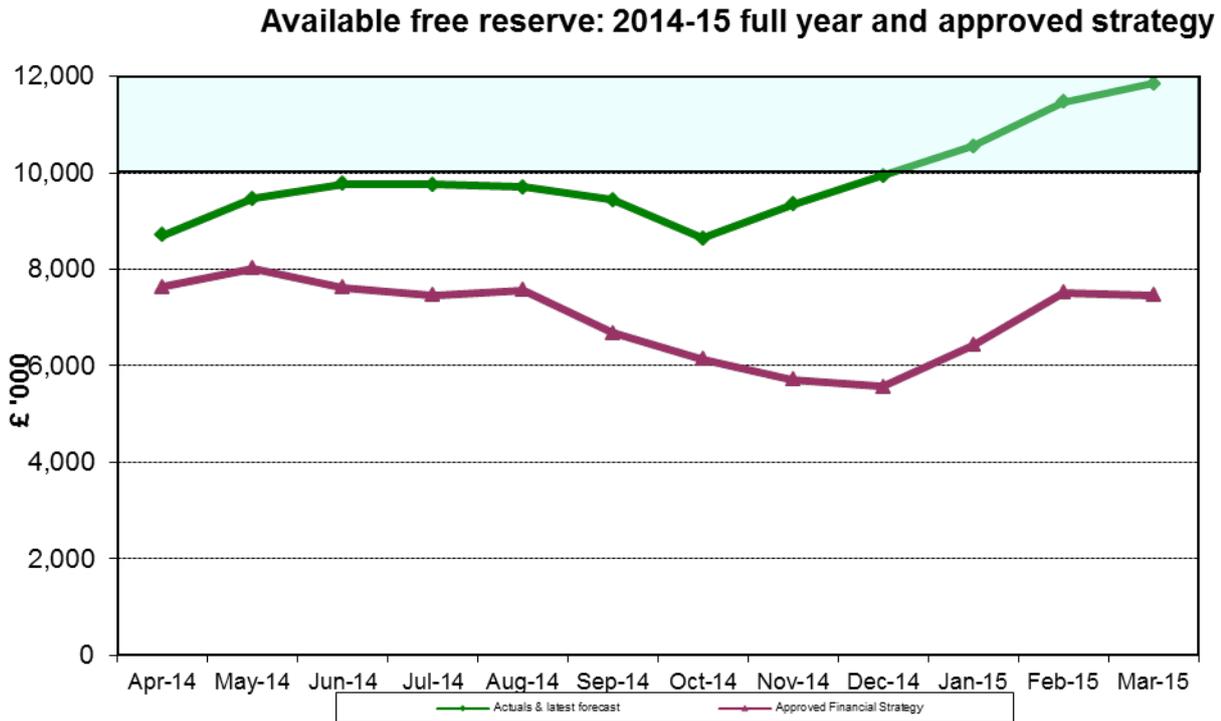
Of the 1,106 cases referred for adjudication before 1 July 2014, 849 were closed in six months and 257 were carried over. As shown in the table below, 129 of these cases remain open, of which 73 are part-heard and 56 are yet to have their first day of hearing.

	Position at 1 January 2015	Position at 15 April 2015	Scheduled	Unscheduled
Open cases	257	129	74	55
Part-heard	148	73	53	20
Have not had a first day	109	56	21	35

By definition, all pre-July cases which have not yet had a first hearing day have already missed the KPI. We are seeking to conclude them as quickly as possible. In March 2015, 28 such cases were concluded, contributing to our overall KPI performance of 86%. Performance on cases referred since July was 97% in March, showing strong underlying performance in progressing newly referred cases.

KPI 5				
Available free reserves				
Rationale:	<p>The NMC's budget and financial strategy is predicated on a gradual restoration of minimum available free reserves to a minimum target level of £10 million by January 2016. This KPI measures how close we are to our plan for achieving this target.</p> <p>This KPI also demonstrates delivery against meeting the target for available free reserves as agreed with the Department of Health.</p>			
Definition:	<p>The level of available free reserves at month end compared with budgeted available free reserves at that month end.</p>			
<p>Corporate goal 3, objective 8 We will develop effective policies, efficient services and governance processes that support our staff to fulfil all our functions.</p>				
			Year end performance	
Historical figure (March 2014)	January 2015	February 2015	March 2015 (DRAFT*)	March 2015 budget
£7.6m	£10.6m	£11.5m	£11.9m (Green)	£7.5m
<p><i>RAG rating:</i> March 2015 figure vs. March 2015 budget *Subject to audit</p> <p>Red/Amber/Green rating: Green = the figure matches or is above the target figure. Amber = within 5% of the target figure. Red = greater than 5% of the target figure.</p>				

Graphical information and commentary:



The available free reserves level at 31 March 2015 is based on unaudited management accounts and may therefore be subject to audit adjustment. The level at March 2015 was £11.9 million, which is higher than the budgeted level of £7.5 million, a trend that has been predicted over the last six months. A more detailed analysis of the variance is included in the monthly finance report but the key contributors to this variance are a higher than expected level of fee income, unutilised contingency funds, lower than budgeted ICT capital expenditure, and general operating variances.

The target under the Department of Health grant was to deliver the Fitness to Practise adjudication target by December 2014 and to restore reserves to their required minimum level by January 2016. Both targets have now been achieved, the latter a year earlier than planned. The Department of Health will continue to monitor reserve levels until the expiry of the grant period in December 2015.

KPI 6

Staff turnover rate

Rationale:	<p>The level of staff turnover has been consistently high and represents a high risk and cost to the NMC and an indicator of a sub-optimal organisational culture.</p> <p>A number of initiatives included within the Human Resources and Organisational Development Strategy are aimed at retaining staff, hence this KPI being a key measure of the effectiveness of that strategy.</p>
Definition:	<p>Sum of permanent leavers in last 12 months Average number of permanent staff in post in last 12 months</p>

Corporate goal 3, objective 9
 We will build an open culture which engages and empowers staff to perform to their best and which encourages learning and improvement.

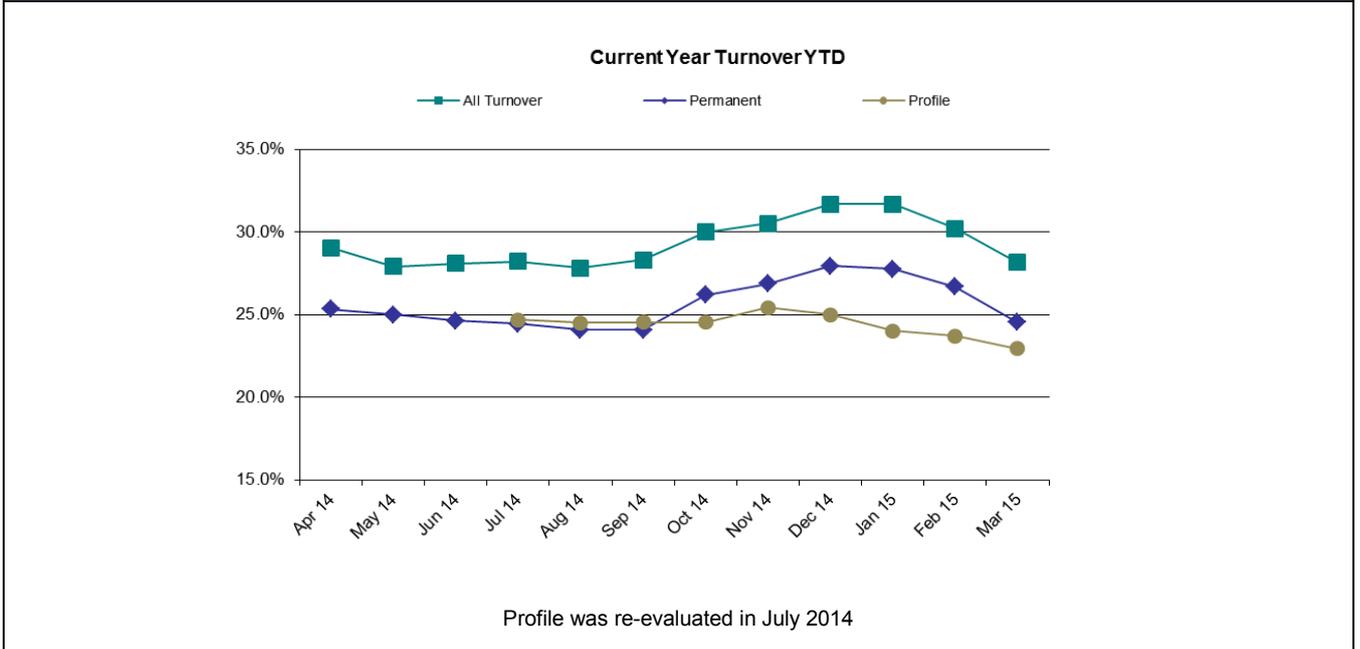
			Year end performance		
Historical figure (as at March 2014)	January 2015	February 2015	March 2015	March 2015 profile*	March 2015 target**
26.3%	27.7%	26.7%	24.5% (Red)	23%	23%

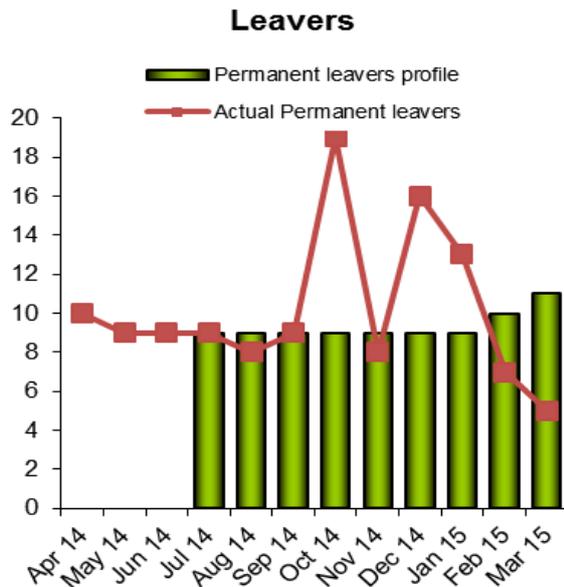
* Profile here is based on a forecast from July 2014
 ** Target is a spot target

RAG rating: March 2015 figure vs. March 2015 target

Red/Amber/Green rating:
 Green = the figure matches or is below the target figure.
 Amber = within 1% of the target figure.
 Red = where there is a difference of greater than 1% of the target figure.

Graphical information and commentary:





Permanent leavers' data for July onwards was profiled in July 2014, based on the average of actual leavers in the first quarter of 2014 and trends in previous years.

March has seen the fewest leavers in the year to date with only five permanent leavers and these included four resignations and one failed probation. The reasons for the resignations were all due to career progression or change of career. The lower number of leavers in March than predicted has contributed to a reduction in the annualised permanent turnover figure to 24.5% and this is now closer to the year end target of 23%. March is the third consecutive month where a decrease in turnover has occurred.

In reviewing the year as a whole it can be noted that for the first six months (April-September 2014) there was a steady decline in permanent turnover with an average reduction of 0.3 percentage points per month. In October 2014 there was a spike in the number of leavers and this was followed by increases in December 2014 and January 2015. The impact of the higher number of leavers than predicted during these three months contributed to the actual permanent turnover figures being higher than the profile and consequently above the April 2015 target.

In reviewing the reasons given by permanent leavers in 2014/2015, it was found that the majority were due to resignations (86%) with the remainder including non-voluntary exits for failed probation (5%), dismissal (3%), redundancy (2%), and other (4%). The exit interview process is voluntary and for those leavers who provided an answer as to why they chose to leave the NMC, 60% stated career progression or change of career. The exit interview process has been evaluated and re-developed by the HR team to give more qualitative data. The new method has been in place for the final quarter of the year with 53% of leavers completing the process, and compared to the former exit process, requires leavers to provide detailed reasons for leaving covering a range of areas including pay, management support and development. As the number of completed exit interviews grows the collected data is providing improved information and analysis compared to the previous model and will be reported going forward.

During the year the organisation has increased in size by 74 permanent members of staff (from 456 to 530) and will increase further in the next financial year as a result of new and approved posts within the 2015/2016 budget.

Summary of corporate KPI figures 2014-2015

KPI	2014						2015						Year end		Target
	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Avg for the year	Year end spot	
1 Percentage of registration applications completed within 90 days	93%	91%	79%	72%	81%	88%	95%	92%	86%	80%	83%	86%	86%	n/a	90% Mar-15
2 Percentage of IOs imposed within 28 days of a referral being logged	94%	95%	93%	96%	95%	91%	88%	94%	87%	90%	85%	95%	92%	n/a	80% Mar-15
3 Percentage of cases progressed through the investigations stage within 12 months	89%	93%	93%	91%	87%	85%	85%	85%	82%	80%	79%	83%	86%	n/a	90% Mar-15
4 Percentage of cases progressed through the adjudication stage to the first day of a hearing or meeting within 6 months	31%	37%	40%	41%	37%	34%	29%	39%	93%	89%	80%*	86%*	n/a	n/a	90% Dec-14
5 Available free reserves	£8.7m	£9.5m	£9.8m	£9.8m	£9.7m	£9.4m	£8.7m	£9.3m	£9.9m	£10.6m	£11.5m	£11.9m	n/a	£11.9m	£7.5m Mar-15
6 Staff turnover rate	25.6%	25.2%	24.8%	24.7%	24.1%	24.3%	26.5%	26.9%	28.0%	27.7%	26.2%	24.5%	n/a	24.5%	23.0% Mar-15

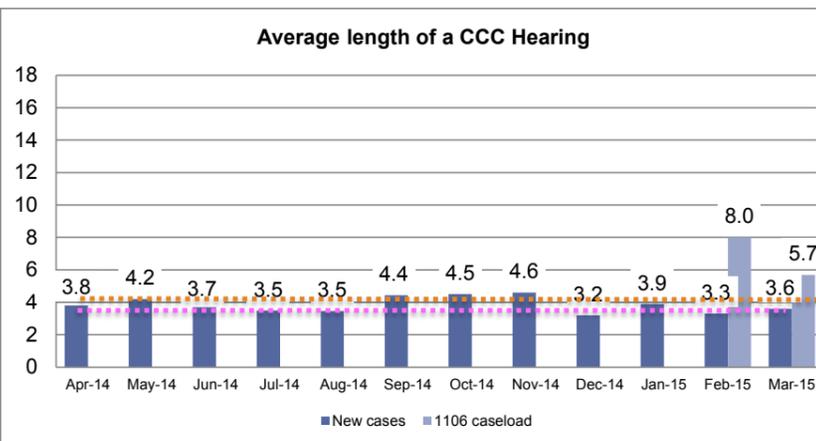
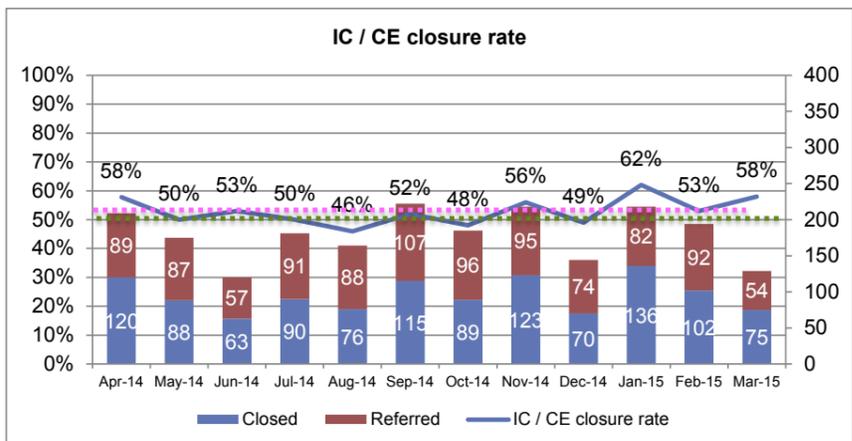
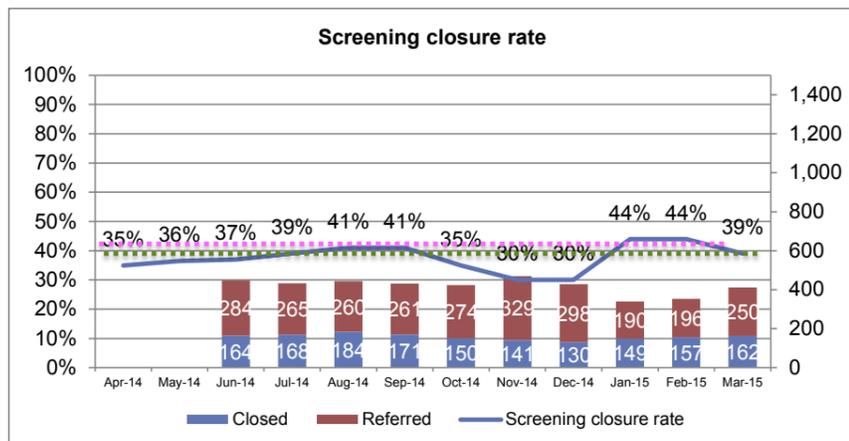
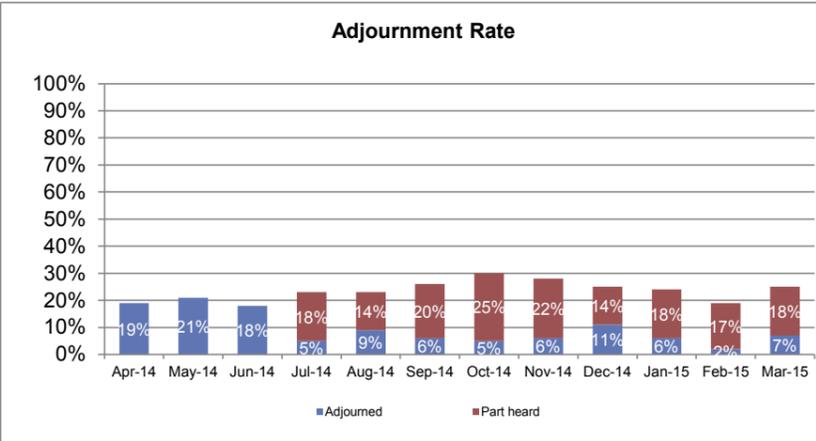
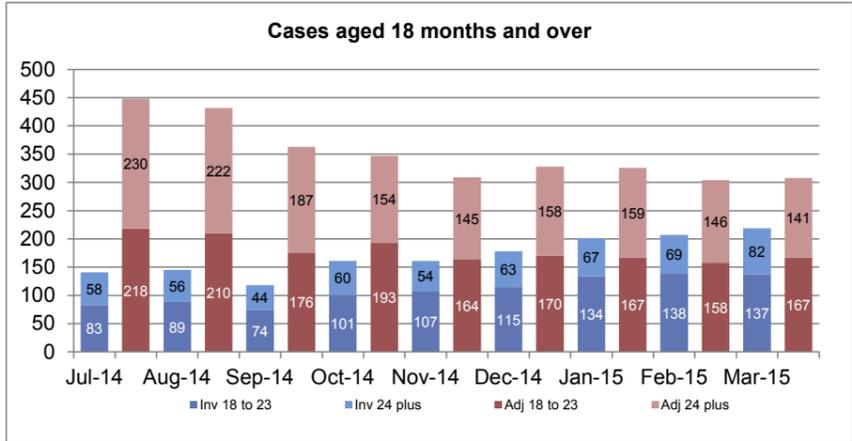
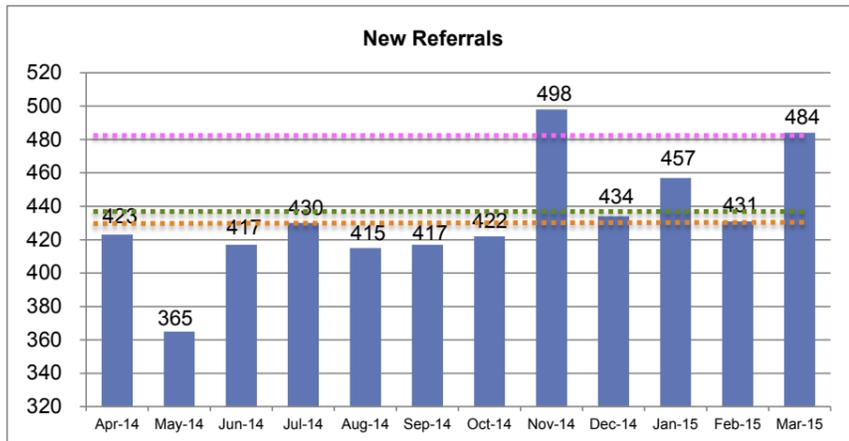
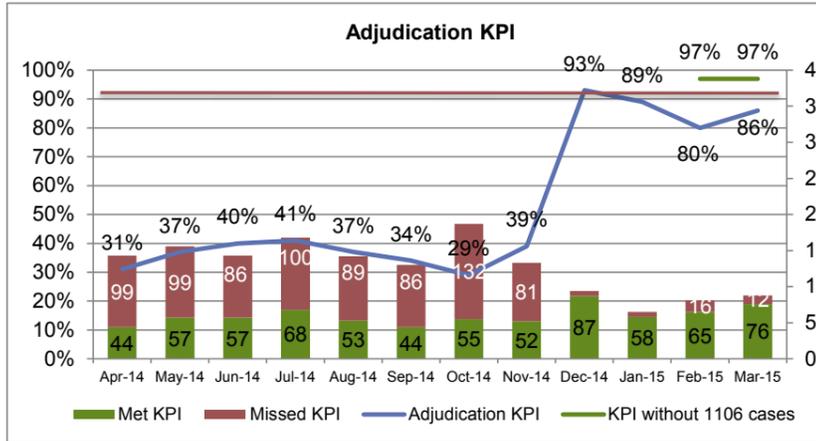
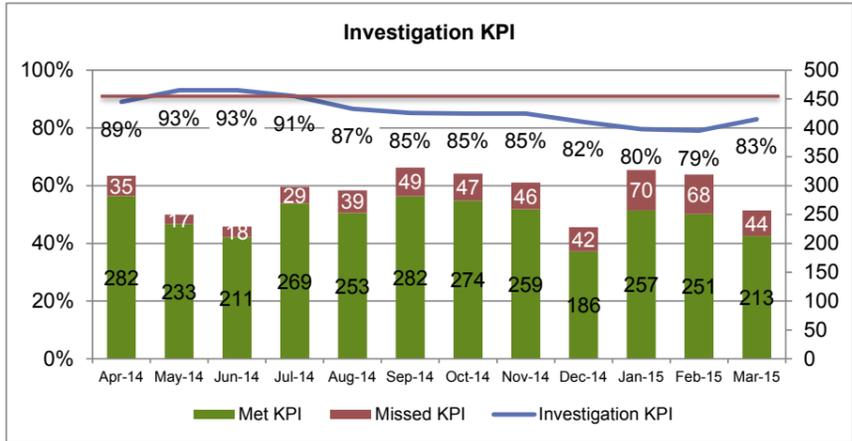
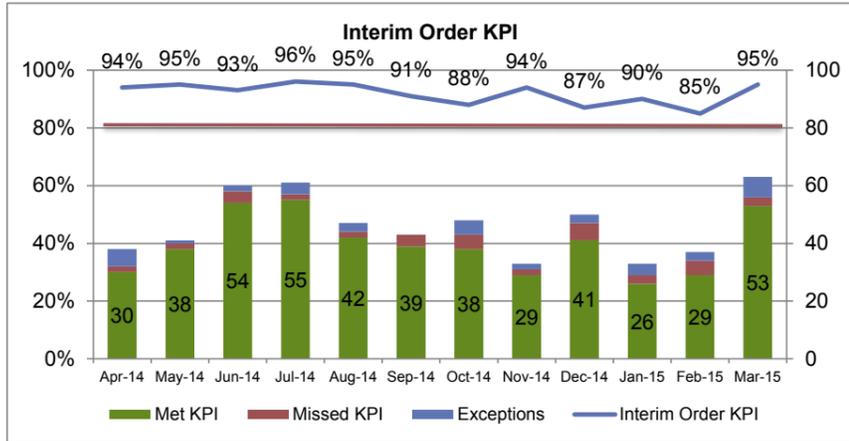
* the figure for cases referred for adjudication since July 2014 was 97% in Feb and in March

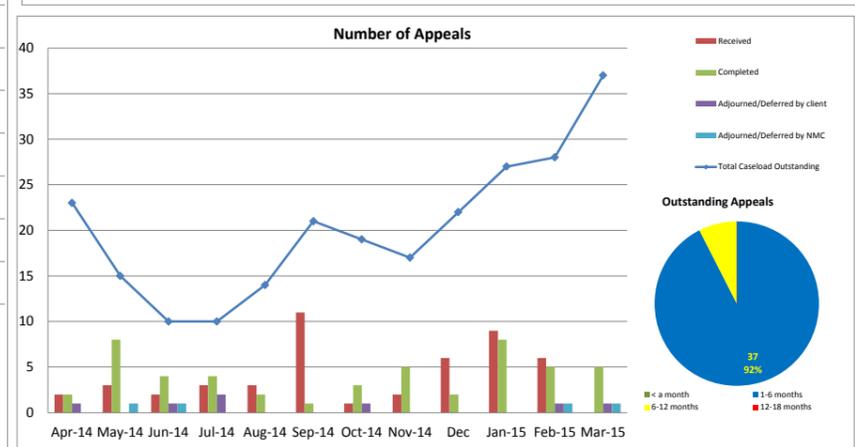
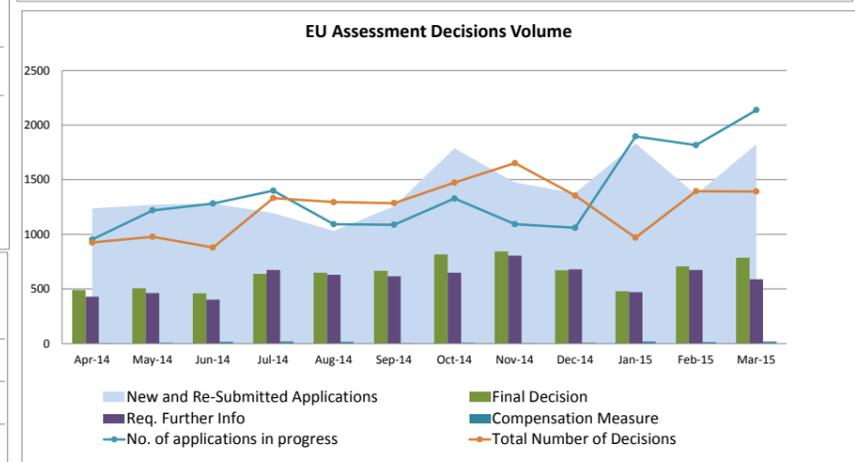
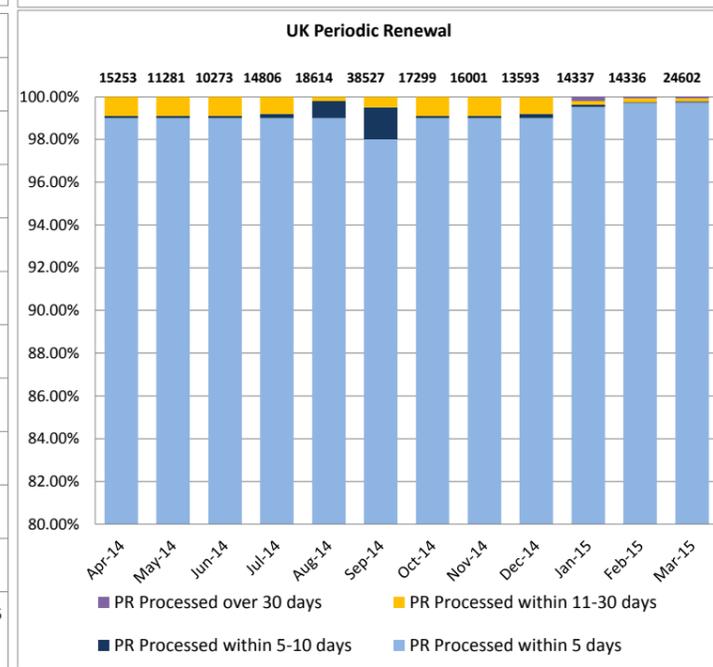
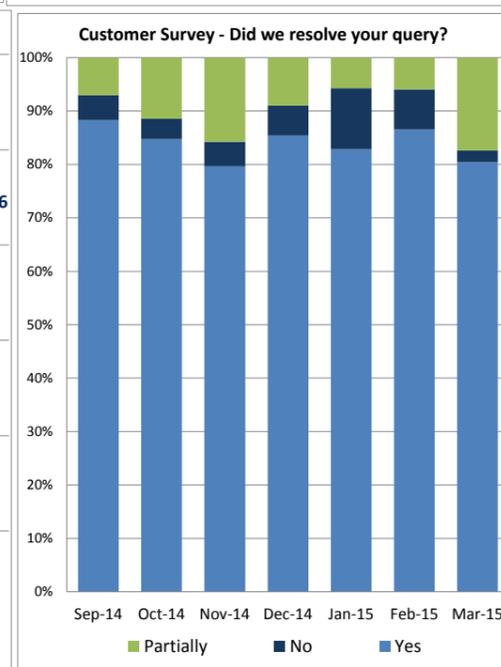
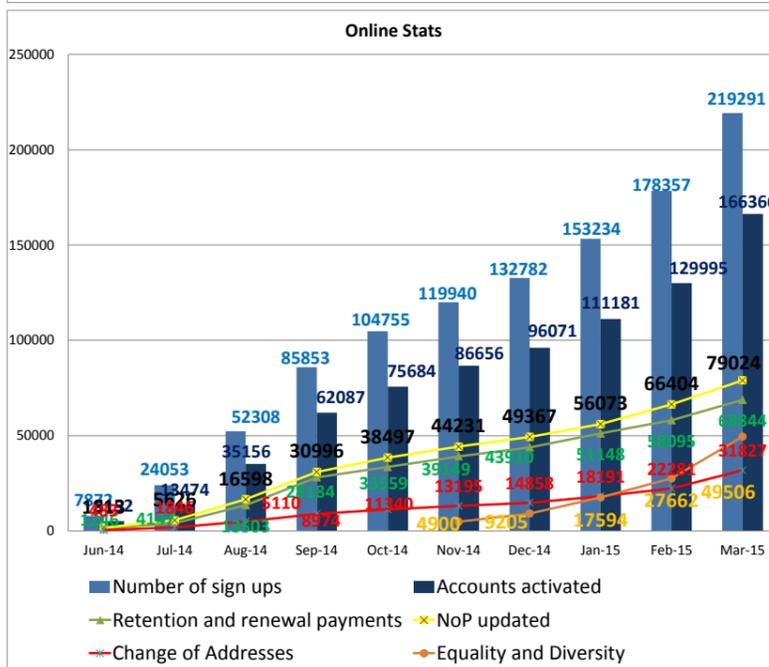
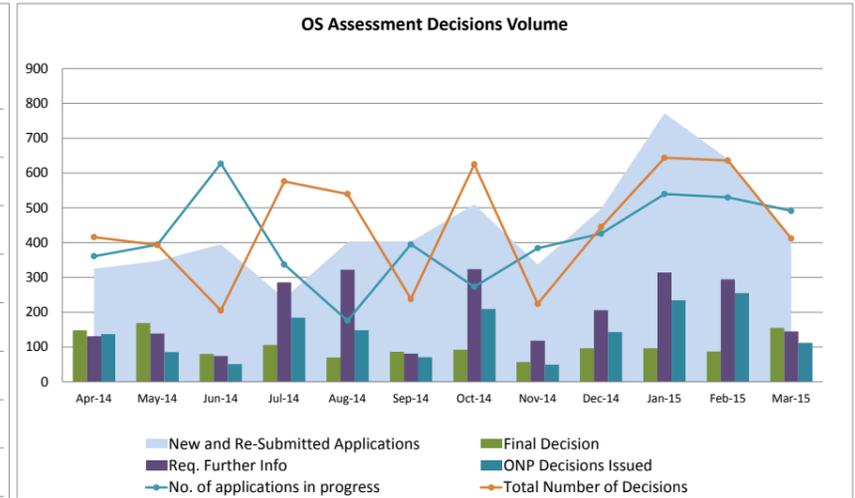
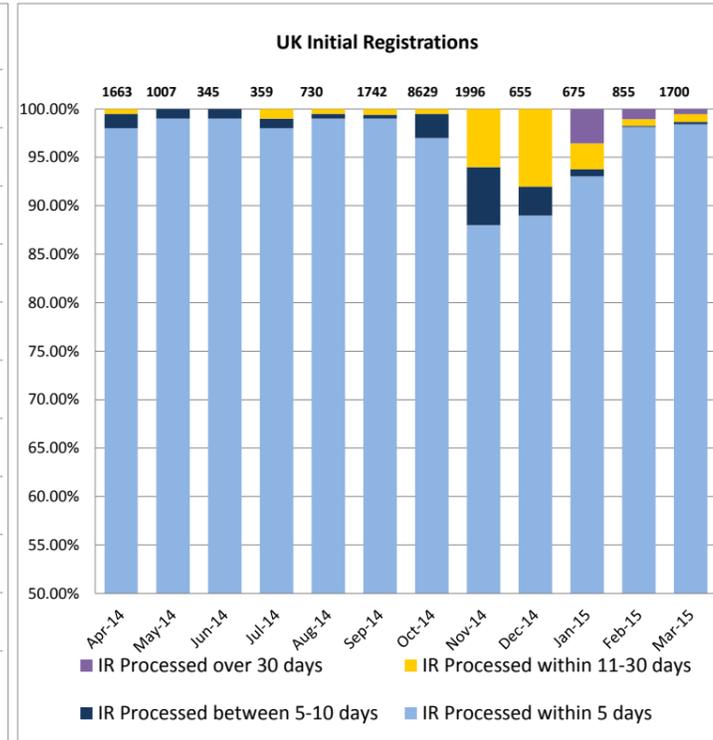
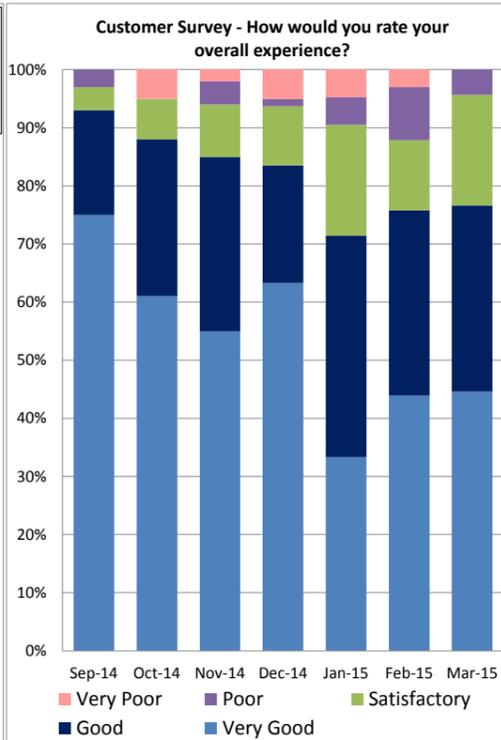
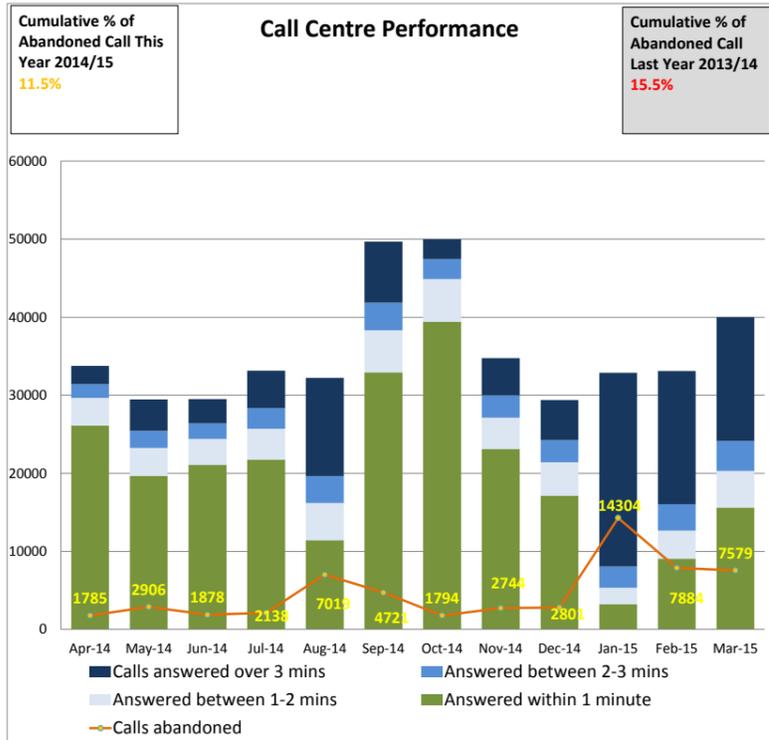
RAG rating against target

RAG ratings are shown across the year for KPIs 1-3 as we were aiming to achieve the same target across the year. RAG ratings are not shown across the year for KPIs 4-6, as we were measuring these differently based on monthly profiles.

FtP Performance for April 2014 to March 2015

..... 12 month average
..... 2013/14 planning assumption
..... 2014/15 planning assumption





Council

Performance and risk report: April 2015

Action: For discussion.

Issue: This paper reports on performance and risk management for April 2015. It also proposes a revised target and a secondary target for KPI 1a.

Core regulatory function: All of our core regulatory functions.

Strategic priorities: All.

Decision required: The Council is recommended to:

- Approve the revised primary target and a secondary target for KPI 1a (paragraph 12).
- Note and discuss the performance and risk information for April 2015 (Annexe 1).
- Note and discuss the assessment and management of risks on our corporate risk register (paragraph 18).

Annexes: The following annexes are attached to this paper:

- Annexe 1: Performance and risk information for April 2015.
- Annexe 2: Corporate risk register.
- Annexe 3: Risk map of corporate and directorate risks.

Further information: If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

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- Context:**
- 1 This paper provides an overview of performance and management of risk for April 2015.
 - 2 The Council has asked that we streamline the presentation of performance and risk information. We have sought to address this by bringing together all relevant performance, Key Performance Indicator (KPI) and risk information for each directorate to provide a coherent picture of performance. Cross regulatory / directorate issues are included in the lead directorate report. Corporate performance will normally be highlighted in the cover paper. This information is attached at **Annexe 1**.
 - 3 We would welcome the Council's views on the revised format and any further improvements it would wish to see.

Discussion: Corporate KPIs and dashboards

- 4 We are reporting against the KPIs agreed by Council in March 2015. April performance is green against all existing targets.

KPI 1a UK registration applications

- 5 At the March 2015 meeting, the Council requested that further information on current performance should be brought to the May meeting to establish how stretching the proposed targets were, together with proposals for a secondary target to ensure that all applications were being processed within a reasonable period.
- 6 In March, the target for KPI 1a was proposed on the basis of available information surrounding the proportion of applications where further information was required and as result a target of 90% was set for the completion of UK initial registrations with 10 days.
- 7 The process for consideration of initial UK registration applications was enhanced midway through last year to allow proactive review of wider information (for example cautions and convictions) for which we previously relied on Approved Education Institute entry processes. As a result, further analysis of last year's performance was carried out and a revised target is now proposed to reflect the evidence to date (albeit over a limited period) and establish the secondary target requested.

KPI 1a – Percentage of UK initial registration applications completed within 10 days from receipt of a complete new application to a decision with a secondary target for those completed with 30 days

- 8 **Proposed target:** 95% within 10 days and secondary target of 99% within 30 days as an average throughout the year.
- 9 **Definition:** this KPI measures the time elapsed between receipt of a

complete new UK application (this is system determined) by the NMC and when the applicant joins the register or is notified of refusal.

- 10 **Rationale:** The rationale for setting the target at 95% within 10 days takes account of the approximately 10% of applications, where further information may be required due to individual circumstances (for example, consideration of cautions and convictions). Further analysis of our performance since the process change referred to at paragraph 7 above took effect in September 2014 shows that 93.5% of UK initial registrations were processed within 10 days. We do not have sufficient data to look at longer trends yet but the period October - December represents the peak of UK initial registration considerations. We would therefore expect the overall average performance achievable for the year to be slightly higher than this. In terms of a secondary target of 30 days, there remains a small number of applications where the individual does not co-operate in providing the required additional information which means that around 1.5% of cases currently take more than 30 days.
- 11 Although we have seen a slight upward trend in the number of cases requiring further information, based on the average current volumes remaining reasonably consistent, a revised target for KPI 1a is proposed as an average across the reporting year – as shown at paragraph 8.
- 12 **Recommendation: The Council is recommended to approve the revised primary target and the new secondary target for KPI 1a.**
- 13 As requested by the Council, additional information and proposals will be brought back to the Council in October 2015 on:
- 13.1 Breaking down EU and non-EU performance in KPI 1b and proposals for a secondary target for assessments not meeting a 70 day target (KPI 1b).
 - 13.2 Proposals for both a primary and a secondary target for FtP cases not concluded within 15 months, together with further consideration of how to account for cases affected by third party activity (KPI 3).
 - 13.3 Further information on staff turnover and workforce issues (KPI 5).
 - 13.4 Proposals for customer service / quality measures.

Dashboards

- 14 In March 2015, the Council welcomed the Registration dashboard, but suggested that future iterations would benefit from clearer labelling of data and commentary. This has been actioned and the dashboard is attached to the Registration report contained in

Annexe 1.

- 15 The Council also requested that the total caseload figures be reinstated on the FtP dashboard. This has been actioned although the information is presented in a different format showing an average of new referrals and cases closed for the preceding six month period, the current month and an average forecast for the next six months. The dashboard is attached to the Fitness to Practise report contained in **Annexe 1**.

Risk

- 16 Movement of risks is reported on in **Annexe 1**. No corporate risks have increased since the last Council meeting.
- 17 A sub group of Council members undertook an initial review of corporate risks, with internal audit support, on 13 May 2015. The outcomes will be considered by the Council in seminar session.
- 18 **Recommendation: The Council is invited to note and discuss the assessment and management of risks on our corporate risk register.**

Public protection implications:

- 19 Public protection implications are considered when reviewing performance and the factors behind poor or good performance

Resource implications:

- 20 Resource implications will be captured in the April 2015 financial monitoring report.

Equality and diversity implications:

- 21 Equality and diversity implications are considered when rating the impact of risks and determining the action required to mitigate risks.

Stakeholder engagement:

- 22 KPI information and performance dashboards are in the public domain.

Risk implications:

- 23 The impact of risks is assessed and rated on the risk register. Future action to mitigate risks is also described.

Legal implications:

- 24 No direct legal implications.

Annexe 1: front page

Performance and risk information for April 2015

Contents

- 1 Registration performance and risk update
 - 1.1 Registration dashboard
- 2 Fitness to Practise performance and risk update
 - 2.1 FtP dashboard
- 3 Continued Practice performance and risk update
- 4 Corporate Services performance and risk update
- 5 Strategy performance and risk update

Registration performance and risk update

Performance overview

This overview highlights key developments in Registration during April 2015 and includes commentary on performance reflected in the Registration KPIs and dashboard.

NMC Online

- 1 Over 250,000 registrants have signed up for NMC Online (approximately 37% of the register) as at 30 April 2015. Of these, 195,664 registrants have activated their accounts. A large volume of transactions have been successfully completed online - with 87,720 Notifications of Practice, 67,155 submitting equality and diversity data and 39,624 recording a change of address. We have also received 4,435 initial registration applications via the online service since this function went live in December 2014.
- 2 As well as the enhanced customer service benefits and organisational efficiencies which flow from the online service, the new revalidation system will be dependent on online access, as will the introduction of fee payments in instalments in early 2016. In view of this, we are aiming for 65% of registrants to be signed up to the online service by the end of December 2015 and have developed an action plan to manage the achievement of this aim. The action plan specifically targets registrants due to renew under revalidation processes next year to ensure they are set up online well in advance.
- 3 The ICT review (see Item 15) highlighted a current risk around the lack of a robust business continuity arrangement for the online system. The IT team is currently addressing this and we expect that this will be resolved by the end of July. We have reflected this risk on the Registration directorate level risk register and it is referenced in the revalidation report.
- 4 We have therefore factored this timescale into the online “ramp up” plans to ensure that we do not unintentionally increase the risk exposure. We expect to see continued growth at similar levels to recent months until August, when we have planned targeted communication activities which we expect to generate a series of step like increases in response. We are also planning process changes to both promote and direct use of the online system, slowly withdrawing outdated and less efficient alternative processes. Communications are being put in place now with changes being implemented from July 2015 onwards.

Tax relief

- 5 Following the Council’s request in January 2015, we have made changes to provide information about claiming tax relief when payment of registration fees is made. This change has been implemented promptly through revision of payment confirmation emails. Information is also displayed on the Payment Receipt screen of the NMC

online system.

Applications and appeals

6 In April 2015, 1,220 UK, 886 EU and 202 overseas applicants were registered.

UK applications

7 Of the 1,220 UK initial registrations 95% were completed within 10 days (and many within five days). 2.46% were completed over 30 days, which equates to 30 cases. 13,965 periodic renewals were completed in April, with 99.64% of these periodic renewals completed within five days.

8 EU applications received from Spain, Italy, Romania and Portugal remain consistently high.

Appeals

9 There are a total of 38 outstanding registrations appeals in this reporting month. Four appeals cases had been concluded and one case adjourned. Of the four concluded, three appeals had been heard during April, all of which were completed within six months of the appeals being lodged. Six new appeal cases had been received within the Registrar's Appeals Support team during April.

International applications

10 Performance in international registrations is atypical this month as priority focus has been on clearing applications under the Overseas Nursing Programme based processes ahead of the cut-off date of 30 April 2015. All applications where complete information had been submitted were assessed ahead of this timeframe and those who were unable to meet the requirements prior to this date have been advised that they will need to apply under the new test of competence process.

11 As at 21 April 2015, 1,157 people had sat the multiple-choice, scenario-based examination which is the first part of the test of competence. Of these, 792 people (68%) have passed the examination. To date, an additional 187 people have booked to take this exam during the course of May and June.

12 In April, the first few overseas-trained applicants completed stage 2 of the test of competence (the OSCE) at the University of Northampton. Two sessions took place with a pass rate of 100%, and more sessions are now booked for May.

Customer service

13 In April 2015 the Registration centre received 38,044 calls. The top five call types for April were:

13.1 EU Nurse Enquiry

13.2 Annual Retention Enquiry

13.3 Annual Retention Payment

13.4 Address Changes

13.5 Overseas Nurse Enquiry

- 14 April performance in the call centre improved: just less than 70% of calls were answered within one minute and the call abandonment rate was less than 6%. This shows that action taken following the January dip in performance has proved effective.
- 15 As the dashboard shows, 79.66% of respondents to the customer service survey felt that their overall experience of contacting NMC Registrations was good or very good. Additionally 81% stated that the call centre resolved their query. We often see a correlation between the percentage of calls resolved and the percentage satisfaction; this, along with call queues, appears to be a key driver in overall satisfaction responses. We review the responses in detail at a more granular level to correct and act upon any issues identified as appropriate.
- 16 We have published our new Registration customer service standards, aligned to our 2015-2016 targets, on the NMC website.

Corporate risk update – please refer to corporate risk register at annexe 2

- 17 CR1 A *Integrity of the register – Current* and CR1 B *Integrity of the register - Historic* remain scored at 12 (amber).

KPI 1a - Percentage of UK initial registration applications completed within 10 days

Strategic priority 1: Effective regulation

Rationale The KPI measures NMC assessment time for UK initial applications.

Definition This KPI will measure the time elapsed between receipt by the NMC of a new complete UK application and when the applicant joins the register or is notified of refusal.

April 2015	Year to date average	Year end average target
95%	95% (Green)	95%

Year to date average: On this occasion it is the figure for April
RAG: Year end average vs. year end average target

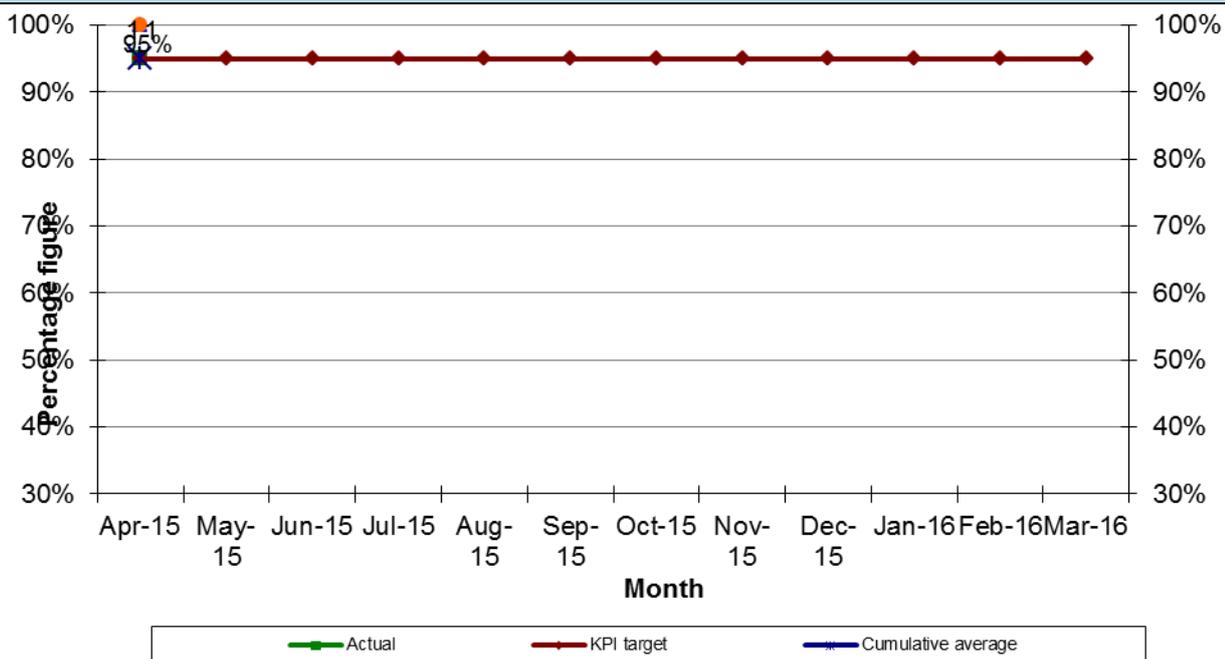
Red/Amber/Green rating:

Green = figure matches or is higher than the target figure of 95%.

Amber = figure is between 90 and 95%.

Red = figure is 89% or lower.

Graphical information and commentary:



There were a total of 1,220 UK initial registrations of which 62 (5%) took over 10 days to complete, and 30 (2.4%) took over 30 days. This is where further information was required in connection with declarations of cautions/convictions.

We have proposed a revised target for this KPI that we achieve an average of 95% of UK initial registrations within 10 days and 99% within 30 days of receiving a complete application. We are, therefore, showing a target level of 95% registrations completed within 10 days rather than the original target of 90% in anticipation of formal approval, which will allow a complete year reporting cycle based on the revised KPI target figures. If approved by the Council, the secondary target will also be reported in the graph from next month.

KPI 1b - Percentage of EU/overseas registration applications assessed within 70 days

Strategic priority 1: Effective regulation

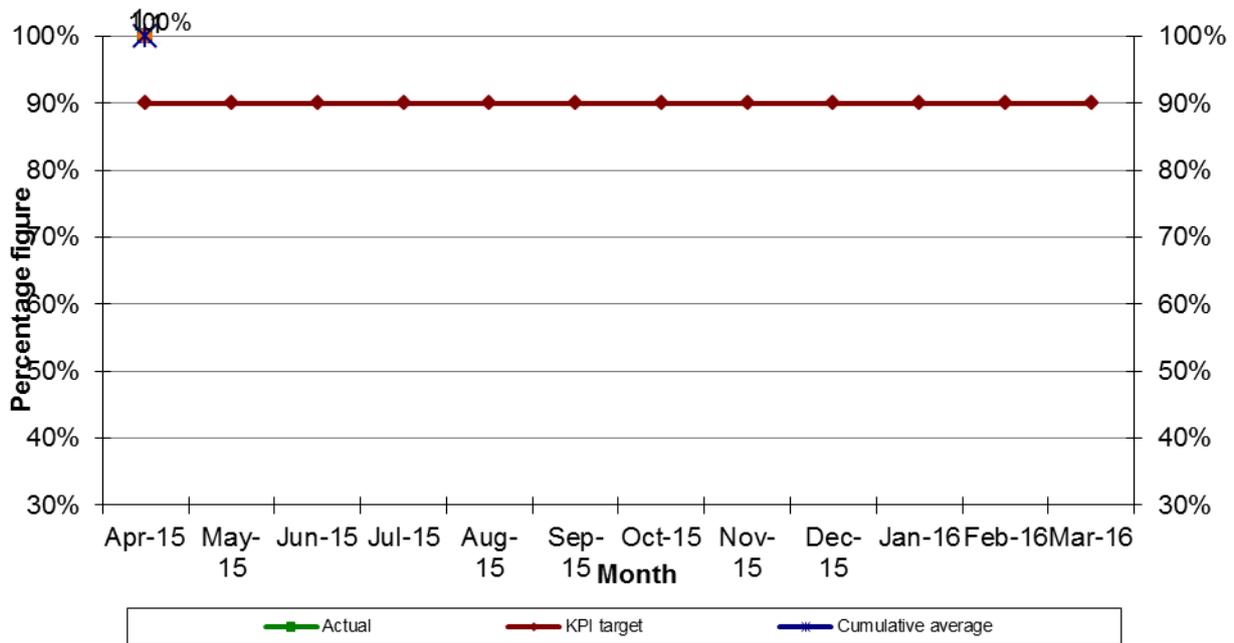
Rationale	The KPI measures the time taken to assess EU/Overseas applications
Definition	<p>This is the percentage of EU/Overseas applications which are assessed within 70 days of receipt.</p> <p>This KPI will measure the time elapsed between receipt by the NMC of a complete international (EU and non-EU) application and when an assessment decision is issued on that application. Applications submitted with invalid documents will be reassessed when requested corrected documents are received; the KPI will measure the time elapsed between receipt of required information and each new assessment decision.</p>

April 2015	Year to date average	Year end average target
99.8%	99.8% (Green)	90%

Year to date average: On this occasion it is the figure for April
RAG: Year end average vs. year end average target

Red/Amber/Green rating:
 Green = figure matches or is higher than the target figure of 90%.
 Amber = figure is between 85 and 90%.
 Red = figure is 84% or lower.

Graphical information and commentary:

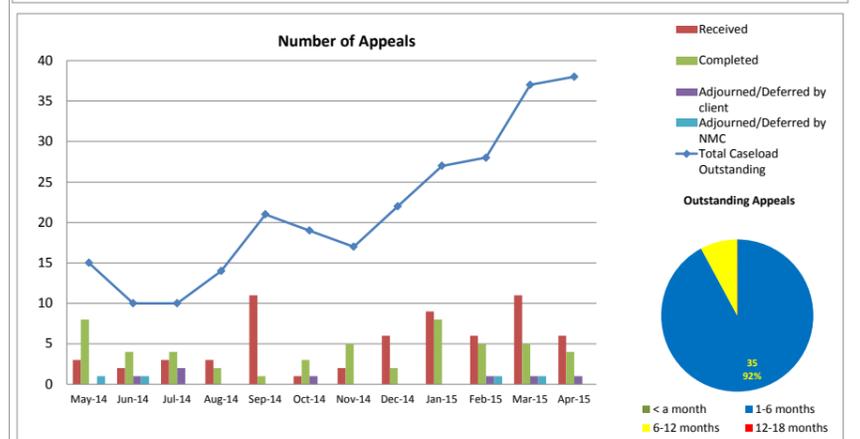
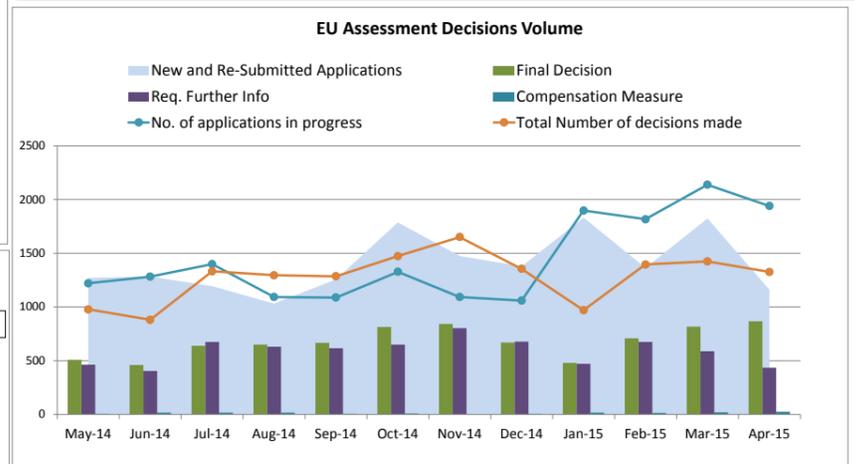
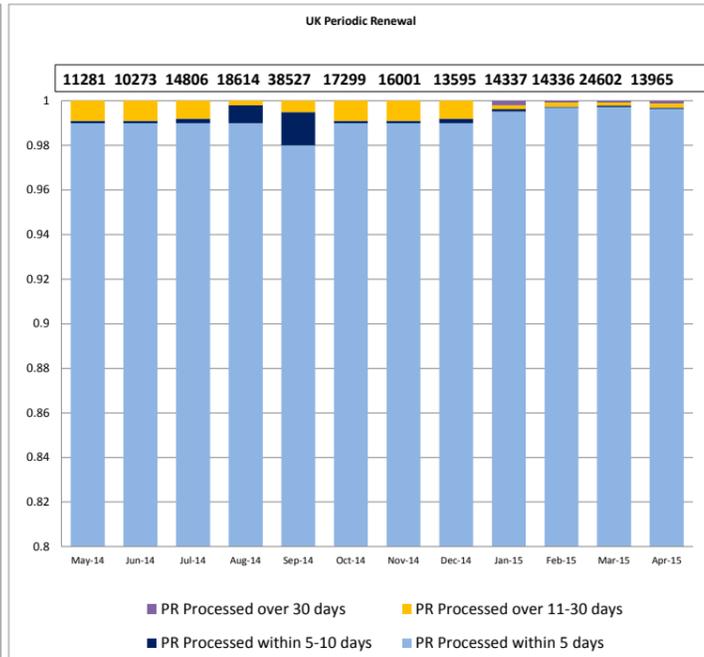
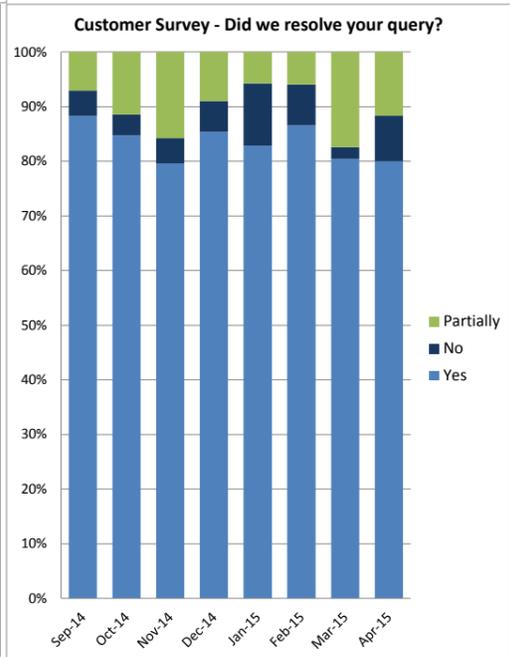
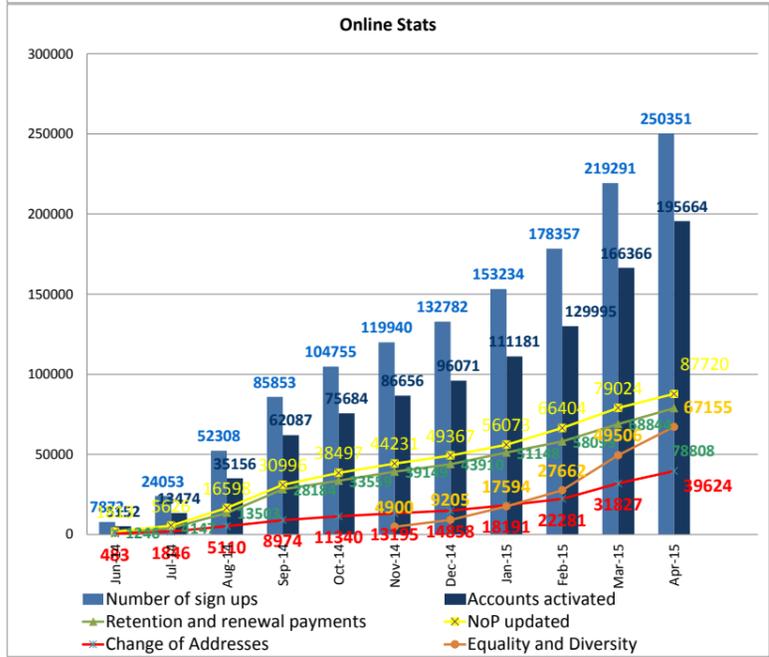
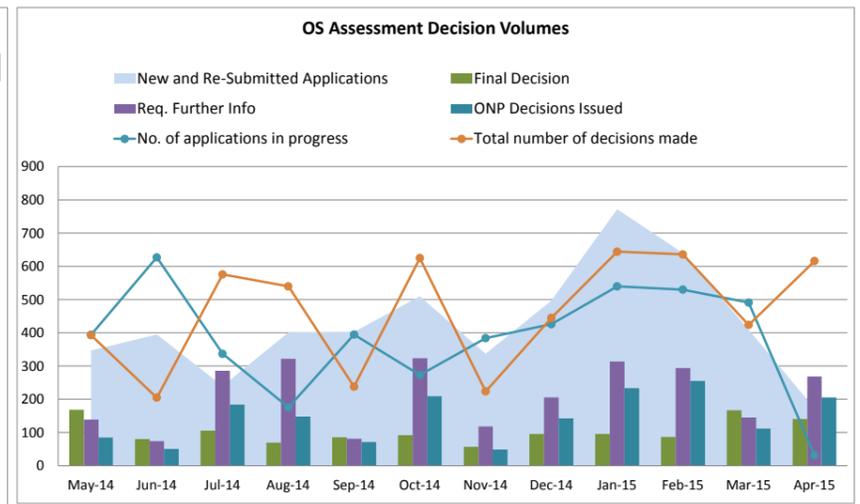
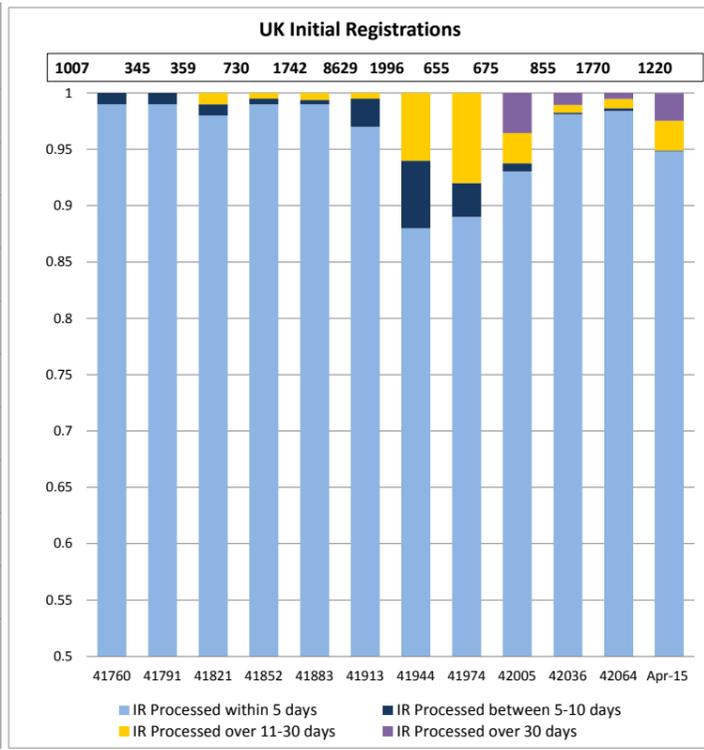
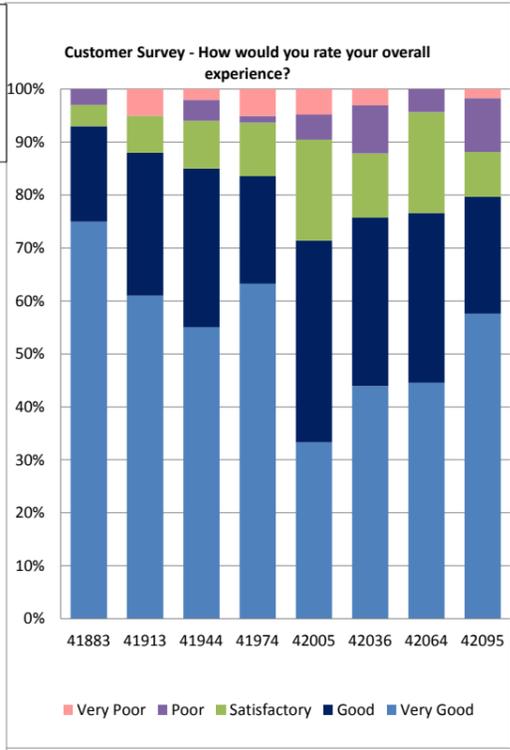
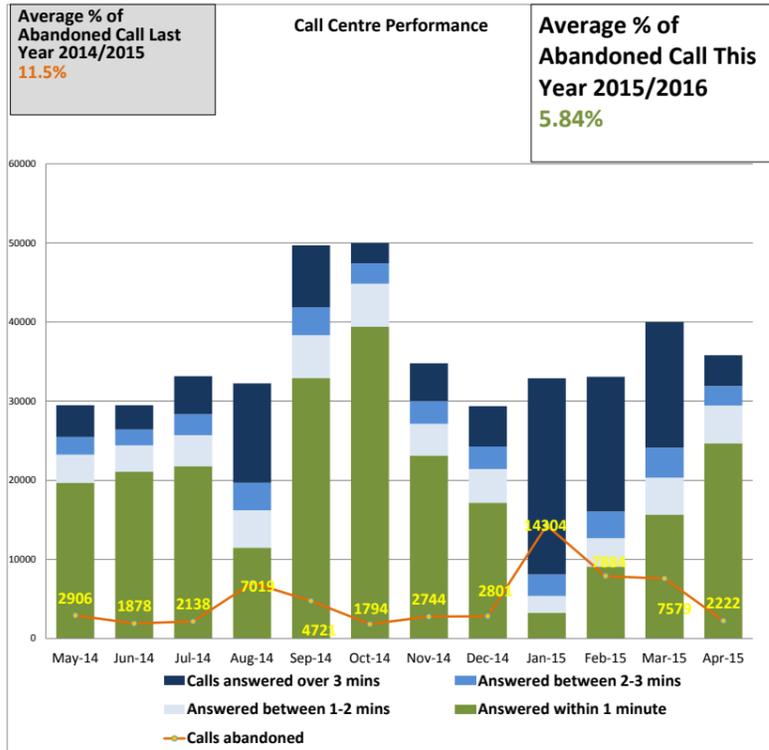


Although the performance level in the graph rounds up to 100% it was actually 99.8%. Of the 2,070 international registration assessments carried out, only 5 (0.2%) took longer than 70 days, and no case took longer than 75 days. 1,377 assessments were on EU applications and 693 related to non-EU applications. The performance shown this month is somewhat exceptional given the specific targeted activity to complete all ONP decisions under the old international (non-EU) process by the end of April and with a relatively low volume of applications at the assessment

stage under the new international (non-EU) registration process.

There are still large volumes of applications from Italy (235), Romania (250), Spain (189) and Portugal (65).

The target for this KPI (currently 90% as agreed) will be reviewed for consideration at the October Council meeting once the impact of the new test of competence based process is known.



Fitness to Practise performance and risk update

Performance overview

- 1 In April, we held a series of presentations with all staff in the directorate to raise awareness of the new NMC strategy and corporate plan and discuss how these relate to the FtP deliverables and operating model. Performance in the first month of the planning and financial year has been generally sound despite the impact of the Kingsway fire, which is explained in more detail below.

Summary of impact from the Kingsway fire

- 2 The electrical fire which occurred under Kingsway on 1 April 2015 caused disruption to fitness to practise activities until 20 April 2015. The Aldwych hearing centre was not operational from 1 to 7 April. The Kemble Street offices were not operational from 1 April. A phased return of staff began on 15 April and was fully complete by 20 April. Colleagues in Fitness to Practise, ICT and Facilities worked closely and effectively together to mitigate the operational impact of the incident.
- 3 Hearing activity was kept on track by an early decision to move the schedule away from Aldwych. Hearings in progress and scheduled for Aldwych were moved to the Stratford office or the General Pharmaceutical Council and only three of the eight which were interrupted went part heard as a result. Scheduling of future hearings was affected but the impact was mitigated by the team having scheduled far enough in advance to absorb the time lost. There is no perceived risk to KPI performance from a hearings scheduling perspective.
- 4 Casework undertaken by lawyers and investigators progressed but was hampered by reduced accessibility to documents and colleagues. Staff were accommodated at desks made available across NMC sites or were asked to work at home, which meant that the usual cohesion between teams was lost to some extent. We know that the investigations department lost 1,320 hours on 1 and 2 April 2015. Beyond that the impact is more difficult to quantify because it relates to reduced productivity resulting from the alternative working arrangements, rather than business interruption.
- 5 New referrals were logged as usual and there was no discernible impact on initial assessments for potential interim orders, which plays an integral part in ensuring public protection.
- 6 Customer service will have been affected by a number of case handling staff not having ready access to phones, and post collections and deliveries being disrupted by road closures and building access restrictions. We know that some impact is inevitable but the full effect will not be known until much later.
- 7 A post-incident review, which will consider the wider impact and management of the situation, is being carried out. Learning points from the review will feed directly into a

business continuity planning exercise which is currently underway.

FtP dashboard

- 8 In March, the Council requested that the total caseload figures be reinstated on the FtP dashboard. This has been actioned although the information is presented in a different format showing an average of new referrals and cases closed for the preceding six month period, the current month and an average forecast for the next six months.

Corporate risk update – please refer to corporate risk register at annexe 2

- 9 CR2 *Fitness to practise performance* remains scored at 15 (amber).

KPI 2 – Percentage of interim orders imposed within 28 days of opening the case

Strategic priority 1: Effective regulation

Rationale A measurement of how quickly we protect the public in the most serious cases by applying restrictions to a nurse or midwife’s practice.

Definition Percentage of interim orders imposed within 28 days of opening the case. The measure will use the cumulative number of interim orders imposed over a rolling 12 month period. Our target is to exceed 80% every month.

Definition of the start and end points of the measure - The period starts on the day that a case is logged on the case management system and the day that an interim order is imposed is the end of the measurement period.

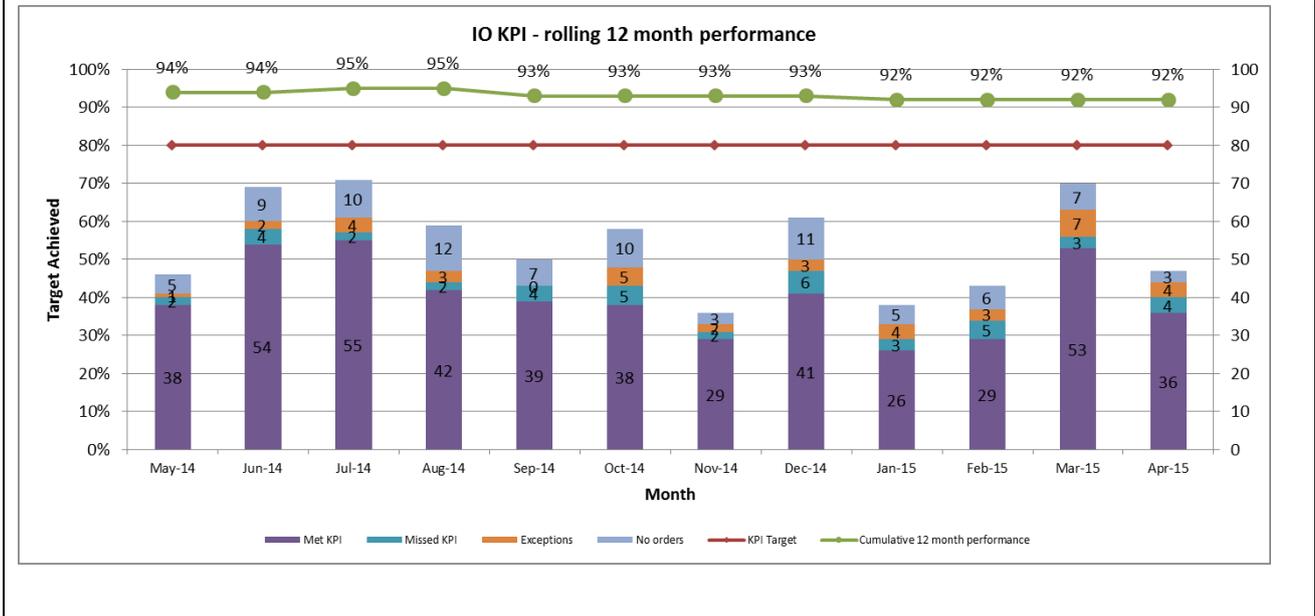
Cases which do not have an order imposed are not counted towards this measure.

Historical figure (Average for the year 2014-15)	February 2015	March 2015	April 2015	Monthly target
92%	92%	92%	92% (Green)	80%

Each monthly figure is based on numbers for a rolling 12 month period
RAG rating: April figure vs monthly target

Red/Amber/Green rating
 Based on 10% variance threshold:
 Green = figure matches or is higher than the target figure
 Amber = figure is between 70-79.9%
 Red = figure is 69.9% or lower

Graphical information and commentary:



Cumulative performance over the last twelve months remained unchanged at 92%. The target is to exceed 80% every month. In April, 90% of IOs were imposed within 28 days which is consistent with the long term trend. Out of a total of 47 IO applications, 44 (93%) resulted in an order. Of the 40 used in the KPI calculation (the other four being classed as exceptions), 36 were imposed within 28 days. The average time taken was 27 days. Exceptions from the IO KPI are only granted in very limited circumstances where risk assessment on receipt of new information later in the process necessitates an IO application.

KPI 3 - Proportion of FtP cases concluded within 15 months of being opened

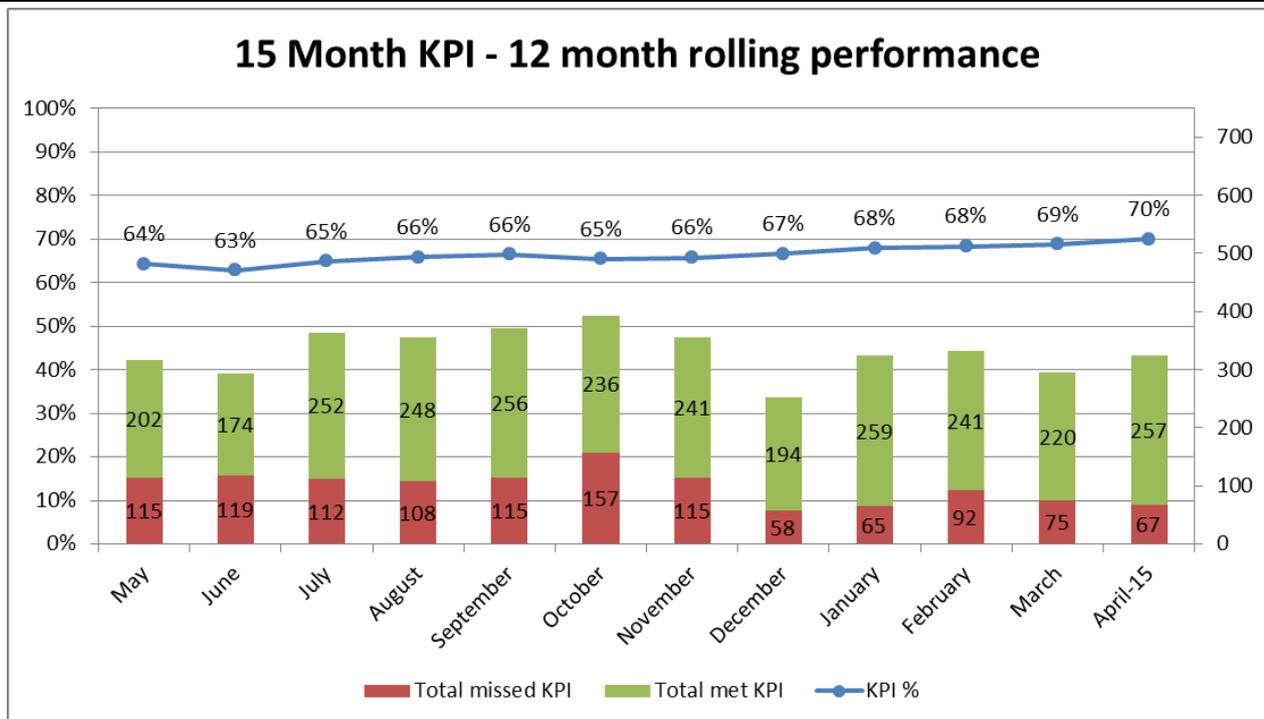
Strategic priority 1: Effective regulation

Rationale	Measures timeliness of the end to end FtP process.
Definition	This is the proportion of FtP cases which are concluded within 15 months of being opened. By concluded, the case has either been: 1. Investigated at Screening and closed 2. Closed no case to answer by Investigating Committee or case examiners 3. Closed by voluntary removal 4. Concluded at an adjudication hearing or meeting 5. Cases where a registrant has lapsed or cannot be identified are <i>not</i> included.

Historical figure (Average for the year 2014-15)	February 2015	March 2015	April 2015	Current target	Year-end target
69%	68%	69%	70%	65%	TBC

Performance is expected to be higher than 65%, although this is not a formal target.

Graphical information and commentary:



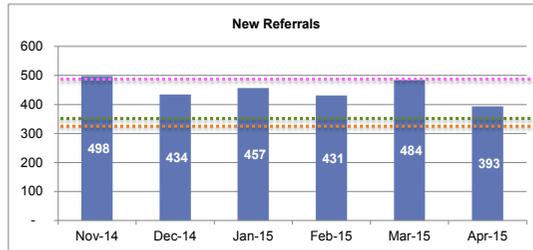
There has been a steady improvement in performance against what is now the 15 month KPI. We have been tracking performance for a little over a year and have seen underlying monthly spot

rates vary between 60% and 80%. Cumulative performance over the last 12 months has moved steadily upwards from 64% to 70%. Our current aim is to not let performance dip below 65% in any month. We will propose a year-end target to the Council in October as previously agreed.

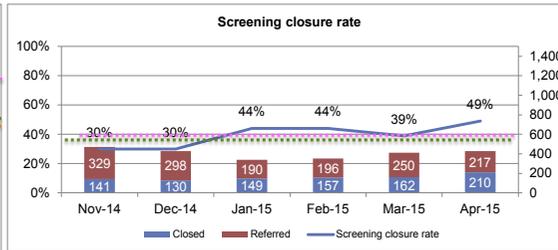
Item 8: Annexe 1 (d)

FtP Performance for November 2014 to April 2015

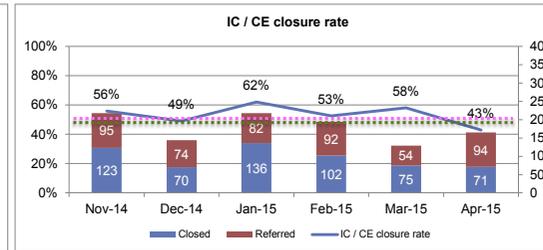
2013/14 planning assumption
2014/15 planning assumption
12 month average



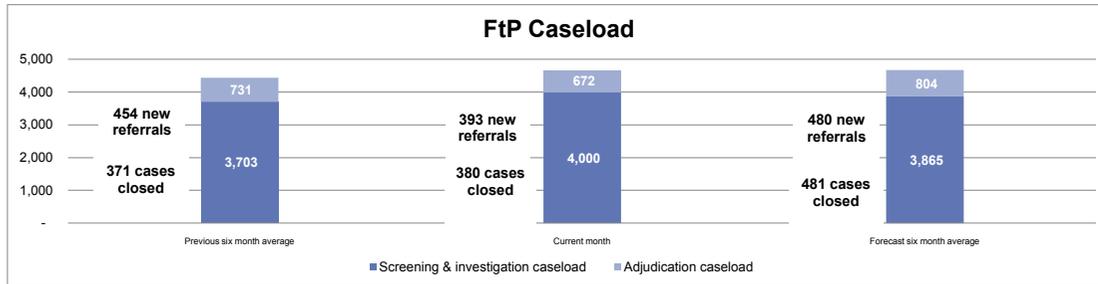
New referrals logged during the month.



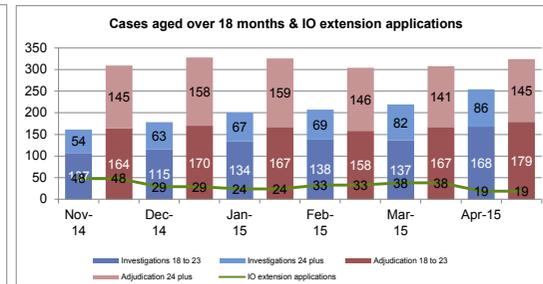
The line graph represents the proportion of cases closed after screening. The planning assumption and 12 month average lines apply to the closure rate. The bars underneath show how many cases were considered each month, split by their outcome.



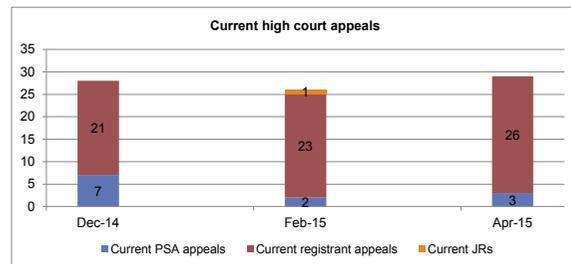
The line graph represents the proportion of cases closed by the investigation committee prior to 9 March, and then by case examiners. The planning assumption and 12 month average lines apply to the closure rate. The bars underneath show how many cases were considered each month, split by their outcome.



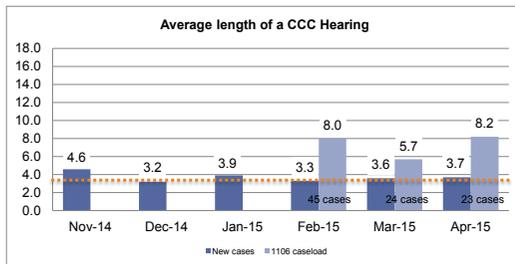
The bar graphs show the total FtP caseload split between investigations and adjudication. The bars for the previous six months and forecast six months show average caseloads over those periods so that when viewed together they demonstrate the direction of travel. The current month bar is the closing caseload for the period under review. The numbers of new referrals and cases closed next to each bar follow the same methodology, averages for prior and forecast periods and the closing numbers for the period under review.



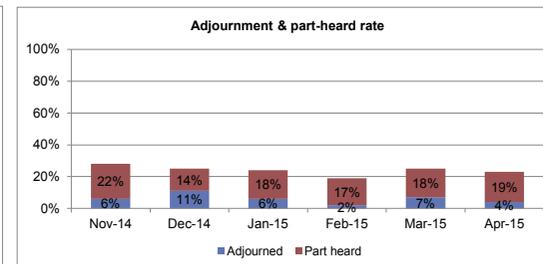
The bars show a monthly breakdown of the number of cases in investigations and adjudication over 18 and over 24 months old. The line graph shows the number of high court IO extension applications made each month.



This graph shows the number of open appeals at the end of each reported month.



The bars show the average number of days taken to reach a decision on cases concluded during the reporting month. All hearing days pertaining to the case are counted, even if they took place in prior months. Currently cases are being split into those referred before 1 July 2014 and those referred after that date.



This graph shows the proportion of hearings which were stopped during the month without a decision having been reached. The split between adjourned and part-heard demonstrates that the majority fall into the latter category and could be the result of scheduled time running out or of the case having been split into multiple scheduled events.

Continued Practice performance and risk update

Performance overview

Duty of candour

- 1 The launch of the joint guidance with the General Medical Council (GMC) is planned for June 2015. We continue to work alongside GMC colleagues developing case studies that will seek to illustrate how the professional duty of candour should be used in a variety of settings and scenarios, including those which occur in multi-disciplinary teams.

Code and guidance

- 2 The revised Code became effective from 31 March 2015. We primed @WeNurses to promote a #NMCCodeSelfie campaign that has resulted in well over 200 people posting pictures of themselves with the Code they received in the post to Twitter. The Code has been downloaded from the website by more than 100,000 visitors.
- 3 Guidance to support the revised Code on the use of social media and the refreshed guidance for raising concerns were published on 31 March 2015.
- 4 Following changes to legislation which came into effect on 6 April 2015, student nurses and midwives who are in practice settings as part of their education programmes will be given the same level of protection as registered nurses and midwives. This is under the Public Interest Disclosure Act which enables nurses and midwives (among other workers) to make 'protected disclosures' to the NMC and other organisations. Our raising concerns guidance has been updated to reflect both the Code and changes to whistleblower legislation, which means that students are now protected by the law if they make a disclosure to us.

Quality assurance of education and local supervising authorities

- 5 We selected 17 approved education institutions (AEIs) and four local supervising authorities (LSAs) to be monitored under our quality assurance framework for education and LSAs for 2014–2015.
- 6 Our monitoring visits concluded in March 2015. Eight AEIs and two LSAs received a 'standard not met' with respect to at least one key risk. They have formulated action plans to address these key risk areas and to ensure compliance with our standards. Our quality assurance reviewing teams are in the process of visiting the respective AEIs/LSAs and seeking assurance that they have met the actions or are in the process of doing so.
- 7 We have undertaken an additional review of all programmes that universities deliver in Guernsey, the Isle of Man and Jersey.

Corporate risk update – please refer to corporate risk register at annexe 2

- 8 CR13 A *Revalidation – programme delivery* remains scored at 6 (green). CR13 B *Revalidation – system impact and readiness* remains scored at 16 (red).

Corporate Services performance and risk update

Performance overview

Accommodation review

- 1 We are now embarking on a review of our estate to determine the NMC's long term requirements, following work with our external property advisers on data gathering. This work is expected to run until the autumn and will include engagement across the NMC and with third parties.

Finance Improvement Programme

- 2 We have a comprehensive finance improvement programme, which has already started to see improvements in controls to payroll and financial processing, resulting in an increased level of assurance in these areas. The programme's priority over the next few months is in reviewing and improving our processes around the procurement of goods and services and the management of supplier contracts. We are working with our internal auditors on a process review, and the programme includes training for all relevant staff and managers in order to increase compliance and raise skills and capabilities in these disciplines.

Corporate risk update – please refer to corporate risk register at annexe 2

- 3 As requested by the Council in March, we have reviewed the risk score for CR5 *Financial resources*. The inherent risk score has decreased from 20 (red) to 15 (amber). The rationale for the reduction is:
 - 3.1 The risk as currently stated refers to a potential situation of having insufficient resources to meet all our planned requirements.
 - 3.2 Following implementation of the fee rise, reserves have been restored above the minimum a year earlier than planned and as the mitigation actions are already built into the budgetary process itself we can be confident we can deliver our plan from a financial perspective.

KPI 4 – Available free reserves

Strategic priority 4: An effective organisation

Rationale	<p>The NMC's budget and financial strategy is predicated on a restoration of minimum available free reserves to a minimum target level of £10m by January 2016. This KPI measures how close we are to our plan for achieving this target.</p> <p>This KPI also demonstrates delivery against meeting the target as agreed with the Department of Health.</p>
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Definition	The level of available free reserves at month end compared with budgeted available free reserves at that month end.
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February 2015	March 2015	April 2015	April 2015 budget	Year end forecast	Year end target
£11.5m	£11.9m	-	£9.9m	- (RAG)	£12.3

RAG rating: Year-end forecast vs Year-end target

Red/Amber/Green rating:

Green = the figure matches or is above the target figure.

Amber = within 5% of the target figure.

Red = greater than 5% of the target figure.

Graphical information and commentary:

Due to the timing of the Council meeting and the requirement to complete the year end audit and accounts to March 2015, the April 2015 available free reserves figure is not yet available.

As the 2014-2015 closing available free reserves are currently being audited, the April 2015 budgeted figure and year-end target are subject to audit adjustment. Although the available free reserves will be restated on the basis of the audited accounts, the budgeted revenue and expenditure will remain as approved by the Council in March 2015.

KPI 5 – Staff turnover rate

Strategic priority 4: An effective organisation

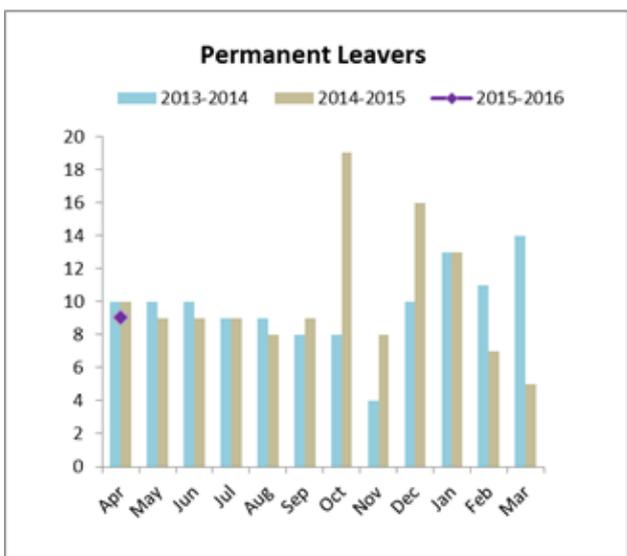
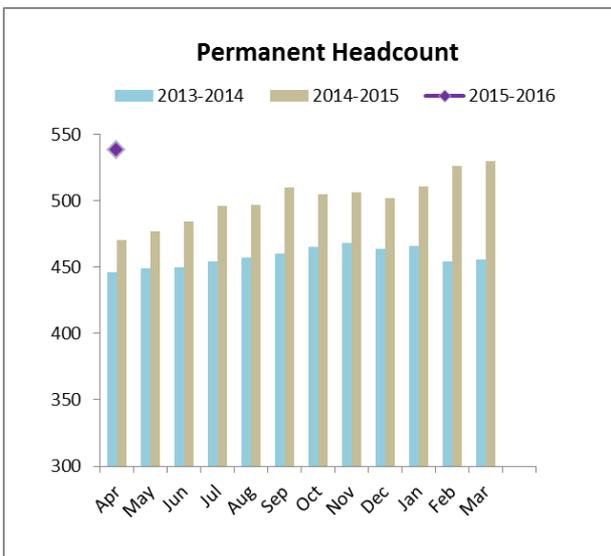
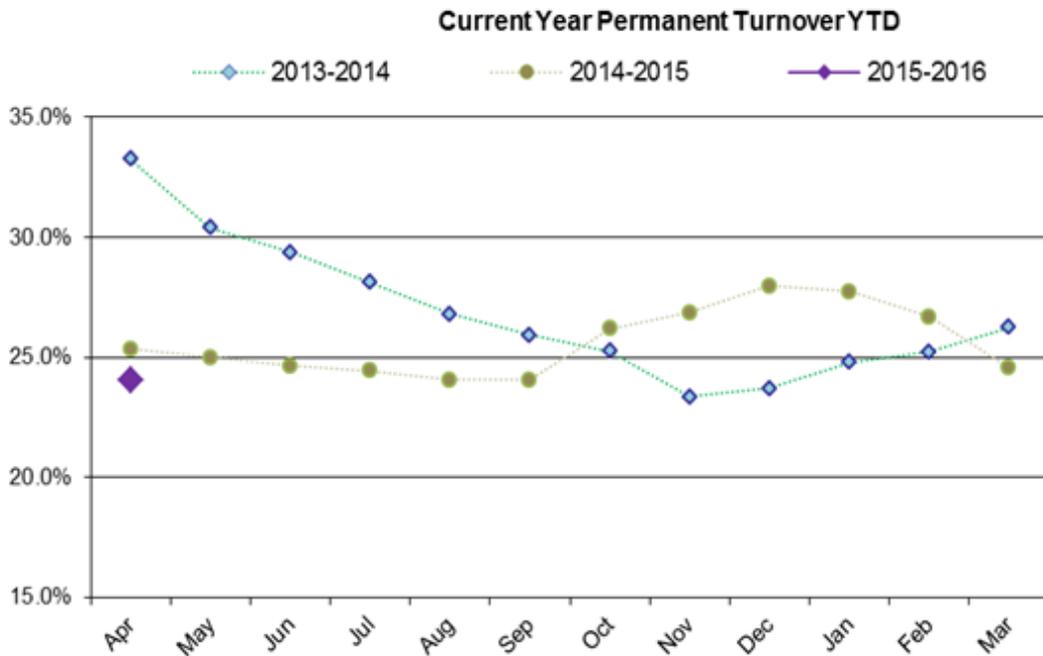
Rationale	The level of staff turnover is consistently high and represents a recognised risk to organisational effectiveness.
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Definition	$\frac{\text{Sum of permanent leavers in past 12 months (X)}}{\text{Average number of permanent staff in post in last 12 months (Y)}}$
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February 2015	March 2015	April 2015	Year end forecast
26.7%	24.5%	24%	N/A

No target has been set for 2015-16 and no forecast reported. It would be difficult to set a meaningful target due to unpredictability over the size of the permanent workforce over the year, due to a high period of growth. Instead, performance will be monitored and will include reference to longer historic trends.

Graphical information and commentary:



Commentary

April 2015 has seen slightly fewer leavers than the two previous years and with a continued increase in staff in post, the annualised permanent turnover figure has decreased for the fourth consecutive month. Out of the nine permanent leavers in April, eight were resignations due to a combination of career progression, change in personal circumstance and issues around the role, as well as one failed probationary period. Staff numbers have grown significantly in the past 12 months with 68 more permanent employees now than this time last year. This growth is predicted to increase further, especially in the first half of the year, due to new roles being approved in the 2015-2016 budgets.

Strategy performance and risk update

Performance overview

Customer service

- 1 We continue to take forward our work to adopt the Cabinet Office's Customer Service Excellence ® standard across the organisation. Customer service champions across the organisation are currently receiving training in the standard from a Cabinet Office approved supplier. The champions are working in their respective business areas to collect information to feed into an initial assessment against the standard. The report from the initial assessment will identify areas for improvements. We will provide a further update when we receive the report from the assessors. A Council seminar session on customer service is scheduled for October.

Midwifery regulation

- 2 We continue work on preparation for implementing the Council's January 2015 policy decision on midwifery regulation. This includes contributing to discussions with the Department of Health, Chief Nursing Officers and others on the future of supervision and working on interim changes to the midwifery standards and guidance.

Purpose of the register

- 3 We have begun initial work on this longer-term programme by initial scoping of the issues for the register relating to specialist community public health nurses (SCPHNs), second level nurses and public health specialists.

Research

- 4 We have issued invitations for expressions of interest for the first of our fitness to practise related research projects looking at allegations.

Corporate risk update – please refer to corporate risk register at annexe 2

- 5 As requested by the Council in March we have reviewed the risk scores for CR10 *Profile and proactivity* and CR11 *Legislative change*. As part of the review of corporate risks being undertaken by the Council, we expect both these risks to be reframed.
- 6 CR10 *Profile and proactivity* has decreased in score from 9 (amber) to 6 (green). This reflects the significant progress made in this area and the positive feedback we have received.
- 7 CR11 *Legislative change* remains red at 16 as there has been no significant change

to majorly affect the risk of the Bill not being introduced.

8 CR14 *Midwifery supervision* remains scored at 9 (amber).

9 CR15 *Effective management of risk intelligence about settings by the NMC, including sharing with others who protect the public* remains scored at 12 (amber).

Corporate risk register

		Date: 6 May 2015			Issue No: 25			Note: The 'inherent risk scoring' column does not take into account any mitigation. The 'post-mitigation scoring' involves taking into account the mitigation in place but not the planned action.									
No.	Date of origin	Risk Scenario			Inherent risk scoring			Mitigation in place / Planned action			Post-mitigation scoring	Risk Owner (and Mitigation Owner)	Dates up-dated (log of dates for when risk was updated)	Status (open / closed plus clear indication of whether and when on track / not on track to reduce scoring)	Direction (of risk score from the previous issue)		
		Root cause(s)	Potential situation	Consequences	Likelihood	Impact	Score	Likelihood	Impact	Score							
CR1 A	May-13 (previously risk Reg 2011/02. Date of origin: Apr 2011)	Integrity of the register - Current						Mitigation in place: (1) Standard operating procedures and improved training. (2) Daily reconciliation reports and manual processes to address system anomalies. (3) We have adjusted the weekly checks carried out so that these now include checks back to the determination on the website to ensure that the information recorded is an accurate reflection of the decision made by the panel. (4) Checks are being carried out on changes to the register arising from change of address and change of name requests etc dating from December 2014. The Registration performance improvement team are undertaking dip sampling of completed QAs to identify any issues with changes to registrant's details (other than FtP changes). Address changes are presenting as a potential issue (also highlighted through SERs). Root cause analysis has been undertaken with UK Registrations team. Planned action: (1) WISER improvements continue to be implemented in 2015(ongoing) (2) Further process refinements and alignment of FtP and Registration data (ongoing). (3) Implementation of Internal audit recommendations on registration control framework and registrant data integrity. We committed to implementing the second recommendation by December 2014 to undertake periodic checks of data on the registration system that has been subject to changes outside the normal changes arising from a fitness to practise hearing. (4) Guidance for revalidation will be developed (December 2015). (5) Further investigation to take place of APD Database and its veracity and possible impact on integrity of the register - joint Continued Practice/Registration review of this area is ongoing and will be reported in December 2014. Review not completed - to be determined whether it should continue. Following discussions with Tom Kirkbride and Laura O'Sullivan it is felt that there is no link to the APD database and that a review would be pointless. Will remove this planned action at next iteration. (6) Implement audit of Professional Indemnity Arrangement declarations (early 2015). (7) Council has committed to introduce a proportionate and effective model of revalidation by the end of 2015.			3	4	12	Director, Registrations	13/12/13 - likelihood reduced to 3 due to recruitment and appointment of IC verification officer. 16/9/14 Update to add root cause (3) and potential situation with planned action. Update to planned action 7, ongoing to be reviewed in December 2014 17/11/14 - Planned action about the new overseas process was moved to Mitigation in place. 6/2/15 Mitigation 4 (introduction of revalidation model) moved to planned actions 6/2/15 Mitigation 5 (overseas applicants required to attend NMC inperson\ removed as this is now BAU 24/03/2015 Planned action (3) updated and moved to mitigation	Open - on track. Risk reviewed monthly. Focused on current registration activity and therefore is more controllable through mitigation actions than the historic risk below. Risk reduction expected March 2015	No change
Cross ref: R7		(1) Wiser and Case Management System (CMS) not fully integrated. (2) Current policies, processes and procedures may be ineffective or inconsistently applied. (3) Relying on registrants to make full and accurate declarations in respect of their Professional Indemnity Arrangements	1)The online register may be inaccurate. 2) Registrants may be practising without appropriate indemnity arrangement in place.	(1) Public protection compromise (2) Negative impact on registrants. (3) Reputation damaged. (4) PSA Standards of Good Regulation not being met.	5	5	25										

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CR1 B	May-13 (previously risk Reg 2011/01. Date of origin: Apr 2011)	Integrity of the register - Historic						Mitigation in place: (1) Initial OS Audit (April 2002 - 2013) results indicate a strengthening of process over time (since 2007). Standard operating procedures and improved training. (2) FtP/Registration working group who have identified issues relating to historical inaccuracies. Daily reports available to FtP/Registration to identify anomalies to be rectified (3) Obtained duplicate records data identifying a number of registrants who have separate entries on the register. Planned action: (1) Analysis of specific cohorts where potential issues/risks are identified - to provide assurance or scope any issues (on-going). (2) Continuous Improvement manager has been in post since 9/2/15. He is currently undertaking a current state mapping exercise of all Registration Directorate's processes. Any risks identified in the course of this initiative will be escalated to the appropriate risk registers. (3) Investigate gathering employer data to allow analysis of appropriate registration (ESR). This will form phase 2 of the NMC Online project and is dependent on obtaining a change to legislation (early 2015) - ONGOING. (4) Further risk based audits as required (ongoing). (5) Council has committed to introduce a proportionate and effective model of revalidation by the end of 2015. (6) Duplicate records are being amalgamated. Report from Fortesium on WISER anomalies being actioned in stages (Sept 2015).				Director, Registrations	16/9/14 - update to date of recruitment of continuous improvement manager. Update to planned action 3 (now in progress interviews being held on 26 November). 6/2/15 continuous improvement manager now in post. Mitigation 2 (introduction of a revalidation model) moved to planned action. 23/03/2015 Planned action (2) updated 06/05/15 Mitigation (3) updated 07/05/15 Mitigation (3) and Planned action (6) updated.	Open - on track. Risk reviewed monthly. Involves a long lead time for any action to play forward and impact the risk scoring. Very marginal improvement predicted until after revalidation in place from 2015. Reduction in post mitigation scoring of likelihood to 3 in December 2014	No change
Cross ref: R7	(1) Policies and procedures may have been absent, ineffective or inconsistently applied in the past. (2) Historic decisions may have been made on a different basis, but cannot be reversed. (3) Circumstances may have changed after initial admission to the register, however these are not routinely checked. (4) Historic inaccuracies in recording FtP case statuses.	We may identify individuals currently on the register who would not meet current requirements for admission, and we may not have appropriate plans in place to respond to this.	(1) Public protection compromised. (2) Reputation damaged. (3) PSA Standards of Good Regulation not being met.	5	5	25	3		4	12					
CR2	26/06/2013	Fitness to practise performance						Mitigation in place: (1) Detailed profiling and forecasting of caseload and activity and oversight by the Executive Board. (2) Increased focus on quality of early stage decision making. (3) Ongoing review of investigation cases at or near KPI deadline. (4) Quality management mechanisms being embedded. (5) Case examiners and power to review introduced 9 March 2015. Planned action: (1) Closer working with employers (June 2015). (2) Successful delivery of CMS functionality enabling better MI (September 2015) (Linked to FtP9).				Director, Fitness to Practise	05/03/2015 20/04/2015	Open - on track Weekly performance/delivery against target reviewed at weekly management meeting and risk reviewed monthly. The adjudication KPI was met in December however this risk remains amber due to pressures across FtP to further reduce the time to deal with fitness to practise cases. Linked to FtP Programme Risk Register	No change
Cross ref: See FtP Programme Risk Register	(1) Historic under investment in FtP. (2) Inflexible legislative framework. (3) Fluctuations in referrals above the forecast levels. (4) Possibility that processes may be unable to sustain required volume of case progression/hearings at the expected quality.	The quality of our decision making may be compromised and we may not achieve continued improvements to timeliness.	(1) Public protection compromised. (2) Negative impact on registrants. (3) Negative impact on referrers. (4) Reputation damaged. (5) PSA Standards of Good Regulation not met (6) Adverse PSA initial stages audit'	5	5	25	3		5	15					

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CR13 A	May-13 (previously risk CR3/CP1. Date of origin: May-13)	Revalidation - programme delivery						Mitigation in place: (1,2) Close working with DH around revalidation priorities and future legislation (if/as required following phase one). Close working relations with all four UK governments and four-country programme boards around readiness and delivery. (2,4) Evidence report on revalidation published in November 2014. (1,2,4) Provisional revalidation policy developed based on existing legislation. Agreed by Council in December 2014. (2,4) Provisional Standards and guidance developed to support the pilots seen by Council in January 2015. (3) Clear programme governance structure in place (3) Clear IT requirements for effective IT delivery. (3) Resource planning undertaken and appointments underway. (4) Programme resourced in line with resource plan. (4, 5) Extensive ongoing stakeholder engagement activities across settings and four countries. (4, 5) Stakeholder groups (RSAG and Revalidation Pilot Group (RPG), and four-country programme boards meeting regularly. (5) Pilot organisations selected to reflect the diversity of the register. Planned action: (3) Full system requirement to be developed in parallel with pilot to allow sufficient time for development work (April to July 2015). (4,5) A number of detailed materials to be developed in collaboration with the pilot organisations between December 2014 and March 2015. (5) Pilot phase to test the processes and tools of the revalidation model with nurses and midwives in a variety of settings. (Jan to June 2015).				Director, Continued Practice	26/03/15 - Mitigation added: (4) Programme resourced in line with resource plan. (3) Clear programme governance structure in place Removed historic mitigation around Consultation and engagement events 2014) 14.01.2015 Mitigations and planned actions updated 19/11/2014 17/11/2014: this risk supercedes CR3. The old wording has been moved to the 'Closed risks' tab. 03/11/2014	Open - Programme to be achieved in Dec 2015 Engagement activity has moved to focus on strategic partnership building. Stakeholder groups have been re-shaped to support programme's needs.	No change
Cross ref:		(1) Change in government priorities.	(1) Decreasing support from government for revalidation.	(1) Impact on public protection due to lack of support for implementing revalidation. Impact on the views of employers, other regulators, media etc.	3	4	12		2	4	8				

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CR13 B	May-13 (previously risk CR3/CP1. Date of origin: May-13)	Revalidation - system impact and readiness			4	4	16	Mitigation in place: (1) PSA update provided through annual performance review and face to face meetings. (2) Implications on system project report delivered in August 2014. (2) Oversight and scrutiny by Revalidation Programme Board and Executive Board, to address issues of complexity and cost of model. (1, 2, 3) Extensive high-level strategic engagement and communications (including at four-country programme boards) - to manage system readiness and Communications strands of project. (1,2,3) Establishment of five organisation partnership group with the NMC working across the four country programme groups. (2,3) Preliminary development of readiness requirements with key stakeholders. Planned action: (1,2,3) Robust evaluation of the pilots both from the registrants' perspective (registration experience evaluation) and the impact on the system perspective (evaluation of the impact on the system, employers and governments at four country level) (Feb to July 2015). (2,3) Development of strategic communication plan. (3) Organisational readiness toolkit and other material to assess impact on the system in development for the pilots (Jan 2015 to July 2015).	4	4	16	Director, Continued Practice (sponsor)	8/1/00	Open - Programme to be achieved in Dec 2015 Engagement activity has moved to focus on strategic partnership building. Stakeholder groups have been re-shaped to support programme's needs.	No change
		(1) Lack of buy-in from stakeholders and accountability authorities (PSA, HSC) regarding revalidation model and how it aligns to corporate objectives. (2) Costs for organisations to prepare for, and to put resources/ processes/ infrastructure in place, to support revalidation. (3) Inconsistent levels of buy-in across the system and register.	(1) Lack of positive promotion from key stakeholders. (2) Organisations may lack the resources/ infrastructure required to enable them to introduce revalidation by the set timeframe. (3) Inadequate preparations made to support/allow compliance with revalidation process due to lack of knowledge/ understanding or unaddressed resistance.	(1) Criticism drawn as PSA standards of good regulation, and expectations of HSC are not met. (2) Individuals are not able to adopt revised procedures and requirements leading to inability to introduce revalidation. (3) Criticism/confusion from registrants/ stakeholders. Unable to implement full revalidation process.											

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CR5 Cross ref: CS1	May-13 (previously risk G39. Date of origin: Mar-13)	Financial resources (1) Limited sources of income and pressure to contain fee rises. (2) Possible increase in resource requirements as a result of external factors e.g. external reviews, inquiries, government policy etc. (3) Possible increase in fitness to practise referrals above forecast rate. (4) Resource requirements arising from several, simultaneous improvement projects. (5) Possibility that we do not achieve targeted efficiency savings. (6) Lack of control over potential charges under PSA levy. (7) The NMC's participation in its defined benefits pension scheme and the possibility of becoming the sole member.	We may have insufficient financial resources to meet all our planned operational requirements.	(1) Inability to deliver corporate objectives and/or improvement programme. (2) Negative impact on registrants. (3) Reputation damaged.	3	5	15	Mitigation in place: (1) Prudent budgeting aligned to corporate planning and change management programmes. (2) Risk based reserves policy. (3) Detailed financial reporting and monthly review meetings. (4) Efficiency savings monitored through Corporate Efficiency Board. (5) Contingency built into the budget. (6) Annual review of fee requirement. (7) Fee strategy approved to meet medium term financial needs. (8) Available free reserves restored to targeted minimum level. Planned action: (1) Development of new long term financial strategy (Oct 2015 - Mar 2016). (2) Legal advice on pension scheme risks (2015).	2	5	10	Director, Corporate Services	06.05.15 - inherent risk score reduced to 15.	Open - on track. Risk reviewed monthly ----- Linked to Department of Health KPI of January 2016 -----	Reducing
CR6 (CS4) Cross ref:	May-13 (previously risk T24. Date of origin: Oct-12)	Risk: Information Security (1) Large volume, complex information processing. (2) Possibility that policies and procedures may be ineffective or inconsistently applied. (3) Security enhancements to some systems needed.	Sensitive information may be accessed by, or disclosed to, unauthorized individuals.	(1) Negative impact on data subject. (2) Regulatory intervention and/or fine by the Information Commissioner's Office. (3) Reputation damaged. (4) Failing to meet PSA standard of good regulation.	5	4	20	Mitigation in place: (1) Information security and data protection policies. (2) Mandatory training for staff and panellists. (3) Oversight by Information Governance Steering Group. (4) Laptop encryption programme. (5) Information security gap analysis completed and independently validated, identifying risk areas. Improvement Plan in place. (6) Internal audit activity on data security completed, with amber rating. (7) New email encryption solution rolled out. (8) Nearly 100% compliance with mandatory training. (9) December 2014 - 37 of 51 high priority actions complete. (10) Review meeting held with Information Commissioner's Office and voluntary audit by ICO undertaken. Planned action: (1) Continue to implement information security improvement plan, addressing remaining highest risk areas as priority (2015-16) as per planned schedule). (2) Commission independent review of compliance against new ICO27001 standard (2015)	4	4	16	Director, Corporate Services	06.02.15 06.03.15 06.05.15	Open - on track. Risk next reviewed by IGSB in June 2015. March 2015 review agreed to retain risk ratings.	No change

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CR7	May-13 (previously risk G20 & G35. Date of origin: 26.3.2012)	Quality of information						Mitigation in place: (1) Short term improvements to strengthen understanding of management information across registration and fitness to practise systems. (Cross reference CR1) (2) Short term improvements to support stakeholder engagement intelligence needs underway, including liaison with other regulators. (3) Initial intelligence shared with CQC. (4) High level data strategy completed and approved - March 2014. (5) Some reviews of the quality of data and management of corporate KPIs were undertaken by the QA team and learning shared with directorates - Q2 2014-2015. (6) Data manager recruited April 2015. Planned action: (1) Data manager is reviewing data strategy and will develop a proposal regarding pace and scope of implementation (Q2). (2) Further reviews of the quality of data and management of corporate KPIs are included in the QA team's programme of work for 2015-2016.				Director, Strategy Assistant Director, Strategy and Comms	04.04.2014 Updated to reflect production of Corporate Data Strategy and increased traction on this work strand, consequent reduction of likelihood of risk. 06.05.2015 - mitigations and planned actions updated.	Open	No change
Cross ref: S15, S16, FtP9, FtP10, R6, R10, CP4, CR10, CR15	(1) Inconsistency in collection and use of data. (2) Ownership and governance arrangements for data and information management fragmented. (3) Enhanced system and analysis tools needed.	We may not consistently provide a coordinated response to management information and data requests.	(1) Inability to deliver corporate objectives and/or improvement programme. (2) Barrier to making sound business decisions and prioritisation of work. (3) Ineffective use of resources. (4) Reputation damaged.	5	3	15	4		3	12					
CR9 (CS3)	May-13 (previously risk T25. Date of origin: Oct-12)	Staffing						Mitigation in place: (1) Improved employee communication and engagement in place. (2) Human Resources and Organisational Development Strategy in place and being implemented. (3) Staff surveys held annually and directorate action plans developed in response. (4) Learning and development programme for 2014 implemented. (5) Improved management information reports produced and used in directorate discussions to aid decision making. (6) Pay and grading review partially implemented with overall pay levels augmented. (7) Job family structure created to support career pathways, but with more work to make these effective. Planned action: (1) Long term workforce planning aligned to strategic direction (in 2015-18 Business Plan). (2) Further development of career and reward (ongoing). (3) 2015 annual staff survey. (Q1). (4) Further analysis of workforce composition and turnover to identify trends (Q1) (3) Ongoing review of approach to pay and reward and NMC's position in market (2015-16).				Director, Corporate Services AD HR & OD	06.02.15 06.03.15: Updates to planned actions. Post-mitigation impact score has increased to 4 as agreed by Exec Board on 4 March.	Open - on track. Linked to KPI on employer turnover.	No change
Cross ref:	(1) 2014 Staff survey indicates that only 48% of staff see themselves staying with the NMC for 2 years. (2) Staff perception of pay progression remains an issue. (3) Career progression opportunities within the NMC is limited in some areas. (4) A relatively young and mobile workforce.	In a recovering economy we may continue to lose staff due to competing offers externally.	(1) Impact on delivery of corporate objectives and directorate business plans. (2) Negative impact on staff morale, motivation, and performance. (3) Organisational reputation damaged. (4) For specific roles e.g. IT, a continued reliance on consultants and contractors for key roles. (5) Loss of knowledge holders.	3	4	12	3		4	12					

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CR10	May-13 (previously risk T29. Date of origin: Feb-13)	Profile and proactivity						Mitigation in place: (1) Programme of key stakeholder meetings ongoing between Chief Executive, Chair and senior staff with the DH, professional bodies and unions, patient groups, nurses, midwives and other regulators. (2) Patient and public engagement through Patient and Public Advisory Group. (3) Met with Patient and Client Council in Northern Ireland. (4) System in place for tracking and recording FtP referrals. (5) Programme of MoU development and review in progress. (6) Public facing leaflets approved and published. (7) Programme of parliamentary receptions and Council meetings and engagement in each of the four countries of the UK. (8) Professional Strategic Advisory Group established and meeting quarterly. (9) Expert agency employed to drive strategic communications for the Code and revalidation. (10) Hosted successful stakeholder dinner to mark the Code becoming effective March 2015. (11) New website launched April 2015. Planned action: (1) Developing plans for engagement work in Wales and Northern Ireland, alongside a review and evaluation of our existing patient and public engagement work. (2) Employer engagement on revalidation. (3) Memorandums of understanding to be underpinned with information and data sharing protocols (March 2014 and ongoing). (4) FtP developing employer link service model (for implementation in early 2015). (5) Proactive media strategy being developed in line with corporate strategy (Spring 2015). (6) Four nations stakeholder mapping completed and final report received. Next steps to be determined (Q2). (7) Promotional campaign for the Code, including public-facing material ongoing in 2015.				Director, Strategy Assistant Director, Strategy and Comms	28.11.13 - Risk likelihood decreased following Executive Board (26 October) support for the website refresh proposals to be progressed. 13.02.14: risk reviewed and scoring increased following Council discussion, to reflect the extent of the challenge faced. 07.11.14 Code promotion added to planned action 13.01.15 Historic mitigations removed and planned actions updated. 10.02.15 Planned actions updated. 06.05.14 Post-mitigation score reduced from 9 to 6 to reflect significant progress achieved and positive feedback. Potential situation around ineffective joint working removed as covered by CR15.	Open 10/01/2014: Note that the KPMG report noted good progress with stakeholders.	Reducing
		(1) Engagement with patients, public and stakeholders not yet fully embedded. (2) Complex healthcare landscape and regulatory environment.	The NMC's lack of public profile means we may not communicate our role effectively and therefore our role is not properly understood.	(1) Inability to deliver public protection effectively. (2) Reputation damaged. (3) Inappropriate or lack of referrals to fitness to practise. (4) Inappropriate recommendations from external reviews.	4	4	16		2	3	6				

Cross ref:
CR7, CP2, S18

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CR11 (S11)	14-Feb-14	Legislative change						Mitigation in place: (1) We have an engagement plan in place to work with, and alongside, other key stakeholders to continue to exert pressure and influence on all parties to include this Bill in the parliament following the 2015 General Election. (2) We engaged directly with DH with a view to influencing their response to the draft Bill. We are also engaging with other regulators, PSA and patient groups to secure consensus on many key issues. (3) The new Regulation Board is now overseeing all our legislation-related work. (4) Joint regulators working group and CEOs forum set up to share information and agree joint regulatory approaches where possible. (5) Corporate legislation adviser is leading this work towards developing a new legislative framework. (6) On 21 October 2014 we published a position statement <i>Better legislation for better regulation</i> which outlines the case for urgent legislative reform. (7) On 29 January 2015 we issued a joint statement (with representatives of patients' groups, nursing and midwifery professional bodies, unions, and systems and education representatives) welcoming the Government's response to the Law Commissions' proposals, which reflected many of the changes we had been seeking. (8) During the passage of the Health and Social Care (Safety and Quality) Act 2015 through Parliament (also known as the Lefroy Bill), we briefed MPs and peers on the need for legislative change and this was raised numerous times. Planned action: (1) We will continue to engage directly with DH and to work with other regulators and the PSA to influence the planned contents of a future government healthcare regulation Bill based on the LC Bill. In particular, we are continuing to press for autonomy over rule-making. (2) We are also looking at the alternative options for legislative change after the election, including future section 60 orders, and we are undertaking cost-benefit analysis work to inform this planning.				Chief Executive Corporate Legislation Adviser	20.08.14: updated by Corporate Legislation Adviser - planned action (2) added. 18.09.14: Title amended, potential situation 2 added and status updated. 19.11.14: Mitigation 6 added. 09.01.15: Risk scenario updated. 10.02.15: Mitigation 7 added. 10.03.15: mitigations and planned actions reviewed. Scores remain the same as there has been no significant change to majorly affect the risk of the Bill not being introduced. 06.05.15 mitigations and planned actions updated.	Open Post-mitigation scoring reflects concern that the Bill or alternative legislative change may not be introduced within a reasonable timescale, rather than expected contents of Bill.	No change
	(1) Our current legislative framework is outdated and limits our ability to improve the effectiveness of our processes. (2) The government has decided not to introduce a Bill to change our legislation during 2014-2015. (3) The Department of Health may not make all the amendments we are seeking to the Law Commission draft Bill in its own draft Bill, whenever this is taken forward.	(1) The Bill may not be introduced by the government at all. (2) In the absence of a Bill, the government may not prioritise our request for further legislative change. (3) We may be unable to secure all our desired amendments or correct all the oversights. (4) The Bill may reserve too many powers to the government.	(1) We will be left operating within our current unsatisfactory legislative framework, which limits our ability to improve the effectiveness of our processes. (2) The DH Bill does not deliver the promised streamlined and flexible legislative framework, but actually either maintains too many of our existing legislative problems or creates more mandatory requirements so that the additional burdens outweigh the benefits. (3) A requirement for further legislation leading to long delays before some of the benefits can be felt.	4	4	16	4		4	16					

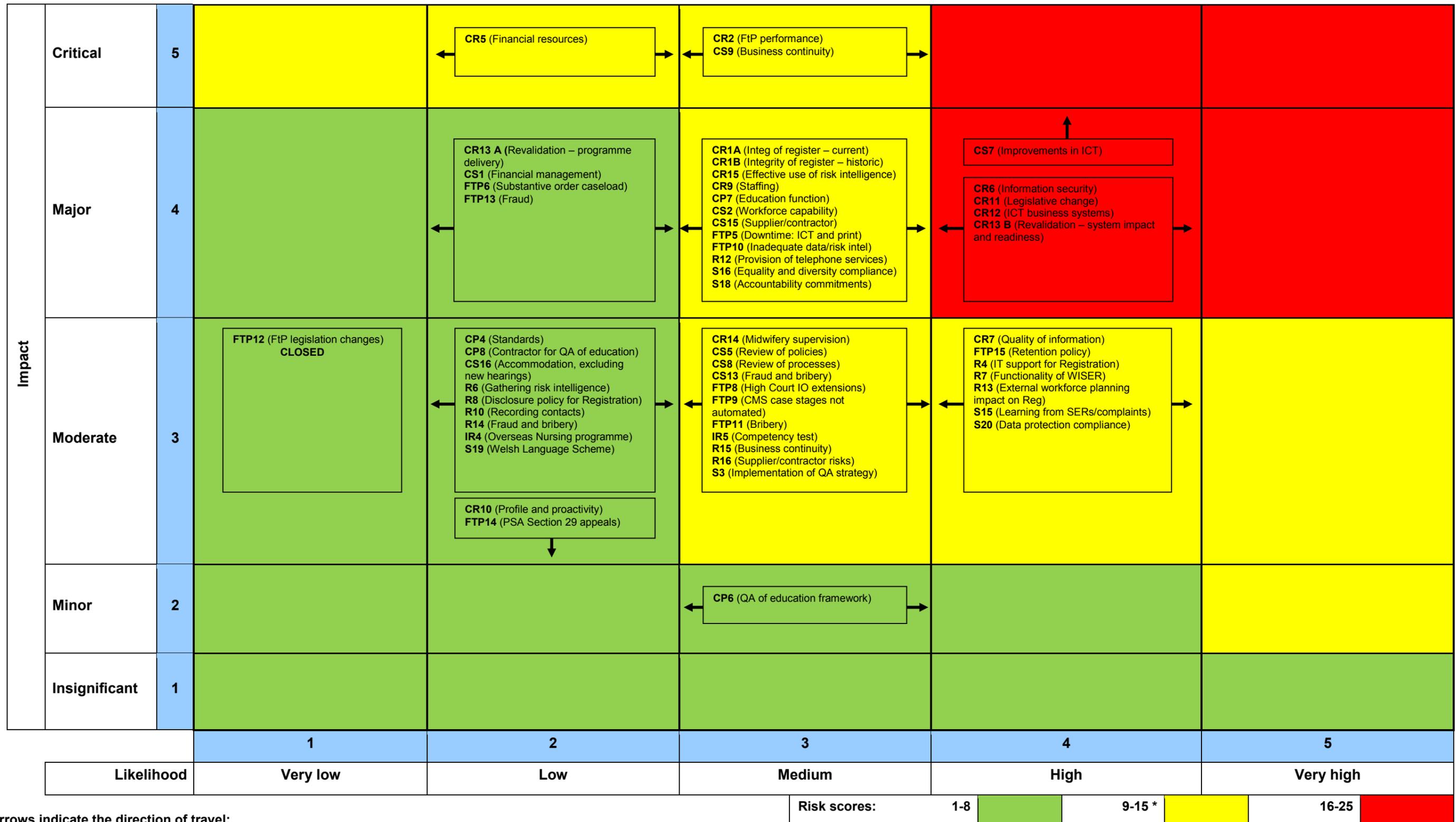
Cross ref:
CR2, FtP6, FtP12

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CR12	May-14	ICT business systems						Mitigation in place: Previous mitigations contributed to the ongoing management of the risk, however it is clear from the CTO Review that these have not materially addressed the level of risk exposure. Therefore these have been removed. Planned action: (1) Development of an ICT Improvement Programme which includes: (Costed Plan by end May 2015) a. Introduction of robust, consistent processes b. Resource and capacity increased c. Disaster Recovery Strategy and deployable plan d. Documentation current architecture/infrastructure e. Design and plan implementation of future state architecture f. Introduction of robust contract management and appointment of dedicated resource to manage Advanced 365 contract g. Review of all 3rd party contracts h. Introduction of PSL Agreement for contractors (2) Strengthened governance and reporting on IT issues (May 2015). (3) Development of specific IT related KPIs and performance metrics to aid oversight and reporting (June 2015).				Director, Registration (& IT Oversight)	06.02.15	As issues have been driven out through the CTO Review and an improvement plan is being established - this risk is expected to incrementally reduce over the next few months - by Dec 2015.	No change
Cross ref: CS7		1. Lack of robust procedures and controls over the management, testing and roll-out of changes to hardware and software, and development of new products and systems. 2. Ongoing use of critical business systems that are now unsupported by suppliers. 3. Insufficient capacity in our telephony system to handle peak periods in the Registration call centre. 4. Inadequate management of key third party ICT supply contracts and lack of contracts in some cases. 5. Lack of quality-assured ICT service support. 6. Lack of planning for business continuity and disaster recovery. 7. IT infrastructure insufficient to cope with our operational requirements.	Current systems are either already at risk of failure or become at risk of failure.	1. Critical business operations either stop or performance is negatively impacted. 2. Key performance targets or corporate commitments are not met or are put at risk. 3. Staff frustration contributes to poor motivation and increases staff turnover. 4. Wasted resources used in reacting to events. 5. Loss of confidence by staff, the Council and external stakeholders.	4	4	16		4	4	16		06.03.15 - risk considered but intend to do a more detailed review of ICT risks in the near future. 06.05.15 - Risk fundamentally updated to reflect findings of the recent CTO Review.		
CR14	Sep-14	Midwifery Supervision						Mitigation in place: (1) Guernsey Extraordinary review completed with recommendations and publication of action plans. (2) Engagement with key stakeholders and partners as part of the Kings Fund review. (3) King's Fund review (accepted by NMC Council) recommended new model of regulation and the removal of statutory supervision from NMC legislation. This decision requires legislative change. Planned action: (1) Increased engagement with LSAMO forum and partners in the four countries on supervision. (2) Ensure CNOs take leadership on transitional arrangements. (3) Effective oversight and advice to Council by Midwifery Committee. (4) Employer link fully embedding messages around midwifery regulation as part of their engagement with employers and LSAMOs. (5) Short term effective review of standards that support midwives rules (start April 2015 complete December 2015).				Director, Continued Practice and Director, Strategy		Open	No change
Cross ref:		(1) NMC Council agreed current supervisory framework does not meet regulatory public protection aims. (2) NHS England re-structure and the King's Fund review result in uncertainty amongst midwifery community. (3) Complex and remote nature of LSA relationship with maternity service providers in crown dependencies and overseas territories.	(1) Supervisory investigations are inadequate due to conflicts of interest or lack of resources. (2) Ineffective collaboration between LSAMOs and the NMC.	(1) Public protection compromised due to failure to identify promptly areas of risk within the LSAs. (2) Supervisory investigations do not adequately identify, address and correct poor practice.	4	4	16		3	3	9				

No.	Date of origin	Risk Scenario			Inherent risk scoring			Mitigation in place / Planned action	Post-mitigation scoring			Risk Owner (and Mitigation Owner)	Dates up-dated (log of dates for when risk was updated)	Status (open / closed plus clear indication of whether and when on track / not on track to reduce scoring)	Direction (of risk score from the previous issue)
		Root cause(s)	Potential situation	Consequences	Likelihood	Impact	Score		Likelihood	Impact	Score				
CR15	20.1.15	Effective management of risk intelligence about settings by the NMC, including sharing with others who protect the public						Mitigation in place: 1. Cross representation on current fora such as RESQ and FtP High Profile Cases. 2. Participation in RQSG (England only) and strengthening understanding of risk surveillance in NI, Scotland and Wales. 3. Development of an appropriate suite of MoU. Planned action: 1. We plan to establish a new function aligned to the emerging Employer Link service - a draft function specification May/June 2015. 2. In the meantime we have established an organisation-wide coordinating group to consolidate knowledge of risk intelligence/data and agree operational processes including criteria for scaling our response (Q1 2015/16). 3. Work to improve staff awareness of and compliance with MoU as recommended by QA review (Q2 2015/16). 4. Internal audit review programmed for 2015/2016.				Director, Strategy and Director, FtP	20.1.15	Open	No change
Cross ref:		1. Inadequate capture of the risk landscape as it concerns health and care settings. 2. No corporate approach to risk measurement. 3. Inconsistent operationalisation of MoU. 4. Non-alignment of systems, processes and resources relating to managing risk intelligence. 5. Lack of clarity around roles and responsibilities. 6. Lack of staff awareness.	1. Inability to receive and maintain risk intelligence from third parties. 2. Inability to supply third parties with risk intelligence. 3. Multiple, and potentially divergent, discussions of and responses to risk in different parts of the organisation. 4. Inadequate basis for tracking regulatory action in response to risk and escalating/de-escalating risks.	1. Public protection risk of over- and under-investment in responses to risks posed by settings. 2. Reputational risks associated with not knowing what we know and not being an effective partner in public protection. 3. Inefficiencies caused by duplicative processes in different parts of the organisation. 4. Reactive, disproportionate responses to some risks while others may go below the radar. 5. Weak evidence base for evaluating impact of related activity and/or accountability for actions and decisions.	5	5	25		3	4	12		19.2.15 09.03.15 07.05.15 - Planned actions revised.		

Risk map of all corporate and directorate risks as at 8 May 2015

This map shows recent post-mitigation score changes for corporate and directorate risks (between 25 March Council meeting and 8 May 2015).



Arrows indicate the direction of travel:

- ↑ Risk score has increased since 25 March 2015
- ↓ Risk score has decreased since 25 March 2015
- ↔ Risk score has stayed the same since 25 March 2015

Risk references:

- CR: Corporate risk
- FTP: Fitness to Practise risk
- IR: Registration risk (International Reg)
- R: Registration risk

- S: Strategy risk
- CS: Corporate Services risk
- CP: Continued Practice risk

* due to their 'Critical' impact, an amber rating is also given to risks which score 5 for Impact and 1 for Likelihood

Council

Financial monitoring report

Action: For information.

Issue: The provision of financial performance information for current and future reporting periods.

Core regulatory function: Supporting functions.

Strategic priority: Strategic priority 4: An effective organisation.

Decision required: None.

Annexes: The following annexes are attached to this paper:

- Annexe 1: Draft full year management results for 2014-2015 (subject to audit).
- Annexe 2: Draft actual results by month to March 2015 (subject to audit).
- Annexe 3: Graph showing draft available free reserves versus the approved fee strategy available free reserves for 2014-2015.
- Annexe 4: Waterfall graph showing the main variances in draft available free reserves between the full year budget and forecast for 2014-2015, by cost category.
- Annexe 5: Efficiency performance 2014-2015.

Further information: If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

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Context: Financial information

- 1 The budget information used throughout these reports is based on the budget approved by the Council on 26 March 2014.
- 2 The budget was set in the context of the three year plan to achieve our Fitness to Practise Key Performance Indicator (KPIs) by December 2014 and the minimum available free reserves target by January 2016. Both targets have now been achieved, the latter a year earlier than planned.
- 3 On a monthly basis, meetings are held with each directorate to review progress against both the Corporate Plan and budget, and to update the activity and financial forecasts.
- 4 Detailed month end reporting packs are produced for the Executive team, showing results by directorate, cost centres and projects, together with summary reports, commentary and an update of the contingency position.
- 5 The Executive Board reviews and approves the financial results and forecast each month.
- 6 Where significant variances are identified during the year which would impact our achievement of our reserves target, the Executive team will determine the necessary corrective actions.

Discussion: Executive summary

- 7 Available free reserves at 31 March 2015 are based on unaudited management accounts and may therefore be subject to audit adjustment. The level at March 2015 was £11.9 million, which is £4.4 million higher than the planned level of £7.5 million. This variance represents 6% of total income. The principle components of this variance were:
 - 7.1 higher registration fee income (based on higher numbers on the Register than predicted);
 - 7.2 lower than budgeted spend in Continued Practice, due to lower than planned spend on staff costs, consultation and engagement costs. Expenditure on the revalidation programme was in line with budget;
 - 7.3 lower than budgeted spend in Facilities Management due to a VAT rebate and lower rental costs arising from the move from Old Bailey to Stratford;
 - 7.4 lower than budgeted capital spend owing to the deferral of

the WISER replacement project;

7.5 higher than budgeted ICT business as usual spend owing to increased requirement for specialist resource;

7.6 release of unutilised contingency funds.

8 We have been notified by our tax advisers that our claim for repayment of income tax and National Insurance paid on FtP panellist expenses in prior years has been partially accepted by HMRC, and we are awaiting written confirmation from HMRC to this effect. The partial repayment is expected to be approximately £0.5 million. This has not yet been factored into the 2014-2015 figures given the length of time such matters take and the difficulties experienced to date in progressing the claim.

Unaudited monthly management results

9 The detailed unaudited management results for March 2015 are set out at **Annexe 1**.

2014-2015 full year results versus budget

10 The principal variances for the full year compared to budget are as follows:

10.1 Total income is higher than budget by £2.0 million, 3% favourable to budget, reflecting higher volumes on the register than budgeted, higher overseas and EU applications volumes and higher grant income. The increased grant income is largely offset by the associated increase in project costs.

10.2 FtP expenditure is £0.2 million higher than budget (1%). The full year figure reflects the additional resource and external venue costs that were required to ensure the December 2014 KPI was met. Increased costs associated with increased CCC and HC activity is offset by reduced ICIO activity.

10.3 Costs are £0.4 million (9%) higher than budget in Strategy. In Governance, £0.5 million additional costs were incurred in relation to the Programme & Change Management team (including £0.3 million budget transferred from OCCE) and £0.15 million for the independent review of progress against the PSA 2012 Strategic Review recommendations (including £0.1 million budget transferred from OCCE). This is partly offset by £0.1 million reduced costs owing to vacancies within the Governance department. £0.3 million additional costs have been incurred in Policy due to the external review of midwifery regulation; this work was budgeted as part of the contingency as it was not fully

defined at the time of the budget. This has been offset by deferred research expenditure of £0.2 million, which will now fall into 2015-2016 and the delayed recruitment of the Data Manager and Data Analysts positions within the Policy team.

- 10.4 Costs are £0.4 million lower than budget in OCCE owing to the re-allocation of budgeted funds for both the Programme & Change Management team and the independent review of progress against the PSA 2012 Strategic Review recommendations to the Strategy directorate.
- 10.5 ICT expenditure is £1.0 million (17%) higher than budget. This is primarily due to the requirement for specialist resource. £0.6 million has been funded by the contingency, and £0.4 million reflects a transfer from the capital budget.
- 10.6 Finance is £0.1 million (6%) higher than budget due to the costs associated with the appointment of a Strategic Information Advisor.
- 10.7 Facilities is £0.7 million (16%) lower than budget resulting from vacating the Old Bailey earlier than expected, a VAT rebate received on the 61 Aldwych rent and lower rental costs due to the lower cost of Stratford.
- 10.8 Capital expenditure reflects the costs required to fit out the leased hearing accommodation at Stratford Place. Although this is higher than the budgeted amount, this overspend will be offset by lower than budgeted rental payments in future years. The total agreed for Stratford Place (rental costs and fit-out) is within the envelope agreed by the Council. The budget was based on the costs incurred with the Old Bailey fit-out. Since then the market has changed and the new accommodation will provide extra capacity, hence the increased costs this year.
- 10.9 A number of IT projects budgeted to take place this year, are now expected to be delivered in 2015-2016 resulting in lower costs being incurred in 2014-2015.

Efficiencies

- 11 Performance against efficiency initiatives is set out in **Annexe 5**.
- 12 As part of the financial strategy, efficiency savings of £55 million were identified in Fitness to Practise for 2014-2015 to 2016-2017 and are being actively targeted. £9.2 million of savings are currently estimated to have been achieved for 2014-2015 versus a budget of £17.3 million. The main shortfall is attributed to efficiencies derived from using our in-house investigators instead

of sending cases to third parties. We take a prudent approach to capturing savings, recognising the saving at the point a decision is made. The investigations caseload indicates a significant level of work in progress and, when those cases are closed the efficiency will be realised at that point bringing us closer to the target.,

- 13 Procurement savings of between £650k and £1.1m (depending on volume of work commissioned) over the relevant life of the contracts, can be evidenced. These savings arise primarily from new procurement exercises for the supply of legal and investigative services, the renegotiation of an ICT contract, and other smaller individual procurement exercises. A more systematic way of capturing procurement and contract management savings is being developed to cover all contract and supply areas.
- 14 Further efficiency savings are being monitored, identified and targeted via the Corporate Efficiency Steering Group, which reports to the Executive Board.

Public protection implications:

- 15 The monitoring of financial results and forecasts enables the NMC to ensure it has sufficient resources to deliver continued public protection.

Resource implications:

- 16 The key financial indicators for current and projected levels are discussed in this paper.

Equality and diversity implications:

- 17 None.

Stakeholder engagement:

- 18 None.

Risk implications:

- 19 None.

Legal implications:

- 20 None.

Item 9

Actual, budget & forecast 2014-2015

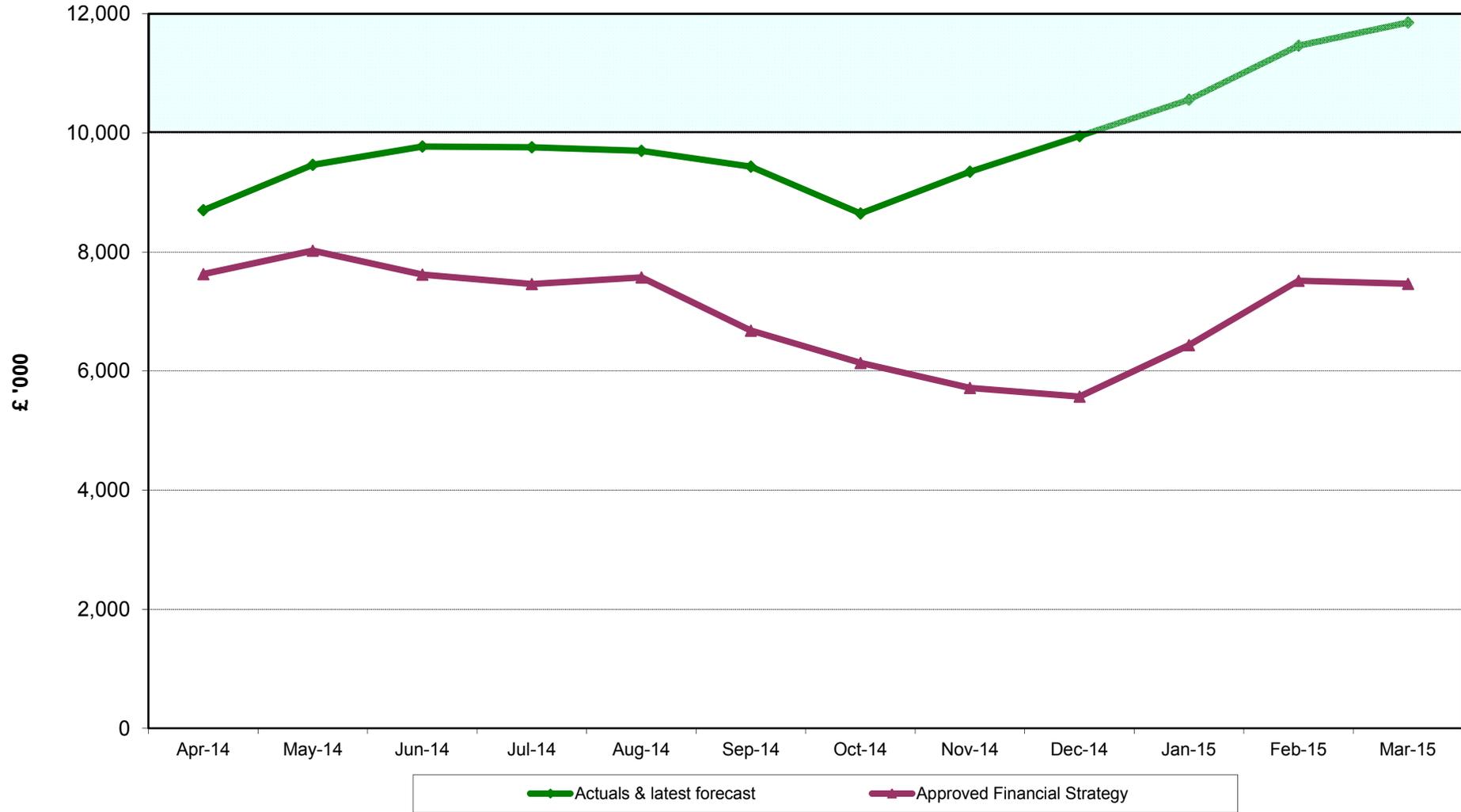
£000's

2014/2015	Month of March				Full Year					
	Actual	Budget	Prior Forecast	vs budget	Actual/Forecast	Budget	Prior Forecast	vs budget	% vs budget	vs prior forecast
Grant Income	578	18	317	560	2,643	1,654	2,382	989	60%	261
Periodic Fee Income	5,828	5,704	5,747	124	68,467	67,620	68,386	847	1%	81
Overseas Applications	26	18	18	8	298	214	289	84	39%	8
Eu Assessment Fee	89	40	45	49	841	478	797	363	76%	44
Interest Income	51	70	56	(19)	641	902	645	(261)	(29%)	(5)
Other Income	22	32	32	(10)	312	386	322	(74)	(19%)	(10)
Total Income:	6,628	5,882	6,215	746	73,240	71,255	72,827	1,986	3%	413
Office of the Chair & Chief Executive	44	88	49	44	552	956	556	405	73%	5
Communication	155	60	154	(94)	892	916	892	24	3%	(1)
Council Services	22	36	35	14	436	461	449	25	6%	13
Governance	194	114	176	(80)	1,878	1,341	1,860	(536)	(29%)	(18)
Policy	(47)	80	73	127	930	1,056	1,050	126	13%	120
Strategy	324	290	438	(33)	4,136	3,774	4,251	(362)	(9%)	115
Registration	330	349	380	19	3,815	3,763	3,864	(52)	(1%)	49
Continued Practice	541	366	841	(174)	3,483	3,863	3,784	380	11%	300
ICT	335	473	608	138	5,751	4,745	6,023	(1,006)	(17%)	273
Finance	237	234	274	(3)	2,370	2,236	2,407	(134)	(6%)	37
Facilities Management	251	440	515	189	4,786	5,531	5,050	745	16%	264
HR&OD	294	213	294	(81)	2,693	2,647	2,693	(45)	(2%)	(0)
Corporate Services	1,117	1,360	1,691	243	15,599	15,160	16,172	(439)	(3%)	573
Directors office	62	53	66	(9)	708	636	713	(72)	(10%)	4
Screening	87	123	123	36	1,155	1,477	1,191	322	28%	36
Case Investigations - Total	889	439	844	(450)	6,290	5,019	6,244	(1,271)	(20%)	(45)
Investigations - IC	(51)	26	50	77	697	1,585	798	888	127%	101
Case Management	0	24	24	24	45	292	69	247	555%	24
Scheduling	84	80	80	(4)	985	949	981	(36)	(4%)	(4)
Case Preparation	115	118	118	3	1,319	1,434	1,322	115	9%	3
Admin / General	63	130	152	66	1,021	1,393	1,109	372	36%	89
Adjudication	272	265	265	(6)	3,777	2,967	3,770	(809)	(21%)	(7)
CCC	1,246	1,325	968	79	17,310	15,678	17,032	(1,633)	(9%)	(278)
HC	88	98	82	11	1,331	1,055	1,325	(276)	(21%)	(6)
Investigations - ICIO	190	349	192	159	2,029	4,040	2,031	2,010	99%	2
Regulatory Legal Team	412	386	346	(27)	4,942	4,482	4,876	(461)	(9%)	(67)
Panel support	52	170	98	118	881	902	927	21	2%	46
Case Investigations Team 5	0	33	33	33	7	396	40	389	5,778%	33
FtP Programme Initiatives	67	52	65	(15)	359	312	358	(48)	(13%)	(2)
FTP	3,576	3,671	3,506	96	42,855	42,616	42,786	(239)	(1%)	(70)
Projects	(116)	20	541	137	2,301	2,131	2,958	(169)	(7%)	658
Depreciation	310	260	238	(50)	3,411	3,429	3,339	18	1%	(71)
NMC Corporate/General	14	5	105	(9)	252	57	343	(195)	(78%)	91
Contingency	0	250	0	250	0	3,000	0	3,000	0%	0
Revenue Spend	6,139	6,660	7,788	521	76,404	78,748	78,053	2,344	3%	1,650
Surplus / (Deficit)	489	(778)	(1,574)	1,267	(3,163)	(7,493)	(5,226)	4,330	137%	2,063
Capital	842	349	250	(493)	3,836	4,205	3,244	370	10%	(592)
Total free reserves					20,176	15,680	18,872	4,496	29%	1,304
Pension deficit					8,324	8,213	8,324	(111)	(1%)	0
Available free reserves (excluding pension deficit & restricted funds)					11,852	7,467	10,548	4,385	59%	1,304
Restricted funds					5,387	5,148	5,148	239	5%	239
Cash at bank					76,660	72,359	75,551	4,301	6%	1,109
Net inflow/(outflow) of funds					(1,607)	(5,891)	(2,699)	4,283	267%	1,092

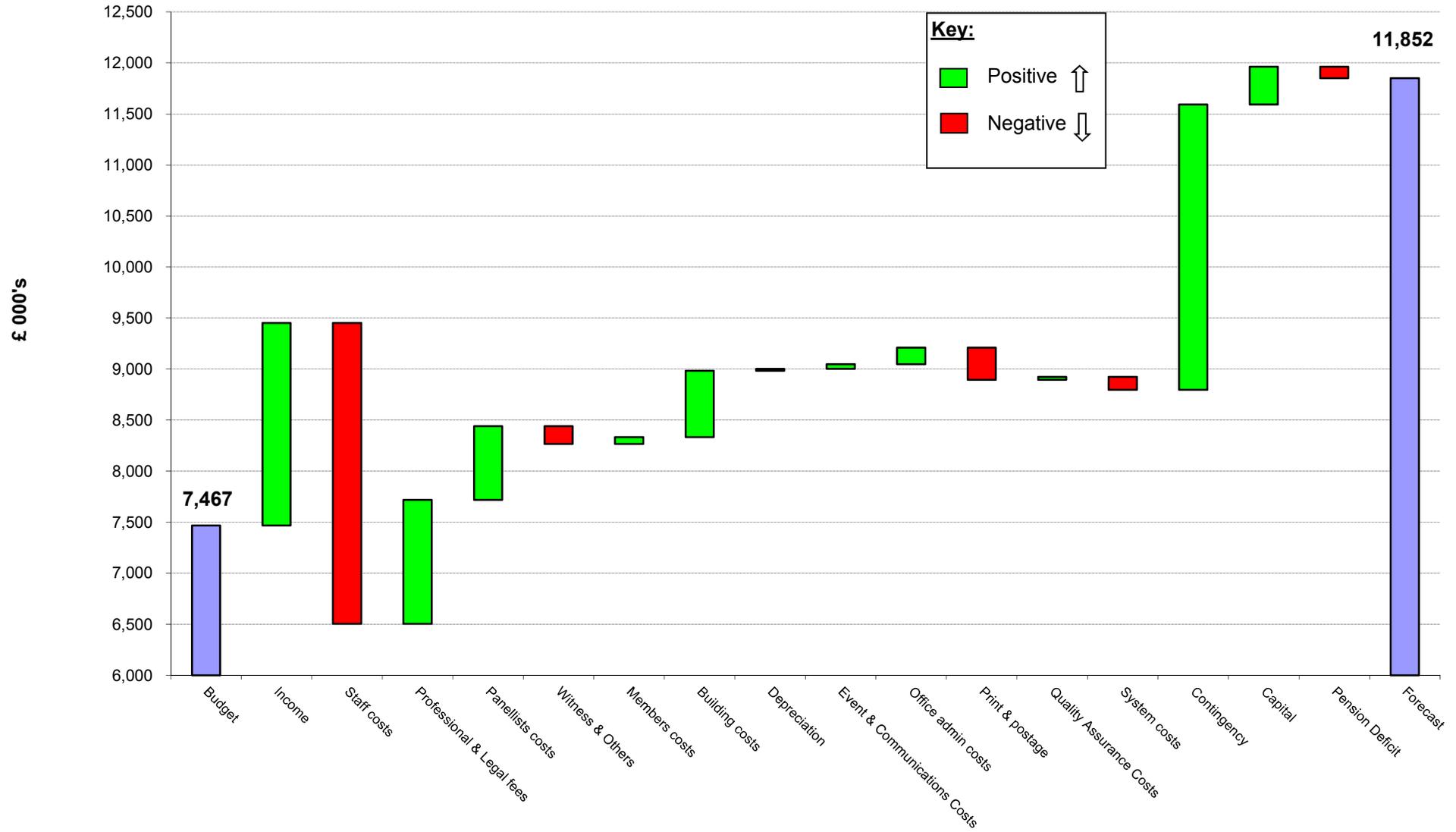
Actual and Forecast per month 2014-2015
£000's

	Apr-14 Actual	May-14 Actual	Jun-14 Actual	Jul-14 Actual	Aug-14 Actual	Sep-14 Actual	Oct-14 Actual	Nov-14 Actual	Dec-14 Actual	Jan-15 Actual	Feb-15 Actual	Mar-15 Actual	Full Year 2014- 2015
Grant Income	73	41	44	21	10	16	(11)	0	1,724	73	75	578	2,643
Periodic Fee Income	5,670	5,674	5,675	5,671	5,664	5,662	5,717	5,741	5,727	5,718	5,720	5,828	68,467
Overseas Applications	22	25	37	28	9	23	35	56	3	14	21	26	298
Eu Assessment Fee	53	55	50	69	71	72	89	92	73	52	77	89	841
Interest Income	52	56	57	56	53	50	52	51	56	50	54	51	641
Other Income	23	18	21	27	23	29	50	32	24	24	21	22	312
Total Income:	5,893	5,870	5,882	5,873	5,831	5,852	5,932	5,972	7,606	5,936	5,967	6,628	73,240
Office of the Chair & Chief Executive	67	61	67	70	(44)	49	45	52	46	45	50	44	552
Communication	47	68	70	66	54	84	78	81	53	55	80	155	892
Council Services	33	65	74	61	(14)	36	35	25	32	30	37	22	436
Governance	94	100	153	215	236	140	126	152	152	162	154	194	1,878
Policy	65	32	146	141	134	73	80	37	165	48	55	(47)	930
Strategy	239	264	442	484	411	334	319	295	402	296	327	324	4,136
Registration	273	325	292	268	342	411	425	301	329	361	160	330	3,815
Continued Practice	209	192	285	307	270	206	230	180	266	366	432	541	3,483
ICT	286	475	508	464	472	538	613	401	563	595	501	335	5,751
Finance	160	156	189	230	177	166	192	201	205	233	223	237	2,370
Facilities Management	448	435	443	431	485	467	516	259	591	431	31	251	4,786
HR&OD	183	226	228	195	229	204	248	218	220	210	237	294	2,693
Corporate Services	1,077	1,292	1,367	1,320	1,362	1,375	1,569	1,079	1,579	1,468	992	1,117	15,599
Directors office	60	68	60	60	60	63	59	59	43	58	57	62	708
Screening	118	112	101	97	75	86	91	73	97	124	93	87	1,155
Case Investigations - Total	422	365	458	480	421	433	552	602	619	449	598	889	6,290
Investigations - IC	88	56	89	48	69	99	40	45	38	97	79	(51)	697
Case Management	24	20	0	0	0	0	0	0	0	0	0	0	45
Scheduling	59	57	66	72	114	107	98	75	75	98	80	84	985
Case Preparation	101	106	108	111	126	94	106	111	120	106	115	115	1,319
Admin / General	112	140	95	104	95	85	58	56	105	61	46	63	1,021
Adjudication	273	259	281	284	302	381	387	307	321	402	307	272	3,777
CCC	1,403	1,437	1,363	1,518	1,464	1,660	2,030	1,580	949	1,254	1,406	1,246	17,310
HC	136	123	91	124	128	71	123	130	104	117	96	88	1,331
Investigations - ICIO	198	172	180	194	76	168	140	178	203	163	166	190	2,029
Regulatory Legal Team	383	469	486	426	385	409	477	407	375	315	398	412	4,942
Panel support	52	61	77	117	48	99	117	73	72	62	49	52	881
Case Investigations Team 5	0	0	0	(0)	0	0	0	0	0	6	0	0	7
FtP Programme Initiatives	0	0	0	8	0	12	67	37	67	36	64	67	359
FTP	3,430	3,446	3,455	3,642	3,363	3,769	4,344	3,735	3,189	3,349	3,556	3,576	42,855
Projects	73	156	101	22	14	103	(11)	0	1,723	85	151	(116)	2,301
Depreciation	291	303	282	297	306	296	302	290	266	222	246	310	3,411
NMC Corporate/General	5	5	56	184	58	98	(241)	47	5	25	(3)	14	252
Contingency	0												
Revenue Spend	5,663	6,044	6,347	6,595	6,082	6,642	6,983	5,979	7,804	6,217	5,909	6,139	76,404
Surplus / (Deficit)	230	(174)	(465)	(721)	(252)	(790)	(1,051)	(7)	(199)	(282)	58	489	(3,163)
Capital	90	34	183	257	782	492	706	252	138	(6)	65	842	3,836
Total free reserves	18,100	18,766	18,971	18,861	18,704	18,342	17,457	18,060	18,560	19,076	19,887	20,176	
Pension deficit	9,397	9,303	9,199	9,102	9,005	8,907	8,810	8,713	8,616	8,519	8,421	8,324	
Available free reserves (excluding pension deficit & restricted funds)	8,703	9,463	9,772	9,760	9,700	9,434	8,647	9,347	9,944	10,558	11,466	11,852	
Restricted funds	11,429	10,858	10,287	9,716	9,145	8,574	8,003	7,432	6,861	6,290	5,719	5,387	
Cash at bank	76,546	75,227	73,439	71,548	72,048	79,808	79,184	77,467	75,981	73,455	73,327	76,660	
Net inflow/(outflow) of funds - monthly	(1,704)	(1,319)	(1,788)	(1,891)	500	7,760	(624)	(1,717)	(1,486)	(2,526)	(128)	3,333	(1,590)

Available free reserves: 2014-2015 full year and approved strategy
Annexe 3



**Available Free Reserves
2014-2015 Budget versus forecast by operational category**



Item 9
NMC/15/45



Efficiency performance 2014-2015

Mar-15
£000's

		Efficiencies assured by KPMG 2014-2015	ActualForecast 2014-2015	Variance 2014-2015
In-house investigations		8,184	2,469	(5,715)
Shorthand writers		1,583	2,062	479
Cases to investigating committees		1,336	824	(512)
Alternative methods to case disposal		6,251	3,960	(2,291)
Introduction of case examiners		(36)	(149)	(113)
Total		17,318	9,166	(8,152)

Efficiencies assured by KPMG as per fee strategy		2014-2015	2015-2016	2016-2017	Total
In-house investigations	Note 1	8,184	9,664	10,762	28,610
Shorthand writers	Note 2	1,583	1,385	1,453	4,421
Cases to investigating committees	Note 3	1,336	30	30	1,396
Alternative methods to case disposal	Note 4	6,251	5,835	6,055	18,141
Introduction of case examiners	Note 5	(36)	903	1,054	1,921
Total		17,318	17,817	19,355	54,490

Key

- Note 1:** In-house investigations The savings are based on the difference between cases being investigated in-house and the cost of those cases being sent externally for investigation.
- Note 2:** Shorthand writers The cost of transcribing hearings is high and previously all hearings would have transcripts requested. To reduce costs, the use of 'loggers' has been implemented and transcripts are only requested on demand.
- Note 3:** Cases to investigating committees This saving is driven by a change in process. Previously, cases would go to the Investigating Committee (IC) for confirmation where an investigation is required, and then subsequently following the investigation for a decision on whether they need to go to adjudication. The new process has removed the first visit to the IC.
- Note 4:** Alternative methods to case disposal There are three alternative methods to case disposal; Voluntary Removal, which is equivalent to zero full hearing days, meetings equivalent to 0.5 hearing days and consensual panel determinations equivalent to 1.0 hearing days. These three methods reduce the hearing days by dealing with cases in different ways based on their circumstances. The saving is driven from the reduction in hearing days against the average length of a case, which currently stands at 3.5 days.
- Note 5:** Introduction of case examiners The NMC, with support from the Department of Health, proposed changes to the Fitness to Practise legislation and process with the introduction of case examiners. Case examiners will be permanent NMC employees, with the efficiency saving based on comparing the monthly cost of the cases previously going to the Investigating Committee (IC) with the cost of employing the case examiners who will take on the decision making process, with just a single IC meeting every other month, once fully implemented.

Council

Budget 2015 - 2016 and fee strategy October 2014: reconciliation

Action: For information.

Issue: Provision of additional information requested by the Council in respect of the 2015-2016 budget.

Core regulatory function: Supporting functions.

Strategic priorities: All.

Decision required: None.

Annexes: None.

Further information: If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

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Context:

- 1 The Council approved the 2015-2016 budget, subject to the provision of the following additional information:
 - 1.1 Information to reconcile the revenue expenditure figures put forward in the October 2014 fee strategy and the March 2015 budget proposals;
 - 1.2 Clearer specification of efficiencies / cost savings sufficient to enable robust monitoring by the Council of progress in delivering these at every meeting;
 - 1.3 Consideration of obtaining external validation of delivery of efficiency savings;
 - 1.4 Development of a fall back plan if cost savings are not on track to deliver;
 - 1.5 Further information on the big ticket commitments for 2016-2017 and 2017-2018.
- 2 The fee strategy was based on the three year plan for 2014-15 to 2016-17 approved by the Council in March 2014, and formed the basis of the fee consultation. The Council reviewed the financial projections as part of the agreement on the fee level in October 2014. Between October and March 2015, the revised Corporate Strategy and Corporate Plan were developed, giving rise to the budget for 2015-16. The budget was subject to exhaustive review by directors, and was approved by the Executive Board in early March, for recommendation to the Council. It therefore reflects a significant number of changes based on the re-assessment of requirements in the context of the revised Strategy and Plan. The principal variances are set out below.

Discussion:**Reconciliation of 2015-2016 budget to fee strategy**

- 3 The following table summarises the principal income and revenue expenditure variances, which are explained more fully in the following notes:

	Draft budget 2015 - 16 £m	Fee strategy 2015 - 16 £m	Variance £m
Periodic fee income	77.1	75.8	1.3
Total income	79.5	77.8	1.7
Revenue expenditure	82.2	77.1	(5.1)
Surplus / (deficit)	(2.7)	0.7	(3.4)
Capital expenditure	4.7	5.3	0.6
Available free reserves	12.3	12.3	(0.0)

Revenue expenditure	Draft budget 2015 - 16 £m	Fee strategy 2015 - 16 £m	Variance £m
Strategy	5.8	4.2	(1.6)
Registration	4.3	3.8	(0.5)
Continued Practice	5.0	4.6	(0.4)
ICT	5.8	4.7	(1.1)
Other Corporate Services	11.1	10.2	(0.9)
FtP	39.8	39.3	(0.5)
Depreciation	3.3	3.9	0.6
PSA fee	1.1	0.8	(0.3)
Contingency	4.5	5.0	0.5
Other	1.5	0.6	(0.9)
Total revenue expenditure	82.2	77.1	(5.1)

4 The principal differences are:

4.1 Income: Total variance £1.7m

- a restatement of registrant numbers (£1.3m);
- higher anticipated overseas applications (£0.3m);
- higher grant income (£0.4m), which is a timing difference in cost recognition only as the grant itself is unchanged;
- a reduction in anticipated investment income (£-0.3m).

4.2 Expenditure: Total variance £5.1m

The principal variances are set out below.

4.3 Strategy: Total variance £1.6m

- incremental investment in permanent staffing and additional contractors in the Project Management Office (£0.6m combined), in order to better programme manage the cohesive programme of change required in order to meet our corporate plan and strategy. Based on a business case approved by the Executive, we anticipate this will lead to a more efficient operating model, reduce the potential calls on contingency funding, and we will track the efficiencies realised from it;
- reassignment of costs / roles from other areas (£0.5m);
- in recognition of communications being a key part of our corporate strategy, and to support the ongoing campaign to support revalidation and the Code, additional investment in external communications support and recruitment of an Assistant Director for Communications (£0.3m);

- other minor increases in budgeted costs, including in translation services, data intelligence and data quality, customer service and quality assurance, and policy (£0.2m).

4.4 **Registration: Total variance £0.5m**

- additional resources to support an increase in overseas and EU applications (£0.4m), matched by income from applications;
- additional seasonal temporary resource to meet demand (£0.2m);
- additional budgeted efficiency saving in post and printing due to Online services (-£0.1m).

4.5 **Continued Practice: Total variance £0.4m**

- additional provision for the impact of changes to midwifery supervision (£0.2m);
- additional provision for consultancy support for revalidation (£0.2m).

4.6 **ICT: Total variance £1.1m**

- additional staffing costs from a departmental restructure implemented since the fee strategy (£0.7m);
- increased infrastructure and equipment costs, reflecting an increased organisational headcount (£0.4m).

4.7 **Other Corporate Services: Total variance £0.9m**

- additional investment in finance and procurement staffing, following restructuring subsequent to the fee strategy (£0.5m);
- further investment in HR support, staff recruitment, and learning and development for an increased workforce (£0.5m);
- reduction in premises costs following move from Old Bailey to Stratford Place, and VAT rebates (-£0.3m);
- other minor increases in budgeted costs, including professional fees and software support, (£0.2m).

4.8 **Fitness to Practise: Total variance £0.5m**

- reduction in the number of substantive hearing days

compared to the fee strategy (-£2.0m), offset by an increased investment in staffing numbers to focus on improvements in the quality of decision-making (£2.5m). This reflects a shift in resource away from final hearings and towards better quality engagement, investigation and case preparation. The longer term benefit of this approach is a reduction in overall caseload through sustained improvement in proportionate decision-making at early stages and only the right cases going to panels for substantive decisions.

- 4.9 **Depreciation:** a reduction in charge following the exit from Old Bailey and move to Stratford Place, the latter being depreciated over a longer time period.
- 4.10 **PSA levy:** following consultation the charge to the NMC will be higher than predicted and included in the fee strategy.
- 4.11 **Contingency:** reduced compared to the fee strategy.
- 4.12 **Other: Total variance £0.9m**
- additional provision for implementation of the MRPQ directive, not estimable at the time of the fee strategy (£0.3m);
 - provision for repairs to 23 Portland Place (£0.2m);
 - the costs of overseas work, met by the related income grant (£0.4m).

Specification of efficiencies and cost savings

- 5 The monthly finance report to Council is being redeveloped and will include specific reference at a high level to efficiencies, noting that not all efficiencies result in an actual cost reduction. The specific areas to be included for monitoring will be:
- 5.1 FtP efficiencies previously reported (£54.5m over the 3 years 2014-2015 to 2016-2017);
- 5.2 Key efficiency indicators, which have been baselined during 2014-2015, the calculations of which are being calculated by reference to the year-end financial accounts:
- Cost per FtP referral;
 - Cost per registrant application;
 - ICT cost per head.
- 5.3 Efficiencies included in the budgetary assumptions arising

from the introduction of online services (£250k in 2015-2016, increasing by 10% annually);

- 5.4 Efficiencies generated by scheduled procurement exercises (calculated after each exercise).

External validation of efficiencies and cost savings

- 6 We considered the Council's suggestion that we look at obtaining external validation of the reporting of efficiency savings. The internal audit programme for 2015-2016 already includes a review of budgetary processes. A review by the auditors of the way in which efficiencies are calculated and reported will be included in the scope of that audit, thereby providing assurance through the audit opinion. We plan to review the need for any further independent validation following receipt of the internal audit report.

Fall back plan

- 7 The NMC's financial position and forecast is reported fully each month to the Executive, within directorates, and to the Council. The format of reporting will be revised during 2015-2016 and will include more information on financial efficiency savings. A shortfall in savings achieved will be managed as follows:
- 7.1 From within directorate delegated budgets initially, through an underspend in other areas.
 - 7.2 Through a bid from the contingency fund, with the agreement of the Director of Corporate Services.
 - 7.3 Revisit planned expenditure and activities with a view to to reprioritising and/or scaling back planned improvements in a way which does not impact on public protection.
 - 7.4 If provisions in paragraphs 7.1 and 7.2 are fully utilised, and there remains a shortfall after 7.3, through a temporary reduction in reserves. This would require reserves to be reinstated through budgetary reductions in future years.
 - 7.5 As a last resort, a fee rise, assuming that all other options for reducing costs have been exhausted.

Big ticket commitments for 2016-2017 and 2017-2018

- 8 With the exception of a provision for a potential increase in the pension scheme deficit, provision of £1.0m in 2016-2017 for repairs to 23 Portland Place, and the PSA levy of £1.9m in 2016-2017 (and higher thereafter), there are no other large specific provisions within the 2016-2017 and 2017-2018 budgets. Budgets therefore assume a rolling forward of 2015-2016 expenditure inflated as per the

budgetary assumptions.

- 9 Equally, no account has been taken of any impact arising from legislative reform.
- 10 A new financial strategy is being developed for discussion with the Council later in the year, which will include scenarios and potential impact of a range of strategic issues, including accommodation, workforce and legislative change.

Public protection implications:

- 11 There are no direct public protection issues arising from this report.

Resource implications:

- 12 This report covers the matter of financial resources. As it is not for decision there are no implications arising from it.

Equality and diversity implications:

- 13 None.

Stakeholder engagement:

- 14 The budget has been shared widely within NMC management, and was approved by the Council in open session.

Risk implications:

- 15 The management of financial risk is covered on the corporate risk register and this report assists in the management of that risk.

Legal implications:

- 16 None.

Council

MRPQ: Consideration of English language policy and consultation

Action: For decision.

Issue: This paper provides an update on changes in legislation that will introduce new requirements relating to English language competence for European Economic Area (EEA) trained nurses and midwives, and a new ground of impairment for fitness to practise cases related to lack of language competence. It also seeks authorisation from the Council to commence a public consultation on a new process and on rule amendments that will form the legal basis for it.

Core regulatory function: Fitness to Practise / Registration.

Strategic priority: Strategic priority 1: Effective regulation.

Decision required: The Council is recommended to:

- Consider the provisional Tier 2 policy for English language competence for the registration of nurses and midwives (Paragraph 10).
- Approve the commencement of a public consultation on ensuring nurses and midwives have the necessary knowledge of English to practise safely in the UK (Paragraph 11).

Annexes: The following annexe is attached to this paper:

- Annexe 1: Provisional Tier 2 Policy for English language competence for the registration of nurses and midwives

Further information: If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

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- Context:**
- 1 Recognition of professional qualifications across Member States in the European Union is governed by legislation set down in Directive 2005/36/EC on the Recognition of Professional Qualifications¹ ('the Directive'). Over the past four years, the European Commission and European Parliament have undertaken a review and revision of this legislation.
 - 2 In 2011 and 2012 the NMC worked alongside other European and UK regulators to push for the inclusion of language controls for European Economic Area (EEA) trained healthcare professionals in the revised Directive. As part of this, at the request of the European Commission, the NMC chaired a network of nursing competent authorities to seek agreement on key issues.
 - 3 The revised Directive came into force in January 2014, with a deadline for Member States to transpose the Directive's provisions into national law of January 2016. The Directive now provides the ability for competent authorities, such as the NMC, to apply language controls where there are concerns about the English language competence of an EEA trained nurse or midwife that emerge as part of the recognition and registration process. The Directive stipulates that any controls should only take place after the recognition of a migrant's qualification.
 - 4 In November 2014, the Department of Health launched a consultation on a Section 60 Order to amend the Nursing and Midwifery Order 2001 (the Order). This introduced new provisions for all nurses and midwives to have the necessary knowledge of the English language as a prerequisite for registration; provided the legal power to implement language controls for nurses and midwives who were trained in the EEA; and introduced a new ground of impairment for Fitness to Practise allegations.² The same powers have been provided to the General Dental Council, General Pharmaceutical Council and the Pharmaceutical Society for Northern Ireland.³
 - 5 Although the Section 60 Order is now in effect, its individual provisions are subject to a Commencement Order and will come into force at a date later in 2015.
 - 6 The amendments to the Order provide the Council with the powers to make rules to introduce a new process to implement these changes. It is proposed to introduce a new process at the end of 2015 following public consultation and the Council making new rules, and these rules being subject to Privy Council and parliamentary approval.

¹ Directive 2005/36/EC on the recognition of professional qualifications, as amended by Council Directive 2013/55/EU

² *The Health Care and Associated Professions (Knowledge of English) Order 2015* (SI 2005/806) <http://www.legislation.gov.uk/ukSI/2015/806/contents/made>

³ In 2014 the General Medical Council introduced a new process for EEA trained doctors which was modelled on similar principles outlined in our current proposals

Discussion and options appraisal:

- 7 The Section 60 Order inserted the following new provisions into the Nursing and Midwifery Order:
- 7.1 A requirement for the Council to publish guidance about the evidence that will satisfy the Registrar that a nurse or midwife has the necessary knowledge of English and the process by which this will be achieved;⁴
 - 7.2 A new general registration requirement of having the necessary knowledge of English for all nurses and midwives;⁵
 - 7.3 The steps through which applicants for registration who were trained in EEA Member States should be processed;⁶ and
 - 7.4 An additional ground of impairment of not having the necessary knowledge of English for Fitness to Practise allegations.⁷

English language competence as a requirement for registration: summary of policy and guidance for consultation

- 8 In accordance with the new legislation, our process to introduce the new requirements for registration will be underpinned by:
- 8.1 Rule amendments that the Council will be asked to make in late-2015, which will amend the Nursing and Midwifery Council (Education, Registration and Registration Appeals) Rules 2004⁸ and The Nursing and Midwifery Council (Fitness to Practise) Rules 2004.⁹
 - 8.2 A Tier 2 policy on English language competence as a requirement of registration that the Council will be requested to agree in its October 2015 meeting following public consultation.¹⁰
 - 8.3 Guidance for EEA trained nurses and midwives, issued by the Council in accordance with Article 5A(1) of the Order, outlining the requirements for registration for these applicants.
 - 8.4 Internal standard operating procedures and staff guidance in Registration and Fitness to Practise.
- 9 The provisional Tier 2 policy for the new registration and Fitness to Practise requirements for the purposes of the consultation is attached as **annexe 1** to this paper. This policy sets down the

⁴ Article 5A(1) of the Order

⁵ Article 9(2)(ba) of the Order

⁶ Articles 5A and 9 of the Order

⁷ Article 22(a)(iva) of the Order

⁸ SI 2004/1767 (as amended)

⁹ SI 2004/1761 (as amended)

¹⁰ A draft version of the Tier 2 policy is attached as the annexe to this paper

principles that will underpin the process, the guidance for applicants, and the information that will be outlined in the consultation document.

- 10 **Recommendation: The Council is invited to consider the provisional Tier 2 policy on for English language competence for the registration of nurses and midwives.**
- 11 **Recommendation: The Council is invited to approve the commencement of a 12 week consultation on ensuring nurses and midwives have the necessary knowledge of English to practise safely in the UK based on the principles outlined in the provisional policy.**

Next steps

- 12 We expect to launch our public consultation in early June 2015. The consultation document will make clear that its purpose is to seek views on our proposed process to implement the new legislation that we have been given, and not to re-cover issues that formed part of the Department of Health's consultation of late-2014.
- 13 Following the completion of the consultation, its key findings will be reported to the Council at its meeting in October 2015. The Council will then be requested to:
- 13.1 Approve the Tier 2 Policy for English language competence for the registration of nurses and midwives;
 - 13.2 Approve the Council's guidance for EEA trained nurses and midwives; and
 - 13.3 Consider the draft amendments to the Registration and Fitness to Practice Rules.
- 14 If the Council agrees that the amendments to the rules are appropriate, and approves the new process, the Council will be asked to agree the rules following the meeting. The Rules Amendment Order will then be executed under seal of the Council and will be submitted to the Privy Council for approval.
- 15 If approved by the Privy Council, the Rules will be laid in Parliament where they may take effect after 28 days. Pending approval it is hoped that that the legislation will come into force in early December 2015. The NMC's new process will come into operation soon after that.
- 16 The Council will receive an update on the wider changes being introduced to NMC processes as a result of the Directive in July.

- Public protection implications:**
- 17 The introduction of language controls will have clear public protection benefits, allowing us to ensure that all nurses and midwives seeking admission and readmission to the register have the necessary knowledge of the English language to practise safely in the UK.
- 18 The introduction of lack of language competence as a new ground of impairment for fitness to practise allegations will ensure that, where there are concerns over a nurse or midwife's language competence, these will be dealt with appropriately.
- Resource implications:**
- 19 All of the changes required as a result of the revised Directive are being managed as part of an organisation wide project. Resources for development and implementation of these proposals are included within the project budget.
- Equality and diversity implications:**
- 20 An initial equality impact assessment has been undertaken and will be made publicly available, on request, once the consultation has been launched. The equality impact assessment will be revised to take account of feedback received during the consultation process.
- 21 In developing our proposals in relation to EEA nurses and midwives, we have aimed to ensure that they are compliant with EU legislation and are fair and proportionate.
- Stakeholder engagement:**
- 22 Stakeholder engagement will be undertaken through a twelve week public consultation. The Council will be informed of the results of the consultation at its meeting in October 2015.
- Risk implications:**
- 23 There are a number of risks associated with the introduction of language controls for EEA applicants, namely:
- 23.1 The risk that the new process has a significant negative effect on the number of EEA trained nurses and midwives who are able to register with the NMC; and
- 23.2 The risk of challenge relating to differential treatment of different categories of applicants; particularly in relation to overseas (non-EEA) applicants from countries where English is the first and native language and who would be able to satisfy the language evidence requirements set out in the policy for EEA applicants. To mitigate this risk of challenge, we would highlight that the new UK legislation provides that the language requirements for overseas applicants are unaffected by this change. However we are planning to conduct a wider review of the language requirements for overseas applicants following the introduction and assessment of the proposed language controls for EEA trained nurses and midwives. In the meantime we are exploring flexibility in the point at which evidence of language proficiency is sought within the current process for overseas

applicants.

24 An additional risk relates to the process for Parliamentary approval, in particular timescales. A significant delay in approval of the legislation would result in internal processes being ready to launch but being prevented from doing this due to lack of a legal basis.

**Legal
implications:**

25 The Section 60 Order inserted new provisions into the Nursing and Midwifery Order with regards to Registrations and Fitness to Practise. These amendments provide the Council with powers to make rules to introduce a new process. The legal background to the proposals is outlined earlier in this paper.

Annexe 1

Policy for English language competence for the registration of nurses and midwives

Introduction

- 1 This policy sets out the parameters for Council's approach to publishing guidance for how nurses and midwives can demonstrate that they have the necessary knowledge of English to practise safely and effectively in the United Kingdom.

Aims of the policy

- 2 The aim of this policy is to set out the legal basis and high level principles for:
 - 2.1 the English language requirements that must be met by UK trained applicants, European Economic Area (EEA) trained applicants that fall under Directive 2005/36/EC¹ and overseas trained² applicants before they can be registered;
 - 2.2 the English language requirements for all nurses and midwives seeking readmission to the Register following a lapse of their registration; and
 - 2.3 how concerns about language competence of nurses and midwives who are registered with the NMC will be processed.

Governance and approval history

- 3 This policy was approved by Council following public consultation at its meeting on XX XXXX 2015.

General principles in relation to language competence

- 4 In order to hold registration with the NMC, all nurses and midwives must satisfy the Registrar that they have the necessary knowledge of English to practise safely and effectively in the UK.³
- 5 Council will publish guidance detailing the process for satisfying the Registrar that they have the necessary knowledge of English.⁴
- 6 UK nationals who have trained in the UK, having completed a pre-registration programme at an NMC approved higher education institution will automatically satisfy the Registrar that they meet the English language requirements in accordance with the UK Registrations Policy.

¹ Directive 2005/36/EC on the recognition of professional qualifications, as amended by Council Directive 2013/55/EU (The Directive)

² A nurse or midwife who has trained outside the EEA.

³ Article 9(2)(ba) of the Order

⁴ Article 5A(1) of the Order

- 7 EEA nurses and midwives wishing to register with the NMC must satisfy the Registrar that they have the necessary knowledge of English. Those who are unable to satisfy the Registrar in relation to language competence are not eligible for registration with the NMC.
- 8 Non-EEA trained applicants will be subject to the Council's requirements for registration, including English language competence, as articulated by the Overseas Registrations Policy.⁵

Legislative framework

- 9 Article 53 of the Directive establishes the legal basis for language controls for EEA trained nurses and midwives benefitting from the recognition of professional qualifications. It states that these controls must be proportionate and carried out after the recognition of a professional qualification, but before registration.
- 10 The Nursing and Midwifery Order 2001 (the Order) established the NMC and sets out its functions and powers. The Nursing and Midwifery Council (Education, Registration and Registration Appeals) Rules 2004 (the Registration Rules)⁶ and the Nursing and Midwifery Council Fitness to Practise Rules (the Fitness to Practise Rules)⁷ are made using powers contained in the Order and prescribe our procedures in these areas.
- 11 Article 9(2) of the Order sets out who is entitled to seek admission to the register and the conditions that must be met.
- 12 Article 5A of the Order introduces a new power requiring the Council to publish guidance as to the necessary knowledge of English for EEA trained nurses and midwives. This must set out the evidence, information and documents for an applicant to provide to satisfy the Registrar that they have the necessary knowledge of English, and the process by which the Registrar will assess this evidence, information or documentation. Article 5A creates a new duty, requiring the Registrar to take account of this guidance when determining whether an applicant has the necessary knowledge of English.⁸
- 13 The necessary knowledge of English is defined as 'a knowledge of English which is necessary for safe and effective practice of nursing [or midwifery] in the United Kingdom'.⁹
- 14 Applicants must make a formal application for registration in the form and manner prescribed by Rule 5 of the Registration Rules. The NMC may not at the initial stage require evidence of the necessary knowledge of language, however applicants may provide such evidence if they wish to. Should the Registrar not be satisfied that the applicant has the necessary knowledge of English on the basis of

⁵ TRIM: 2981245

⁶ SI 2004/1767 (as amended)

⁷ SI 2004/1761 (as amended)

⁸ Article 5A(1) of the Order (as amended).

⁹ Schedule 4 of the Order

their submitted application, further evidence will be requested through a formal language controls process.¹⁰

- 15 Should an EEA applicant not meet the language requirements on the basis of their initial application, the Registrar may not request further evidence, information or documents, until they have first notified the nurse or midwife that they have recognised their qualification. This notification must inform the nurse or midwife that by virtue of their qualification they are entitled to be registered in a part of the register subject to meeting any other requirements for registration.¹¹
- 16 Article 5A(6) states that the Registrar may require the applicant to undergo an examination or assessment and provide evidence in respect to this examination or assessment.
- 17 If the applicant is an exempt person¹², the Registrar may only require the applicant to undergo an assessment if the Registrar has already requested and considered further evidence, in addition to any that may have been supplied as part of their initial application.¹³
- 18 Article 10(2) of the Order outlines the requirements that a nurse or a midwife must fulfill in order for the Registrar to grant renewal of registration.¹⁴ Article 10(2B) of the Order stipulates that the Council may make Rules with regards to ensuring the necessary knowledge of English at the point of renewal.
- 19 Article 10(4) of the Order stipulates the requirements for readmission to the Register. In such circumstances as prescribed¹⁵, the Registrar will grant readmission to the Register, if the nurse or midwife continues to meet the requirements of Article 9(2), including the necessary knowledge of English.
- 20 Article 37 of the Order sets out the rights of appeal that applicants and registrants have against the Registrar's decision.
 - 20.1 Article 37(1)(za) states that an applicant may appeal where the Registrar requires them to undertake a language assessment under this policy.
 - 20.2 Article 37(1)(zb) outlines the appeal right that an applicant has if the Registrar does not recognise their qualification.¹⁶

Guidance for EEA trained nurses and midwives

- 21 The requirements set out for nurses and midwives in the Council's guidance will be proportionate and justifiable. The guidance will be compliant with the relevant UK and EU Legislation, and have regard to case law from the Court of Justice of the EU.

¹⁰ Article 5A(4) of the Order

¹¹ Article 5A(5) of the Order

¹² Schedule 4 of the Order

¹³ Article 5A(7) of the Order

¹⁴ Other requirements for renewal are set out in Registration Rule 13.

¹⁵ Other requirements for readmission are set out in Registration Rule 15

¹⁶ Article 14 of the Order: This additional appeal right has been inserted to distinguish the EU-derived appeal right against the a decision of the NMC not to recognise a qualification, and the general appeal right that already exists in the Order where the Registrar refuses entry to the register

- 22 Any guidance published will be subject to a consultation under Article 3(14) of the Order and will be regularly reviewed to ensure that it continues to be fit for purpose.

Applications for registration from eligible EEA applicants

- 23 Nurses and midwives who meet the requirements for recognition of their qualification in accordance with the Directive, must be sent a letter of recognition stating this.¹⁷ A formal request for evidence of language competence cannot be made until this point.
- 24 Nurses and midwives who apply for registration via the General System¹⁸ provisions of the Directive and who are required to undertake compensation measures, will be required to satisfy the Registrar that they have the necessary knowledge of English prior to being authorised to undertake an adaptation period or an aptitude test. This is to protect the public where applicants may have access to patients and service users while undertaking an adaptation period or aptitude test.

Criteria for assessing language competence

- 25 In order for the Registrar to be satisfied that an applicant has the necessary knowledge of English to practise safely and effectively in the UK, they must demonstrate competence in the four areas of:
- 25.1 reading;
 - 25.2 writing;
 - 25.3 listening; and
 - 25.4 speaking.
- 26 Where evidence or information is requested, the evidence must:
- 26.1 be recent, objective and independent;
 - 26.2 clearly demonstrate that a nurse or midwife can read, write, interact and communicate with patients, service users, relatives and healthcare professionals in English; and
 - 26.3 be readily verifiable by the NMC.

Evidence that we will accept

- 27 With the above criteria in mind, the following types of evidence for demonstrating that EEA trained nurses and midwives have the necessary knowledge of English will be accepted:

¹⁷ This will apply to nurses and midwives meeting the requirements for automatic recognition under article 21 and annexe V of the Directive, and to general system applicants who are judged to meet the minimum UK education requirements for recognition of their qualification

¹⁸ Articles 13(1)(e) and (f) of the Order

- 27.1 The applicant demonstrates that they have achieved the required scores in the academic version of the IELTS¹⁹ test, which will be a minimum overall score of 7.0 and at least 7.0 in each of the four areas. The IELTS test result should be no more than two years old at the time of making an application for registration.
- 27.2 The applicant holds a pre-registration primary nursing or midwifery qualification which was taught and examined in English, and which was composed of 50 percent clinical interaction. At least 75 percent of the clinical interaction with patients, service users and other healthcare professionals as part of the programme must have been conducted in English.
- 27.3 The applicant has been registered and practised for two years in a country where the first and native language is English in instances where they were required to pass a language assessment for registration in that country.
- 28 The Registrar will be able to consider other evidence of having the necessary knowledge of English. However that evidence must meet all of the principles set out in paragraphs 25 and 26.
- 29 Guidance for EEA trained nurses and midwives issued by the Council will provide further information about the evidence that will satisfy the Registrar as well as the process that applicants will follow.

EEA Applicants who are required to complete a language assessment

- 30 In accordance with article 5A(6) of the Order, if a nurse or midwife informs the NMC that they do not possess evidence of having the necessary knowledge of English or the evidence that they supply does not meet NMC requirements, then the Registrar may as a further step require them to undertake a language assessment, as a condition of registration.
- 31 The assessment that the Registrar will require will be the academic version of the IELTS test, with a minimum overall score of 7.0 and at least 7.0 in each of the four areas.

If a concern about language competence is raised whilst a nurse or midwife is on the register

- 32 Article 22(a)(iva) of the Order stipulates the necessary knowledge of English as a new ground for impairment of an individual's fitness to practise. Article 28A(1) of the Order gives Council the authority to make Rules requiring an individual who has had an allegation made against them, to undertake an examination or other assessment of their knowledge of English.
- 33 If the NMC receives an allegation that a registered nurse or midwife does not have the necessary knowledge of English and as a result their fitness to practise may be impaired, then this will be treated as an allegation that will be dealt with via the Fitness to Practise process.

¹⁹ The International English Testing System (IELTS)

- 34 Where a nurse or midwife is in contact with the NMC, and as part of this interaction it becomes apparent that their English language capabilities come into doubt the registrant may be referred into our Fitness to Practise processes by the Registrar.²⁰ Such a case will be dealt with in the same way as any other allegation of impaired fitness to practise.

Readmission to the register

- 35 Where a nurse or midwife's registration has lapsed, they may apply to the Registrar to be readmitted to the register.²¹
- 36 All nurses and midwives seeking readmission to the register must meet the readmission requirements, including having the necessary knowledge of English and the registration requirements.²²
- 37 Information published by the NMC will set out the requirements and evidence for how a nurse or midwife will satisfy the Registrar that they have the necessary knowledge of English. Where an applicant meets these requirements and all other readmission requirements²³, the Registrar will re-admit them to the register.

Rights of appeal

- 38 Article 37 of the Order sets out the decisions of the Registrar that a registrant can appeal. Applicants have the following rights of appeal under the following circumstances:
- 38.1 Where the Registrar makes the decision that they are not satisfied that a nurse or midwife has the necessary knowledge of English and are required to undertake an examination or assessment;²⁴ and
- 38.2 Where the Registrar makes the decision that they are not satisfied that the applicant's qualification meets the requirements for recognition under the provisions of the Directive;²⁵
- 39 Appeals will be considered in accordance with the NMC's appeals policy.

²⁰ Article 22(6) of the Order

²¹ Article 10 of the Order and Registration Rule 15

²² Article 9(2) of the Order

²³ Article 10(4) of the Order

²⁴ Article 37(1)(za) of the Order

²⁵ Article 37(1)(zb) of the Order

Council

Time limits in NMC education standards

Action: For decision.

Issue: This paper sets out proposed changes to ensure that NMC standards are legally compliant with the Equality Act 2010 and summarises the key themes from the consultation on these proposed changes.

Core regulatory function: Setting standards.

Strategic priority: Strategic priority 1: Effective regulation.

Decision required: The Council is recommended to:

- Remove the maximum time limits from the following education standards:
 - Standards for pre-registration nursing education (NMC, 2010);
 - Standards for pre-registration midwifery education (NMC, 2009);
 - Standards of proficiency for nurse and midwife prescribers (NMC, 2006); and
 - Standards of proficiency for specialist community public health nurses (NMC, 2004).
- Devolve the responsibility for management of completion timescales to Approved Education Institutions (AEIs).

Annexes There are no annexes attached to this paper.

Further information: If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

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- Context:**
- 1 Maximum time limits for the completion of pre-registration and post-registration are currently set out in the Council's education standards:
 - 1.1 Standards for pre-registration nursing education (NMC, 2010);
 - 1.2 Standards for pre-registration midwifery education (NMC, 2009);
 - 1.3 Standards of proficiency for nurse and midwife prescribers (NMC, 2006); and
 - 1.4 Standards of proficiency for specialist community public health nurses (NMC, 2004).
 - 2 The NMC must comply with the public sector equality duty¹. This includes ensuring that our standards are compatible with the Equality Act 2010. The maximum time limits for completion set out in the education standards do not have the flexibility required under the Equality Act 2010 and could be subject to challenge. This means that disability discrimination and pregnancy and maternity discrimination are likely grounds for legal challenge.
 - 3 Examples of interruptions to education programmes, where some flexibility could be required include:
 - 3.1 consecutive pregnancies;
 - 3.2 illness; or
 - 3.3 having to undertake medium or long-term caring responsibilities for a family member.
 - 4 Other health professional regulators, such as the General Medical Council and the Health and Care Professions Council, do not specify a timescale for completion of their pre-registration programmes. The management of interruptions and the completion of programmes is the responsibility of the Approved Education Institution (AEI). Importantly, the AEI ensures that all students meet the educational standards required to enter the register.
 - 5 With this in mind, the Council has therefore been asked to consider the removal of all these maximum time limits from its education standards and the devolution of the responsibility for management of completion timescales to AEIs. In October 2014, the Council agreed to undertake a consultation on these changes.

¹ Part 11 of the Equality Act 2010 (EA). The public sector equality duty requires public authorities, in the exercise of their functions, to have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the EA.

Discussion: Key themes from the consultation responses

- 6 The consultation ran for 12 weeks from January 2015 to March 2015. A total of 518 responses were received. 461 of responses were from individuals and 57 from organisations. Overall there was a slightly higher level of disagreement than agreement with the proposals².
- 7 There was general support for the removal of the mandatory time-limits in order to allow students with extenuating circumstances, similar to the examples of interruptions outlined above, to have more flexibility to complete their programmes.
- 8 Some respondents felt that the current time limits were appropriate; other respondents expressed concerns over the need to ensure the currency of knowledge and skills of students and the variation in decisions that might emerge amongst AEs.
- 9 There were more mixed views on whether the responsibility in this area could be devolved to AEs. Those in favour of the proposals stated that AEs are best placed to manage course length and completion. Reference was made to the need for the quality assurance frameworks of AEs and the NMC to ensure public protection in this regard. Those who were not in favour of the proposals expressed concerns about the variation in decision making amongst AEs; and the need for ensuring the currency of knowledge and skills in this area.
- 10 The consultation also asked for views on the impact of the proposals on public protection. Opinion in this area was mixed but slightly more respondents agreed that proposals do not have an impact on public protection.

Recommendations

- 11 The Council is recommended to agree to remove the maximum time limits from all the education standards listed in paragraph one in order to ensure that they are compliant with our public sector equality duty.
- 12 The NMC must ensure that it complies with the public sector equality duty³. This includes ensuring that our standards are compatible with the Equality Act 2010. The concerns raised during the consultation regarding the currency of knowledge and skills show a lack of understanding of the role of educational standards in detailing the proficiencies required to gain admission or to have an additional

² Slightly more of the respondents disagreed / strongly disagreed for both individuals (51%) and organisations (47%) compared to those agreeing/ strongly agreeing, 44% and 36% respectively.

³ Part 11 of the Equality Act 2010 (EA). The public sector equality duty requires public authorities, in the exercise of their functions, to have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the EA.

qualification annotated on the register. Communications and engagement should address these concerns.

13 Recommendation: The Council is invited to approve the removal of the maximum time limits in the education standards listed at paragraph one with immediate effect.

14 With the removal of the maximum time limits from the educational standards, it follows the responsibility for the management of completion timescales would fall to the AEI. In order to address the concerns regarding variation, there is an opportunity to clarify and refine the data required as part of annual self reporting by AEIs as part of the QA framework.

15 Recommendation: The Council is invited to approve the devolution of responsibility for management of completion timescales to AEIs.

Public protection implications:

16 The removal of maximum time limits does not have any impact on the level of proficiency required to complete a programme and be admitted to the register. An undergraduate student's entry to the register would remain subject to them meeting all of the proficiencies within the relevant education standards and the completion of their educational programme. Similarly, postgraduate students who are seeking subsequent registration or annotation of a qualification will still need to meet all of the proficiencies detailed in the relevant education standards. These matters will be clarified under the Quality Assurance (QA) framework to address any misconceptions.

Resource implications:

17 Amendments to the education standards and communications regarding these changes will be undertaken by the education and standards team as part of business as usual.

Equality and diversity implications:

18 The requirements upon the NMC set out in the Equality Act 2010 have shaped the proposals before the Council.

Stakeholder engagement:

19 A detailed communications plan has been developed and, subject to Council's decision, will be implemented the following day to all key stakeholders. If the Council agrees to remove the maximum time limits, the amended education standards will be published on our website. AEIs have received communications alerting them to this Council agenda item and a communications plan is in place to notify them of the changes following the Council's decision on 21 May 2015.

Risk implications:

20 If the standards remain unchanged, there is a risk that the NMC could be subject to challenge. Disability discrimination and pregnancy and maternity discrimination are likely grounds for legal challenge.

Legal implications:

- 21 Failure to remove the maximum time limit could result in legal challenge under the Equality Act 2010.
- 22 All requirements within the education standards stated in paragraph one in relation to programme length and programme hours remain unchanged. The length of pre-registration nursing and midwifery programmes and number of hours required also remains unchanged to ensure compliance with EU legislation.

Council

Revalidation update

Action: For discussion.

Issue: An update on the revalidation programme.

Core regulatory function: Standards and Registration (revalidation).

Strategic priority: Strategic priority 1: Effective Regulation.

Decision required: No decision is required from this paper.

Annexe: The following annexe is attached to this paper:

- Annexe 1: Revalidation Programme Status Report

Further information: If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

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- Context:**
- 1 The purpose of revalidation is to improve public protection by ensuring that nurses and midwives continue to be fit to practise throughout their career.
 - 2 We want to improve professional standards by encouraging a culture of reflection and improvement. This will give greater confidence to the public, employers and fellow professionals that nurses and midwives are actively engaged in their professional development and up to date with their practice.
 - 3 Revalidation is about nurses and midwives engaging with the Code and considering their practice throughout the three year cycle, not just at the point at which they submit their application.
 - 4 In July 2015, the Council will receive a view on the state of readiness across the UK. In addition, the cost benefit analysis work will have concluded and will need to be considered. In October 2015, the Council will be asked to decide whether the NMC should press ahead with revalidation. If the decision is to press ahead and the final revalidation guidance is signed off, all nurses and midwives will be able to start preparing for their revalidation. To allow reasonable time to meet the new requirements, the first nurses and midwives to renew their registration by revalidation will be those with an April 2016 renewal date.

Discussion: Readiness

- 5 The NMC is working with key strategic partners, including the four countries' programme boards, to deliver revalidation and ensure that nurses and midwives will be ready. We are undertaking work to understand the impact of revalidation and ensure readiness. We are working with each of the four countries to understand the assurances and decision-making process required to allow them to indicate their readiness prior to the Council decision on agreeing the model in October 2015.

Communication and engagement

- 6 The readiness work is being supported by a range of communication products that are being developed and made available on the NMC website. These include a standard presentation pack and an introductory guide to the revalidation requirements.

Pilots

- 7 The revalidation pilots are progressing well. 2732 pilot participants were recruited successfully across all pilot organisations, exceeding our recruitment target of 2,000. As of 6 May 2015, 2188 have activated their NMC Online, 1250 have accessed NMC Online and 255 have completed their revalidation applications through the online

process.

- 8 We are anticipating the numbers to increase significantly over the next few weeks, as our intelligence from engagement with the pilot sites suggests that most confirmation conversations are taking place in early May 2015.
- 9 The pilots have already generated insight on which we have been able to take positive action. For example:
- 9.1 **Renewal date:** we found that nurses and midwives do not always know when their three year renewal date is. We have now added this information field to NMC Online so that all nurses and midwives are now able to access this information.
- 9.2 **Scope of practice:** we have received a number of enquiries asking whether hours undertaken in particular roles will count towards the 450 practice hours required to revalidate. We will consider the need to provide further information in the guidance to support registrants, and confirmers, on this point by October 2015.

Revalidation forward look

- 10 The priority for the revalidation programme over the next few months is to understand the impact of revalidation, and readiness positions, to inform the Council's decision in October 2015. This includes both the external as well as internal engagement as we plan for moving revalidation into 'business as usual'.
- 11 We will be bringing some key documents and decisions to Council over the next two meetings. We have set out below a summary of the issues that we will be asking you to consider, for information.

Council Meeting	Revalidation items for consideration
July 2015	<ul style="list-style-type: none"> • Key findings from the KPMG impact on the system. • Key findings from the Ipsos MORI registrant experience of the revalidation pilots, if appropriate. • Summary of the process for each of the four countries to provide the Council with their position on readiness. • Preliminary views on readiness from each of the four countries
October 2015	<ul style="list-style-type: none"> • Readiness positions from each of the four countries and the NMC to inform the Council's decision to launch revalidation. • Final revalidation policy, standards and guidance.

- Public protection implications:**
- 12 Revalidation serves to provide assurance that all our nurses and midwives are participating in a structured process, where they regularly consider how they are maintaining their fitness to practise through reflection on the Code.
- 13 Revalidation should increase confidence that nurses and midwives' fitness to practise is being regularly reviewed and that the nurses and midwives whom they interact with are up to date with their practice.
- Resource implications:**
- 14 There are no additional resource implications arising specifically from the proposal set out in this paper.
- 15 All budget and staff time to carry out the policy and process development for the revalidation audits has been accounted for within the 2015 / 2016 business planning cycle.
- Equality and diversity implications:**
- 16 A detailed equality assessment of the revalidation policy was undertaken in 2014. This included a review of revalidation policy and consultation responses. The equality assessment particularly highlighted potential challenges for those on maternity leave, sickness leave and those on career breaks.
- 17 Ensuring that the roll out of revalidation is fair to these groups is one action we are taking to mitigate any adverse impacts. Our proposals will make sure that these nurses and midwives have a fair amount of time to prepare for revalidation. Our proposals will also make sure that, in exceptional circumstances, these nurses and midwives are not adversely affected by the new requirements while they are not in practice.
- Stakeholder engagement:**
- 18 Our approach to revalidation has been developed through extensive engagement with key stakeholders across the UK. We are currently piloting revalidation with a wide range of organisations and registrants. This will give us a better understanding of how long it will take for registrants to prepare for revalidation.
- 19 We are working closely with the revalidation programme boards in each of the four UK nations, particularly in relation to understanding readiness for revalidation.
- 20 We continue to engage with the Revalidation Strategic Advisory Group. At their next meeting in May 2015, we will be discussing readiness for launch.
- 21 We have produced a communication and engagement plan which includes clear messages for all nurses and midwives about when revalidation will be launched and what this will mean. In particular we need to be clear with those nurses and midwives due to renew their

registration in January to March 2016.

- Risk implications:** 22 The risks to the programme are highlighted in the status report (attached as **annexe 1**).
- Legal implications:** 23 There are no particular legal implications arising from this paper. The launch and transitional arrangements both help to mitigate a risk of legal challenge from nurses and midwives who do not think they have had sufficient time to prepare for revalidation. There will be a legal review of the final policy and guidance before October 2015.

Annexe 1

Revalidation Programme Status Report: to 05 May 2015

Senior Responsible Owner	Katerina Kolyva, Director of Continued Practice	Current status	Amber
Programme Manager	Katy Healy (Implementation Manager)	Previous status	Amber

General programme update

The revalidation programme is currently overall at amber. This reflects the range of RAG (Red/Amber/Green) statuses across the four work streams. Of these, we consider one to be red (UK system organisational readiness) two to be amber (the NMC's business readiness and communication and engagement), and one to be green (standards, policy & guidance). The programme is currently in the pilot phase and focus is on supporting pilot participants through the submission stage of the process, which runs until 30 May 2015. Provisional documentation, NMC systems, and participant experience are being tested during the pilots.

Alongside pilot activities, we are also working towards readiness for Council's decision on the revalidation model in October 2015. We have had productive conversations with the four country programme boards to understand and define where we expect strategic partners to be against a number of checkpoints throughout 2015. This activity is being supported by work being undertaken by KPMG to define and assess system (employer and country) readiness and undertake a cost benefit analysis of revalidation.

Red – Issues resulting in significant risk to workstream

Amber – Issues resulting in manageable risk to workstream

Green – workstream delivering to plan



Risk impact and likelihood decreased from previous period



Risk impact and likelihood unchanged from previous period



Risk impact and likelihood increased from previous period

WORKSTREAM UPDATE: UK system and organisational readiness

UK system and organisational readiness

This work stream focuses on the readiness and impact of the wider system, including four countries readiness and individual organisations and settings readiness. Key deliverables from the NMC's perspective in this area are the NMC's engagement with the four country programme boards and the NMC lead on the assessment of readiness and impact across the four countries. To note that risks identified are both for the NMC in terms of programme delivery but most importantly for the wider system as a whole. *UPDATE: The RAG score is due to this being a critical period to understand and deliver work around system readiness. This is in the context of different approaches across the four countries and limited resource.*



This period's activity (25 March - 21 May 2015)	Next period's activity (21 May – 29 June 2015)	Key risks and issues
<p>Key milestones met:</p> <p>Initial KPMG work to develop the detail of its engagements with organisations employing and representing nurses and midwives.</p> <p>KPMG workshops with NMC and the four countries undertaken.</p> <p>Senior Strategic Engagement Lead met with all representatives of each programme board.</p> <p>Key milestones not met: The organisational readiness surveys from KPMG have been slightly delayed.</p>	<p>Key milestones:</p> <p>Agreeing the assurance requirements and appropriate processes required in each of the four countries to ensure that they are able to report to Council their readiness for Go Live in time for the October 2015 Council meeting.</p> <p>KPMG will be undertaking the information gathering activities to inform its cost benefit analysis and system readiness. These will be in the format of surveys, interviews and focus groups.</p>	<p>The four country programme boards taking different approaches and being in varying positions in relation to implementing revalidation. Mitigation: 1) Strategic Engagement Lead in regular contact with each country and sharing best practice; 2) Clear messaging; 3) Understanding of key differences and managing activities within that where appropriate.</p> <p>There are significant engagement activities during this period and limited resources both within the NMC and at four country programme board level to support the activities Mitigation: 1) Focus resource needs and priorities around registrant understanding. 2) Managing expectations of stakeholders – clear communication. 3) MIAD (training provider that is supporting the introduction to revalidation) providing revalidation 'master-classes' to the four countries.</p>

WORKSTREAM UPDATE: Policy, standards and guidance

Revalidation model: policy, standards and guidance 		
This period's activity (25 March - 21 May 2015) Next period's activity (21 May – 29 June 2015) Key risks and issues		
<p>This work stream focuses on the NMC's delivery of the key policy, standards/guidance, other supporting material and research activity that underpin the revalidation model. All these are currently being piloted via the 19 pilot organisations and settings and form part of the evaluation and refinement that will lead to Council's final sign off in October 2015.</p> <p><i>UPDATE: No change : all deliverables have been met and we are confident that this will continue. The risks and issues are being effectively mitigated.</i></p>		
<p>Key milestones met:</p> <p>Detailed policy documents have been considered by the revalidation programme board on transitional arrangements, requests for further information (audit) and launch arrangements – this will ensure clear recommendations for final policy sign-off in October 2015.</p> <p>Pilot recruitment completed, approximately 2,700 signed up to participate, exceeding the target number of 2000. The submission phase of the pilots has commenced.</p> <p>Key milestones not met: none</p>	<p>Key milestones:</p> <p>Ipsos MORI will be undertaking its pilot survey and focus groups; to understand the registrant experience and inform updates to the 'How to revalidate with the NMC Guidance' and the online process.</p> <p>Pilot submissions phase will complete at the end of May 2015.</p>	<p>Risk of perception by the wider public that revalidation material was only being shared with pilot organisations. Mitigation: published all material on website and now available to all.</p> <p>Risk that the pilots reveal that the guidance materials (or the model underpinning it) are not fit for purpose. Mitigation: 1) weekly updates and feedback from pilot organisations directly through the pilot coordinators and engagement through research with Ipsos MORI. 2) Period for revision and reflection following pilots prior to Council considering the final policy in October 2015.</p>

WORKSTREAM UPDATE: Communication and engagement

Communication and engagement

This work stream focuses on the NMC's engagement and communication plan across the pilot organisations and more widely across the four countries. It also reflects the resources that are available more widely than the NMC via key stakeholders support to communication and the resources available by the four country programme boards. *UPDATE: The risk in this area has reduced due to the number of deliverables met that have reduced the risk in this area e.g. communication plan and products and establishing group (see this period's activity). There remain some resource constraints (see risks and issues).*



This period's activity (25 March - 21 May 2015)	Next period's activity (21 May – 29 June 2015)	Key risks and issues
<p>Key milestones met: Development of an updated strategic communication and engagement plan and established a communications group with representatives from across the four country programme boards.</p> <p>The NMC team have engaged with all pilot sites, including visits to the large majority.</p> <p>Development of communication products including standard slide sets, which are available on the NMC website.</p> <p>MIAD appointed to deliver revalidation master-classes in the four countries and initiated their activities.</p> <p>Key milestones not met: none</p>	<p>Key milestones:</p> <p>Delivery of revalidation master-classes across four countries, and in each of the four regions in England.</p> <p>Initiating an invitation to tender process to develop an eLearning product and an information video to support registrants in their understanding of revalidation.</p> <p>Publication of the first set of revalidation case studies.</p>	<p>The planning and activity in this area has been constrained by limited resource both within the NMC and across the programme boards.</p> <p>Mitigation: 1) Communications plan produced and shared with key stakeholders internally and externally. 2) Emphasis on increasing communication with stakeholder groups and the system. 3) Delivery of revalidation master-classes across four countries.</p>

WORKSTREAM UPDATE: NMC Business Readiness

NMC Business readiness		
<p>This work stream focuses on the NMC's business and operational readiness. It includes readiness of our registration processes, availability of staff and resources within the registration team and wider operational readiness including our IT systems. <i>UPDATE: Key milestones have been met in the last period. The work over the coming period is on track, but is critical so is marked as amber. The ongoing issue of limited time between post-pilot and launch drives the amber status.</i></p>		
This period's activity (25 March - 21 May 2015)	Next period's activity (21 May – 29 June 2015)	Key risks and issues
<p>Key milestones met:</p> <p>Completion of the pilot revalidation system to enable the full process to be tested during the pilot phase. In addition to the NMC Online elements being used by nurses and midwives, there are internal systems being piloted within the NMC.</p> <p>Development and sign off of the business requirements for the full online system for revalidation.</p> <p>Key milestones not met: none</p>	<p>Key milestones:</p> <p>Initiation of the development of the final system building on the system that is currently being piloted.</p> <p>Further developing the plan for internal readiness and implementing activities to support the NMC in understanding the impact of revalidation on the organisation.</p>	<p>The limited time between the finalisation and reporting from the pilots and the delivery of the full online system. Mitigation: 1) The level of resourcing in registration operations to deal with the first year of implementation needs close monitoring. 2) Internal auditors to carry out a business readiness assessment.</p> <p>Lack of a disaster recovery capability for NMC Online Mitigation: IT to advising that an immediate solution is expected within a couple of weeks and fully resolved by July 2015.</p>



Financial update

The overall programme budget is within the agreed financial envelope within our financial strategy.

Control

Report Production Date:	01 May 2015	Report Produced By:	Katy Healy
Programme Board approval:	Not seen yet	Report Approved By:	Katerina Kolyva

Council

ICT Update

Action: For discussion.

Issue: Following previous Council discussion on ICT issues, an ICT Improvement Plan to address weaknesses and strengthen the function as a whole has been developed. It has been agreed that regular updates will be provided on progress in this area. This paper seeks to provide the initial update and set out how progress will be reported against the ICT Improvement Plan once the detailed plan has been finalised.

Core regulatory function: All.

Strategic priorities: An improved ICT function has implications for all four of the NMC's strategic priorities.

Decision required: The Council is requested to note the progress update and endorse the proposed reporting approach.

Annexe: There are no annexes to this paper.

Further information: If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

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- Context:**
- 1 A new interim Chief Technology Officer (CTO), Rachel Murphy, was appointed from 1 April 2015 to conduct a thorough review of ICT capability and capacity. This review would be used to determine any required action and the CTO would then lead the ICT department through the programme of improvement.
 - 2 The review addressed all areas of the ICT function using a standard framework. The existing levels of maturity for each specific IT capability were assessed, comparing the NMC position with best practice characteristics.
 - 3 Each capability was assessed against the five level industry standard maturity model. Any gaps between current assessment and desired levels highlight areas where focus and improvement is necessary.

Discussion:

Review Outcome

- 4 The key overall position is that ICT capabilities within the NMC are generally immature and, at present, the basic building blocks of good practice are not in place.
- 5 These findings have been used as a key input in developing an essential improvement plan. A summarised report and this high level plan have been shared with the Audit Committee and are being circulated to the Council.

Critical Projects

- 6 In conjunction with the ICT Improvement Programme a number of high profile NMC commitments, which rely on an ICT component for successful delivery, have been identified as critical projects. These are **Revalidation, EU MRPQ and Phased Payments**. The detailed inclusion the ICT requirements for these projects is an ongoing part of the ICT improvement plans.

ICT Improvement Programme.

- 7 The ICT Improvement Programme is itself a high priority activity which has full support from the Chief Executive and Registrar and the Executive Board. The programme covers the key capabilities including:
 - 7.1 **Current and Future State Architecture;**
 - 7.2 **Disaster Recovery Strategy and Plan;**
 - 7.3 **Contract Management and Key Suppliers;**
 - 7.4 **Processes and Governance;**
 - 7.5 **Resources (People and Funding).**

- 8 The Improvement Programme is scheduled to run for the rest of this financial year, with the majority of activities completed by end of December 2015. An initial view has been established on the associated IT budget required to deliver improved IT capability in addition to supporting operational business and critical projects.
- 9 Regular reports on progress against the confirmed plan, which will contain tracking milestones, will be provided to the Executive Board, Audit Committee and the Council at each meeting.
- 10 Improvement work is progressing against the outline plan; however, a fully resourced and costed plan is in the final stages of development.
- 11 The ICT budgetary provision for the current year is sufficient to meet the ICT improvement programme costs in addition to those for the ongoing IT service provision (business as usual costs)
- 12 The IT component of the work on the three critical projects is yet to be fully costed on the basis of emerging technical requirements and therefore these are not yet fully reflected in the forecast. However, some funding is held against the relevant business change project and the work to confirm the required IT development activity will be complete by the end of June 2015.
- 13 There are also a number of IT related risks which could have a potential financial impact and these are also currently under review to determine if any should be escalated to the corporate risk register. This will also be completed by the end of June 2015.
- Public protection implications:** 14 Improving the capacity and capability of ICT within the NMC will increase the effectiveness and efficiency, support delivery of strategic objectives and enhance public protection.
- Resource implications:** 15 There are significant resource implications associated with the improvement plan which is being fully costed and resourced.
- Equality and diversity implications:** 16 An equality and diversity impact assessment is a standard part of specific projects and part of organisational structure decisions.
- Stakeholder engagement:** 17 A programme of ongoing engagement across internal business areas is included in the Improvement Plan activities.
- Risk implications:** 18 Activity detailed in the paper will assist in mitigating risks to the business caused by ICT capacity and capability issues, insufficiently robust systems or ineffective processes.
- Legal implications:** 19 As this paper is for information and internal management, there are no relevant legal implications.

Council

Chair's action taken since the last meeting of the Council

Action:	For information.
Issue:	The report details a decision taken by the Chair of the Council in March 2015 under delegated powers (as per NMC Standing Orders).
Core regulatory function:	Supporting functions.
Strategic priority:	Strategic priority 4: An effective organisation.
Decision required:	No decision is required by this report.
Annexe:	The following annexes are attached to this report: <ul style="list-style-type: none">• Annexe 1: Signed Chair's action: "Legal assessors: extension of term of appointment."
Further information:	If you require clarification about any point in the paper or would like further information please contact the author or the director named below Secretary: Fionnuala Gill Phone: 020 7681 5842 fionnuala.gill@nmc-uk.org

Chair's action**Legal assessors: extension of term of appointment**

- 1 The Chair of the Council was invited to approve an extension to the appointment of 140 legal assessors and the appointment of one additional legal assessor effective from April 2015 to December 2015. The appointment of a further legal assessor, and extension of existing appointed legal assessors, are designed to ensure continuity while a comprehensive review of the current arrangements for legal assessors is undertaken.
- 2 The Appointments Board was invited to consider and endorse the recommendation by correspondence in March 2015. The Board noted that sufficient resource is in place to ensure that the abovementioned review is undertaken and completed prior to December 2015; and confirmed by correspondence its endorsement of the recommendation to the Council.
- 3 Following consideration, the Chair of the Council, on behalf of the Council, and consistent with the Chair's powers as set out in the Standing Orders, approved this action on 31 March 2015 (as per **annexe 1**). Further details of the action are set out in the annexe.

Public protection implications:

- 4 There are no public protection implications arising directly from this report.

Resource implications:

- 5 None arising directly from this report.

Equality and diversity implications:

- 6 None arising directly from this report.

Stakeholder engagement:

- 7 The Appointments Board was engaged on the recommendation.

Risk implications:

- 8 There are no risk implications arising directly from this report. Risk implications were reflected in the report to the Appointments Board.

Legal implications:

- 9 None at this time.

Chair's Action

Under NMC Standing Orders, the Chair of the Council has power to authorise action on minor, non-contentious or urgent matters falling under the authority of the Council. Such actions shall be recorded in writing and passed to the Chief Executive and Registrar who shall maintain a record of all authorisations made under this paragraph and shall report in writing, for information, to each Council meeting the authorisations which have been made since the preceding Council meeting.

Each Chair's action must be affixed to an accompanying report setting out full details of the action that the Chair is requested to authorise on behalf of the Council.

Requested by: Loraine Ladlow Assistant Director, Adjudication, FTP	Date: 27 March 2015
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Legal Assessors: Extension of term of appointment

Detail: To ensure that public protection is maintained we require a nine month extension to the appointment of 140 legal assessors and the appointment of one legal assessor effective from April 2015 to December 2015. The extension is to allow for a comprehensive review of the legal assessors' arrangements.

The Appointments Board has considered the attached paper and confirmed the recommendation to extend the term of appointment of 140 legal and the appointment of one legal assessor as set out in Annexe 1 of the paper.

The following factors have been considered as part of the extension and review:

In August 2013 the NMC carried out a review of how we engage the services of Legal Assessors. Previously, legal assessors were provided through a single provider contract. This was cancelled in 2012 as it was not cost effective. In March 2014, on advice from procurement, 140 legal assessors were "locked in" to contracts for one year with the intention that a formal recruitment process could be followed and standard instructions and terms could imposed.

In January 2015, we were requested by Procurement to consider a single service provider model for the legal assessors arrangements. It has not been possible since that time to arrange a meeting with colleagues in Procurement as they have been engaged in end of year budget planning. We will meet with them prior to the next meeting of the Appointments Board on the 24 April.

It is worth noting that as well as high workloads in Procurement staff

shortages in the Panel Support Team have meant that the capacity required to complete a full review of legal assessor requirements has not been available, however during this time the PST has conducted a comprehensive review of its panel member arrangements and this work will directly feed into our planning for legal assessors.

As the budget planning process is now complete and PST will shortly be fully staffed we are confident that we will be able to complete a full review and appoint legal assessors within the 9 month extension of term.

Signed Janet Finch (Chair)

Date 31.03.15.

Council

Report of the Audit Committee

Action: For information.

Issue: Reports on the work of the Audit Committee.

Core regulatory function: Supporting functions.

Strategic priority: Strategic priority 4: An effective organisation.

Decision required: No decision is required.

Annexes: There are no annexes attached to this paper.

Further information: If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

Secretary: Fionnuala Gill
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Chair: Louise Scull

Context

- 1 The Audit Committee met on 24 April 2015. Key areas addressed included:
 - 1.1 Improvement programmes in finance and ICT.
 - 1.2 The internal audit work plan 2014-2015; completed internal audit reports; and progress on implementation of internal audit recommendations.
 - 1.3 The internal audit work programme for 2015-16.
 - 1.4 Risk management, including the annual review of risk management effectiveness.
 - 1.5 The assurance map.
 - 1.6 Drafts of the internal audit opinion and annual governance statement.
 - 1.7 Revision of the whistleblowing policy.

Finance Improvement programme

- 2 The Committee welcomed the report and the assurance that urgent action was underway to strengthen procurement and contract management processes, as reported elsewhere on the Council's agenda. The Committee will be updated on progress on the finance improvement programme in October 2015, when an internal audit review will have been completed.

ICT issues

- 3 The Committee welcomed the clear report provided by the new Chief Technology Officer and the assurance that an extensive improvement programme is underway to be delivered by the end of 2015. This is also reported elsewhere on the Council's agenda.

Internal audit work programme 2014-2015

- 4 The Committee considered management responses to four internal audit reports: risk management; strategy and planning; fitness to practise end to end process; and follow up on the Quality Assurance (QA) Strategy. The Committee welcomed the positive reports on risk management and strategy and planning and agreed to review outstanding final reports in advance of the next meeting, once ready.
- 5 The Committee agreed to invite the Director of Fitness to Practise to the next meeting to discuss ongoing work to streamline existing FTP processes.
- 6 The Committee has previously highlighted concerns to the Council about the availability of assurance relating to implementation of the

QA Strategy agreed by the Council in 2013. The Committee welcomed the confirmation that previous internal audit recommendations relating to delivery of the QA Strategy had been taken forward. The Committee noted that the QA Strategy as now being delivered varies from that originally approved by the Council and has requested that the Council be updated in October 2015, following completion of the next internal audit review of progress.

- 7 The Committee also reviewed progress against previous internal audit recommendations and agreed that a number of these could be closed as completed.

Internal audit work plan 2015-2016

- 8 The Committee reviewed a revised internal audit work programme reflecting previous comments. The Committee agreed to allocate additional resource for internal audit activity to ensure that sufficient time is available to address key areas such as finance, procurement, ICT and Human Resources.
- 9 The Committee agreed to retain a review of governance within the programme, subject to an opportunity to consider the scope of the review in October 2015, to ensure that it adds value. The Committee made clear the importance of Council member input to this review.

In-depth review of Registration

- 10 The Committee received an in-depth report from the Director of Registration on work underway to embed quality, risk management and continuous improvement mechanisms in the directorate. The Committee welcomed the report and noted that more should be done to publicly communicate the scale and size of registration functions.

Risk management

- 11 The Committee received an update on risk management, including the annual review of the effectiveness of risk management. The Committee welcomed the effectiveness review, which the internal auditors commended as good practice.
- 12 The Committee noted that the small sub-group of Council members, Directors and internal auditors undertaking initial work on the annual corporate risk review will be reporting separately to the Council. The Committee asked that the sub-group reflect on the fact that many risks had remained at the same level throughout the year and what this meant for the effectiveness of mitigations and assurance.

Assurance Map

- 13 The Committee reviewed an updated assurance map and welcomed evidence that this had been subject to substantive review by the Executive, resulting in a more realistic reflection of the sources and

quality of assurance available. The Committee will review the map again at its June meeting, including further work requested on assurances available in relation to both the revalidation programme and processes for implementation of revalidation. The Committee will consider how the map can help inform its future work programme.

Draft internal audit opinion and draft annual governance statement

- 14 The Committee reviewed and commented on early drafts of the annual internal audit report and annual governance statement and considered that both initial drafts provided a fair reflection of the current risks and issues facing the organisation. The Committee will review final drafts of both at its next meeting in June.

Whistleblowing policy review

- 15 The Committee endorsed minor revisions to the internal whistleblowing policy to ensure compliance with the Public Concern at Work Code of Practice and noted plans for raising staff awareness and staff training. The Committee asked that, where possible, account is taken of the views and experiences of whistleblowers, given that it is generally recognised that detriment often occurs over the longer term rather than at the time of reporting.

Serious events report

- 16 The Committee reviewed the log of serious events and agreed that, in future, further analysis should be provided so that the Committee has a more useful picture of learning and action taken to address the most serious events. The Committee will review an alternate format for the report in advance of the next meeting.

Public protection implications:

- 17 No public protection implications arising directly from this report.

Resource implications:

- 18 No resource implications arising directly from this report.

Equality and diversity implications:

- 19 There are no direct equality and diversity implications resulting from this paper.

Stakeholder engagement:

- 20 None.

Risk implications:

- 21 There are no risk implications arising directly from this report.

Legal implications: 22 None identified.

Council

Report of the Midwifery Committee

Action: For information.

Issue: The Midwifery Committee held a meeting on 29 April 2015 and this paper sets out a summary of its discussions.

Core regulatory functions: Education and standards; supporting functions.

Strategic priority: Strategic priority 4: An effective organisation.

Decision required: No decision is required.

Annexes: No annexes are attached to this paper.

Further information: If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

Author: Paul Johnston
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Chair: Dr Anne Wright

- Context:**
- 1 The Midwifery Committee held a meeting on 29 April 2015, and the following items were the focus of discussion:
 - 1.1 Changes to midwifery regulation.
 - 1.2 Review of pre-registration standards for midwifery education.
 - 1.3 Objectives for the Midwifery Committee.

Changes to midwifery regulation

- 2 The Committee considered proposals around amending standards in *Midwives rules and standards 2012*, which are designed as an interim measure to increase control of the regulator in investigation of fitness to practise. Any changes to the NMC's standards and guidance can only be implemented following public consultation.
- 3 The Committee noted that the proposals are designed to take steps to address the risk identified around regulatory decisions being taken by parties other than the regulator. The full range of King's Fund recommendations can only be implemented through legislative change; in the interim, the proposed measures serve to address this risk to public protection.
- 4 The Committee noted the rationale behind the proposals, which are in summary:
 - 4.1 To require Local Supervising Authorities (LSAs) to keep a record of any incident, complaint or concern about midwifery practice or an individual midwife in the LSA's area of responsibility;
 - 4.2 To require the LSA to ensure that all matters that may equate to an allegation of impaired fitness to practise are referred to the NMC immediately, who will be responsible for regulatory investigation and any appropriate sanction;
 - 4.3 To require a LSA to consult with the NMC at least 48 hours before they plan to suspend a midwife.
- 5 In discussion on the proposals, the Committee raised a number of points for the Executive to consider prior to consultation. These points are, in summary, that:
 - 5.1 The proposals needed to be framed in a way that was proportionate; in particular, the thresholds for referrals (detailed in paragraph 4.2 above) needed to be clearly set out and balanced.
 - 5.2 Similarly, the consultation document needed to clearly articulate the relationship between the three proposals. In that respect, the Committee agreed that the consultation

document set out a flow diagram that would clearly demonstrate LSA and NMC responsibilities and how proposals flow from one to the next.

- 5.3 The Committee noted that there was a risk that the proposals, as framed, may potentially contribute to further anxiety in the midwifery profession. The Committee was of the view that a clearer articulation of proportionality of thresholds and the relationships within the proposals will serve to reduce such concerns; but agreed that the Executive give further thought around communications as part of any consultation process.
 - 5.4 The proposals are only an interim measure pending future legislative change. The Committee agreed that the Executive give further thought about the interplay between the interim proposals in the short-term and the introduction of legislation in the longer term, and the timetable in moving forward.
 - 5.5 Finally, the Committee asked the Executive to review the wording on proposals to ensure consistency with the current standards with the wording on proposed standards in the Consultation.
- 6 The Committee is content to endorse to the Council the proposal to consult, provided that the above points are fully thought through and addressed prior to the consultation being launched.
 - 7 In addition, the Committee also received an update from the Chief Executive and Registrar on wider developments, including the NMC's initial response to the publication of the Kirkup report.

Review of pre-registration standards for midwifery education

- 8 The Committee was invited to provide input into the development of the pre-registration standards for midwifery education at this stage; in discussion, the Committee stressed the following points:
 - 8.1 Further consideration needs to be given to the changing expectations on the midwifery profession in the future, taking into account learning from a wide range of sources, including external reviews.
 - 8.2 Of particular importance is the agenda around public health, the role of the Lead Midwife of Education (LME) and involvement of service users and organisations that represent them.
 - 8.3 The Committee also stressed the importance of ensuring that students developed the reflective skills that are intrinsic to the NMC's model of revalidation.
- 9 The Committee would note to the Council that this area of work will remain an important priority for the Committee and will continue to

provide advice to the Council on the development of these standards.

Draft objectives for the Midwifery Committee

- 10 Committee members have asked that a set of objectives for the Committee be developed.
- 11 The Committee noted that the objectives aligned with the key strategic priorities as set out within the NMC Strategy 2015 – 2020 and the NMC's corporate plan for 2015 – 2016.
- 12 The Committee's agreed that its core objectives for the short and longer term be:
 - 12.1 Data and intelligence. The Committee stressed that this will need to be a high priority focus, given the need for an enhanced evidence base to inform future decisions on strategic midwifery regulation matters.
 - 12.2 Strategic direction of midwifery education, including the development of the Education Strategic delivery plan and pre-registration education standards.
 - 12.3 Development of a new framework for midwifery regulation.
 - 12.4 Revalidation.
- 13 The Committee is also keen to develop its strategic engagement activity, including ongoing engagement with the Council and with the agenda in each of the four UK nations.
- 14 The objectives will prove a useful tool in determining the Committee's short term and longer term priorities and in determining the information that the Committee requires. Objectives will also be useful in informing future annual effectiveness reviews.

Public protection implications:

- 15 No public protection implications arising directly from this report.

Resource implications:

- 16 No resource implications arising directly from this report.

Equality and diversity implications:

- 17 There are no direct equality and diversity implications resulting from this paper.

Stakeholder engagement:

- 18 None.

Risk implications: 19 There are no risk implications arising directly from this report.

Legal implications: 20 None identified.