Meeting of the NMC Council
to be held from 09:30am on Wednesday 27 July 2016
at 2 Stratford Place, Montfichet Road, London E20 1EJ

Agenda

Dame Janet Finch      Fionnuala Gill
Chair                Secretary

1  Welcome and Chair's opening remarks       NMC/16/47   09:30

2  Apologies for absence                     NMC/16/48

3  Declarations of interest                  NMC/16/49

4  Minutes of the previous meeting           NMC/16/50
   Chair

5  Summary of actions                         NMC/16/51
   Secretary

6  Chief Executive's report                   NMC/16/52
   Chief Executive and Registrar

Corporate reporting

7  Chief Operating Officer's report           NMC/16/53
   Chief Operating Officer

8  Financial monitoring report                NMC/16/54
   Director of Resources

Matters for decision

9  Draft Annual Report and Accounts 2015-2016  NMC/16/55
   Director of Resources
   (see separate pack)
10 Draft Fitness to Practise Annual Report 2015-2016  
Director of Fitness to Practise  
(see separate pack)

Deputy Director of Education, Standards and Policy

Refreshment break

12 Appointment of Assistant Registrars  
Secretary

13 Reappointment and transfer of FtP panel members  
Director of Fitness to Practise

14 Appointment of external auditors  
Director of Resources

Matters for discussion

15 Audit Committee annual report  
Chair of the Audit Committee

16 Midwifery Committee annual report  
Chair of the Midwifery Committee

17 Questions from observers  
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.*

18 **Chair’s action taken since the last meeting of the Council**

Chair of the Council

19 **Appointments Board annual report**

Chair of Appointments Board

20 **Health and Safety annual report 2015-2016**

Director of Resources

The next meeting of the Council will be held on Wednesday, 27 September 2016 at 09:30am, 23 Portland Place, London, W1B 1PZ.
Meeting of the Council
Held at the Titanic Conference Centre, Belfast on 26 May 2016

Minutes

Present

Members:

Dame Janet Finch  Chair
Maura Devlin  Member
Maureen Morgan  Member
Robert Parry  Member
Quinton Quayle  Member
Stephen Thornton  Member
Lorna Tinsley  Member
Anne Wright  Member

NMC Officers:

Jackie Smith  Chief Executive and Registrar
Alison Sansome  Chief Operating Officer
Adam Broome  Director of Resources
Annette Clinnick  Interim Director of Human Resources and Organisational Development
Richard Finlayson  Interim Director of Finance
Tom Kirkbride  Interim Director of Registrations
Rachel Murphy  Interim Chief Technology Officer
Sarah Page  Director of Fitness to Practise
Judith Toland  Director of Transformation
Clare Padley  Deputy Director of Education, Standards and Policy
Helen Lalor  Secretary to the Council
Fionnuala Gill  Council Services Officer
Minutes

NMC/16/31 Welcome from the Chair

1. The Chair welcomed all attendees to the meeting, noting how pleased the Council was to be meeting in Belfast. The past few days which had been both illuminating and informative and the Council had appreciated the warm hospitality and positive engagement experienced throughout all the engagements including the large audience for this meeting and the visible support of the Chief Nursing Officer and her team.

2. On behalf of the Council, the Chair welcomed newly appointed Directors, Adam Broome, Judith Toland and Emma Broadbent, as well as Clare Padley, attending in her new role as Deputy Director of Education.

NMC/16/32 Apologies for absence

1. Apologies were received from Amerdeep Somal and Karen Cox.

NMC/16/33 Declarations of interest

1. In relation to NMC/16/39: Revalidation - declarations of interest were recorded on behalf of all registrant Council members but not regarded as material.

NMC/16/34 Minutes of previous meetings

1. The minutes of the meeting on 23 March 2016 were agreed as an accurate record.

NMC/16/35 Summary of actions

1. The Council noted progress on implementing actions from previous meetings.

2. Arising from NMC/16/2: efficiencies, the Chief Operating Officer reported that work was in progress but was not yet sufficiently mature and would be provided in July. The Council sought assurance that this would cover each of the specific items requested previously and stressed that it would expect clarity in relation to the detail of the 5% stretch target for 2016-2017.

Action: Ensure the information requested on efficiencies for 2016-2017 is provided for the July Council meeting and includes the detail of what will be achieved in relation to the 5% target.

For: Director of Resources

By: 27 July 2016
The Council considered a report from the Chief Executive and Registrar on key external developments, strategic engagement, and media activity since the previous Council meeting. In discussion, the following points were noted:

a) The Department of Health’s public consultation on the NMC’s proposed legislative change by way of a section 60 order would close on 17 June. The proposals included important changes to enable more proportionate fitness to practise processes. The NMC would encourage everyone to respond.

b) The proposals also included removal of statutory midwifery supervision. It was important to understand that this was simply about removing supervision from the regulatory framework and did not in any way detract from the value and importance of clinical supervision. The work of the transition boards, including the Northern Ireland Board led by the Chief Nursing Officer, was focused on securing the future of clinical supervision.

c) The NMC recognised the critical importance of communicating the changes clearly to all affected and was working with stakeholders to ensure a comprehensive, coherent communications strategy.

d) Health Education England had published its response to the outcomes of the consultation on a new nursing associate role. The consultation responses confirmed strong support for the creation of such a role in England and for it to be regulated. The NMC’s position remained neutral: it was not for the NMC to determine whether such a role was needed and the NMC had not been asked formally to regulate the role. The differing views on the need for such a role and existing approaches in Scotland, Wales and Northern Ireland were well understood and the NMC would remain mindful of its role as a UK regulator. Ultimately any decision as to regulation would be a matter for Parliament. Should any formal request be made to the Council to consider regulation, appropriate contingency arrangements would be made, so that the Council could take a formal decision.

e) The Professional Standards Authority’s confirmation that the NMC was now meeting the Standard of Good Regulation on Revalidation was welcome.

f) A Welsh review of maternity had preceded the similar reviews in England and Scotland and had come to similar conclusions.

NMC/16/37 Legislative changes to the NMC's statutory objectives

1. The Council noted that changes to the NMC's statutory objectives as a result of the Health and Social Care (Safety and Quality) Act 2015 were expected to take effect in early July. This enshrined protection of the public as the NMC's overriding objective in conducting its functions. The Council welcomed this small but important change.

NMC/16/38 Education

1. The Council received an update on the work to develop competencies for future nurses, as part of the wider education programme of work approved at the March meeting. This included an update from Dame Jill Mcleod Clarke appointed to lead this work.

2. In discussion the following points were noted:

   a) The current review focused on pre-registration nursing standards only. Given the considerable work on midwifery regulation changes, it would not be feasible to also address midwifery pre-registration education standards at the same time. An update on plans for the review of midwifery pre-registration education standards would be brought to the July meeting.

   b) Getting pre-registration education standards right was one of the most important challenges facing the profession.

   c) As part of Dame Jill's work, extensive consultation was ongoing across the four countries, supported by a small expert group which included representatives from Northern Ireland.

   d) A clear consensus was emerging around the need for a radical rethink of the standards to future proof these for the changing health care landscape and to produce robust, transparent, outcome focused standards. The standards would need to be of a higher order with a clear focus on nurse leadership, rather than more in depth detail.

   e) There was close engagement with the universities and the aim was that there should be 'no surprises' when the new draft standards emerged for formal consultation in spring 2017.

   f) It would be important to join this work up with the wider work on professionalism being led by the Chief Nursing Officer for Northern Ireland on behalf of the four countries.

3. The Council welcomed the progress being made and noted the open invitation from Dame Jill for anyone interested in doing so to contribute to her work.
Revalidation

1. The Council received an oral update from the Chief Executive and Registrar that revalidation had been successfully introduced from April 2016. The Council then heard from Anne Marie O'Dwyer, a confirmer, and Tanya Allen, who had revalidated, about their direct experiences, as well as from Maura Devlin, who had also revalidated.

2. In discussion the following points were noted:

   a) Although there had been some apprehension and anxiety beforehand, the process had worked well. The materials on the NMC website had been an invaluable source of advice and help.

   b) The requirement for reflection was seen as the most valuable and affirming part of the process. Revalidation was a journey and was having unexpected benefits in bringing teams together and helping them identify skills and aptitudes that may not have previously been recognised. The value being derived for confirmers was an unforeseen but welcome further benefit.

   c) Revalidation was bringing the Code to life, informing day to day work, rather than as previously a reference document for when things went wrong.

   d) As part of the evaluation, it would be important to capture direct experiences of confirmers and others, as well as those revalidating.

   e) The revalidation model meant that even those not in direct front line care roles or who worked independently or on a self-employed basis could meet the requirements.

   f) Data and intelligence gathered through revalidation should help in identifying how and in what way the NMC could help registrants improve their professionalism and contribute to the ambition to move the focus of the NMC's work from fitness to practise upstream to education. Revalidation was not just about the NMC gaining assurance around continuing fitness to practise but also about supporting and assisting the professions.

   g) Revalidation was bringing about a positive change in the
nature of relationship between registrants and the NMC, in line with the Council's ambition to be a dynamic regulator helping registrants strengthen their professionalism.

3. The Council received an oral report from the Deputy Director of Education, Standards and Policy (who had previously led the implementation of revalidation) and noted the following points:

a) Concerns that introduction of revalidation would lead to people choosing to leave the register were so far unfounded. A comparison of figures for April 2016 with those for April in each of the preceding six years showed that there had been no increase in the numbers leaving the register.

b) 93% of registrants in Northern Ireland had signed up for online, the highest proportion in the four countries so far.

c) The work and enthusiastic support of the Northern Ireland Revalidation Programme Board led by the Chief Nursing Officer and of the Northern Ireland Practice and Education Centre had been invaluable in making revalidation a success.

d) September would be a major challenge with 51,000 due to revalidate: it was important to maintain the momentum and recognise that considerable work was ongoing.

e) As requested by the Council, a longitudinal evaluation programme had been put in place to be carried out by IPSOS over the next three years.

Secretary’s note: NMC/16/41 performance for 2015-2016 and NMC/16/40 were taken in reverse order.

NMC/16/41 Chief Operating Officer’s report 2015-2016


Quarter 4 and year end performance against the corporate plan 2015-2016

2. The Chief Operating Officer reported that performance against most of the corporate plan commitments for 2015-2016 had been achieved or substantially achieved with the exception of four items. Whilst there had been considerable work in these areas, it was recognised that this was not yet meeting Council expectations.

3. In discussion the following points were noted:

a) Commitment 8: Quality management. Although the agreed
quality assurance strategy had been taken forward following concerns highlighted by the Audit Committee, the Council had requested that the approach to quality be revised. This was ongoing.

b) The Council expressed concern at the ongoing lack of clarity and the slow progress being made. It was critical for all to be clear about what any revised approach to quality was seeking to achieve. This would allow an appropriate approach to be identified including what the impact would be and when, to ensure that this was worthwhile. Clear proposals and timelines were required.

c) Commitment 9: Regulatory risk intelligence; Commitment 10: Research; and Commitment 17: Data. These commitments were interlinked. Some progress had been made, for example, a limited risk intelligence function was in place and some data assessment and cleansing work had been carried out as planned. Similarly some small scale research projects had been undertaken but there had not been a clear research programme with specific objectives. However, it was recognised that there had been a lack of clarity about the outcomes these commitments were originally intended to achieve.

d) The Council expressed disappointment with the unsatisfactory progress in relation to these commitments. In relation to risk intelligence, the narrow focus on FTP seemed inappropriate, rather the expectation was that this would encompass a broader picture of the intelligence the NMC would need both to operate effectively and to share with others, encompassing all four countries and, for example, education and revalidation data. The longstanding difficulties around securing disaggregated data for midwifery remained a major concern and Council would continue to press for progress in this area.

e) Likewise, it was of concern that research was being undertaken without the right capacity and without a clear understanding of what the research was designed to achieve. The Council needed to be appropriately involved in determining the approach in these areas and have ownership of the work being undertaken. However, it was recognised that the agenda at Council Seminar sessions had been under pressure and discussion on research had previously been deferred.

f) In relation to the research project relating to fitness to practise ethnicity and diversity data, this was seeking to identify any disproportionality in NMC processes. GMC research suggested that this was an issue in relation to Doctors and it
was important to be clear whether this was an issue for the NMC.

g) In relation to Commitment 19, the first stage of payment by instalments was due to go live on 6 June. This would be extremely welcome and had been raised with Council members during a visit the preceding day to the Northern Trust.

h) In relation to Commitment 15, the Audit Committee had pressed for progress on effective customer service and quality measures at the April meeting and revised dashboards were in development.

4. The Council noted that the PSA ratings shown in the report related to the PSA performance review for 2014-2015. The Chief Executive and Registrar advised that the PSA had confirmed that for 2015-2016, the NMC was meeting all the Standards of Good Regulation for Guidance and Standards; Education and training, including revalidation and Registration. Fitness to Practise Standards would be subject to review in the autumn.

**Action:**

**For:** Chief Operating Officer/ Director of Registration and Revalidation

**By:** 27 July 2016

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<th>Action</th>
<th>Produce options for an approach to quality, setting out clearly what the options would be expected to achieve and indicative timelines.</th>
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**Action:**

**For:** Chief Operating Officer/ Deputy Director of Education, Standards and Policy

**By:** 27 July 2016

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<th>Action</th>
<th>Identify clearly what it is intended to achieve and when in relation to data, intelligence and research, ensuring appropriate Council involvement and ownership.</th>
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**Action:**

**For:** Chief Operating Officer/ Deputy Director of Education, Standards and Policy

**By:** 27 July 2016

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<th>Action</th>
<th>Include proposals for improvements to midwifery data with clear timelines</th>
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**Key performance indicators year end performance 2015-2016**

5. The Council discussed the year end performance against the KPIs for 2015-2016. In discussion the following points were noted:

a) In relation to Registration, although the primary target for UK initial registrations had been met, the secondary target had just been missed.
b) Performance against the EU and Overseas Registration target had not been met due to the combination of nursing being added to the occupation shortage list and the significant influx of applications received ahead of the introduction of English language controls. Although, an increase had been predicted and planned for, the volumes had been much higher than expected. Performance should be back on track by the end of May.

c) Northern Ireland was planning a significant overseas recruitment drive and any delays in processing applications would add further to the pressure necessitating the recruitment.

d) The overview table of KPI monthly performance was helpful; it might be useful to include this in the report to each Council meeting, populating the table as the year progressed.

e) The level of abandoned calls at 13.62% was unacceptable. In part this was thought to be linked to the increase in EU and overseas applications and the challenges of managing unpredictable demand. The current target was 10 per cent although this had not been achieved yet and it was recognised that there was a lot of work to be done in the call centre. Consideration would need to be given to whether there was a need to prioritise and resource the call centre to secure better performance and/or whether to set a KPI.

The Council requested that call centre abandonment rates be reported more prominently at each meeting. An improvement in registration performance would be expected in 2016-2017.

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<tr>
<th>Action:</th>
<th>Include the KPI overview table in future performance reports</th>
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<tr>
<th>Action:</th>
<th>Report call abandonment rates more prominently and consider whether a KPI would be appropriate and what level of investment would be required to improve performance</th>
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<tr>
<td>For:</td>
<td>Director of Registration and Revalidation</td>
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1. The Council considered a report on the corporate plan 2016-2017; a draft corporate delivery plan; and an overview of performance and risk management across the organisation for April 2016. The following points were noted in discussion:
**Corporate plan 2016-2017**

2. This had been updated to reflect the Council's comments at the March meeting. The plan would now be published on the NMC website and disseminated to key stakeholders.

**Draft corporate delivery plan 2016-2017**

3. The draft delivery plan had been developed to respond to the Council's request for a clear picture of how it would monitor progress against the corporate plan commitments and hold the Executive to account for timely delivery. In discussion the following points were made:

   a) As currently presented, it was unclear how the Council would use the delivery plan to monitor progress and how it would be played in and when.

   b) The delivery plan might be a useful tool for the Executive to review before each meeting but the Council would not expect this to be presented to future meetings.

   c) So that the Council can exercise effective oversight and scrutiny, it requires clarity about the outcomes to be achieved; how and when it will be informed of progress, whether good or bad; how and in what way it will be involved at key points, for example to give a steer or make decisions.

**Performance updates, KPIs and dashboards**

4. The Council noted the performance updates by directorate. In discussion the following points were noted

   a) The greater prominence given to customer service on the registration dashboard was welcome.

   b) In relation to FTP, there were some 233 cases at investigations over 18 months but more than half had been held up by third party investigation. Although there were over 1000 cases in the adjudication caseload, this was in line with forecast and planned activity should ensure that these were progressed.

   c) FTP had developed a new dashboard which sought to give the Council a clear picture of case throughput at various stages. Council members’ views would be sought on the new approach informally before this was presented at a meeting.
5. Corporate risk summary

The Council noted the introduction of a new corporate risk summary aligned to the new corporate plan for 2016–2017. In discussion the following points were noted:

a) There was a lack of clarity about how specific risk ratings had been reached. An explanation of the red/amber/green ratings would be helpful.

b) CR29: Risk intelligence. It was unclear why this was rated amber, when performance for 2015-2016, as previously discussed had been red and progress was some distance from the Council's expectations.

c) CR30: Transformation. As the programme had only just started it was difficult to see why this was red, although the ambitious nature of the programme was recognised, alongside the ambitions of the corporate plan and the additional priorities highlighted in the meeting.

d) CR32: Financial resources and efficiency. Since it would be July before the Council had clarity on the proposed 5% target, it was difficult to see how this could be amber.

The Council was satisfied that, subject to the comments made, the summary captured the key things the Council should be focusing on at the right strategic level. This should also provide a useful way of prioritising competing deliverables.

| Action: To enable Council to monitor progress, the Chief Operating Officer should ensure that the corporate delivery plan is reviewed before each meeting and report on all items where targets or milestones should have been achieved by that date. If targets or milestones have been missed, the report should include a recovery plan. |
| For: Chief Operating Officer |
| By: 27 July 2016 |

| Action: Provide an explanation of the corporate risk ratings |
| For: Chief Operating Officer |
| By: 27 July 2016 |

NMC/16/42 Financial monitoring report

1. The Council considered the report, which set out the financial performance for the year ending 31 March 2016. This was as expected at the March 2016 meeting.

2. In discussion the following points were noted:
a) As a result of mandatory new accounting standards, a new approach to calculating the value of the defined benefit pension scheme had to be adopted for statutory accounting purposes. The new valuation differed from the valuation based on the triennial three year actuarial variation used for calculating employer contributions to the scheme.

b) The triennial actuarial valuation had previously been used to calculate available free reserves. Going forward, the Council would need to consider the basis for determining available free reserves. A full report on the defined benefit pension scheme would be brought to the September Council meeting and this would be addressed as part of that.

c) The final report on the outcomes of the previous efficiency programme provided a clear picture which enabled the Council to draw a line under this. The focus should now be on the 2016-2017 programme, as previously discussed.

NMC/16/43 Questions from observers

1. The Chair invited questions from observers. The following points were raised:

   a) The assurance that plans for reviewing midwifery pre-registration education standards would be brought to the July meeting was welcome.

   b) In relation to the proposed changes to midwifery supervision, it would be helpful to know if there were plans to evaluate the effect of the changes. This further reinforced the importance of ensuring availability of FTP data on midwifery. The Chief Executive and Registrar confirmed that steps would be taken to monitor FTP cases to see if there was an increase as a result of the changes.

   c) The NMC was aware of feedback about the PSNI facilities currently used for Fitness to Practise hearings. An extension of the current arrangements for three months had been agreed whilst the NMC reviewed the position.

   d) Consideration would be given to whether there would be value in setting up a local FTP user group in Northern Ireland.

   e) The level of challenge exercised by the Council was welcome and provided assurance that the Council was seeking to secure the best value for money for registrants’ fees.
NMC/16/44  Chair’s actions taken since the previous Council meeting

1. The Council noted the Chair’s actions taken since the last meeting.

NMC/16/45  Midwifery Committee report

1. The Council considered the report of the April Midwifery Committee meeting presented by the Chair of the Committee. In discussion the following points were noted:

   a) The Midwifery Committee would continue in its current role until the legislation changed.

   b) The Committee had reviewed a draft document which sought to bring together all the information midwives needed in one place. The Committee had been pleased that the draft was clear, factual and accessible. Some suggestions had been made and a revised draft would be reviewed in July.

   c) The Committee had also reviewed its terms of reference to ensure that all the work it had been doing would be taken forward post legislative change. The key question to be answered was how the Council would have future access to the broad advice on issues affecting midwifery. The Committee was fortunate in having the benefit of input from invited observers whose contributions greatly enriched discussions: this was something the Committee wished to highlight to the Council.

   d) The Committee was conscious of the Council's commitment to support smooth transition of activities during the regulatory change. A transition document was being prepared to ensure that all issues were being addressed and provide assurance to the Council. Two particular issues being followed up included the collection of data and independently practising midwives. The Committee was also exploring the scope for ensuring the historical legacy of statutory supervision was maintained, for example, by transfer of records to the National Archives.

   e) The Committee had discussed the future of education programmes on preparation for supervision of midwives. The Committee’s view was that the NMC should not withdraw approval for providers but support sensible modifications to programmes for non-statutory supervision. No decisions would be made until after the outcomes of the DH consultation were known and providers would have an opportunity to make representations.

   f) The Committee recognised the importance of effective communications for all those affected and had been keen to
build on the successful model used for revalidation. The Committee was pleased that the same consultants had been secured to develop the communications strategy and had held a workshop to develop the communications plan in partnership with stakeholders.

g) Whilst the concerns and anxieties generated by the planned changes were recognised, there was a feeling that the sector was now moving to the stage where it could put the perceived loss behind it and focus on the opportunities, including more visibility of supervision with employers and more focus on education and training.

2. The Chief Executive and Registrar provided an update on the work of the Midwifery Panel. The Panel’s role was to focus on the future and the post legislative position, not duplicating the work of the Committee. The Panel was not a decision-making body but high level input was required. The support shown by the CNO, Northern Ireland who had attended every meeting was most welcome.

NMC/16/46 Audit Committee report

1. The Council noted the Audit Committee Report

Conclusion

On behalf of the Council, the Chair thanked Richard Finlayson, interim Director of Finance and Rachel Murphy, interim Chief Technology Officer for the contribution they had each made to the NMC’s work.

The Chair thanked all the observers for attending and for their contribution to the meeting.

The next meeting of the Council will be held on Wednesday, 27 July 2016 at 09:30, NMC, 2 Stratford Place, Montfichet Road, London E20 1EJ

Confirmed by the Council as a correct record and signed by the Chair:

SIGNATURE: ..................................................................................

DATE: ..........................................................................................
Council

Summary of actions

Action: For information.

Issue: Summarises progress on completing actions from previous Council meetings.

Core regulatory function: Supporting functions.

Strategic priority: Strategic priority 4: An effective organisation.

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 below.

Secretary: Fionnuala Gill
Phone: 020 7681 5842
Fionnuala.gill@nmc-uk.org
## Summary of outstanding actions arising from the Council meeting on 26 May 2016

<table>
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<tr>
<th>Minute</th>
<th>Action</th>
<th>Action owner</th>
<th>Report back to: Date:</th>
<th>Progress to date</th>
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<tr>
<td>NMC/16/35</td>
<td><strong>Efficiencies 2016-2017</strong></td>
<td>Director of Resources</td>
<td>27 July 2016</td>
<td>Addressed in financial monitoring report on the agenda.</td>
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<td></td>
<td>Ensure the information requested on efficiencies for 2016-2017 is provided for the July Council meeting and includes the detail of what will be achieved in relation to the 5% target.</td>
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<td>NMC/16/38</td>
<td><strong>Review of Midwifery pre-registration education standards</strong></td>
<td>Deputy Director of Education, Standards and Policy</td>
<td>27 July 2016</td>
<td>This will be addressed as part of the full education update on the agenda for September Council.</td>
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<td></td>
<td>Provide an update on plans, including timescales, for review of pre-registration midwifery education standards</td>
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<td>NMC/16/41</td>
<td><strong>Quality strategy</strong></td>
<td>Chief Operating Officer/ Director of Registration and Revalidation</td>
<td>27 July 2016</td>
<td>We are developing a range of options with external expertise and will bring these to the Council for discussion in October 2016.</td>
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<td></td>
<td>Produce options for an approach to quality, setting out clearly what the options would be expected to achieve and indicative timelines.</td>
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<td>NMC/16/41</td>
<td><strong>Data, intelligence and research</strong></td>
<td>Chief Operating Officer/ Deputy Director of</td>
<td>27 July 2016</td>
<td>An update on progress is included in the quarter one report on corporate plan.</td>
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<td>Identify clearly what it is intended to achieve, and when, in relation to data, intelligence and research ensuring appropriate Council involvement and ownership.</td>
<td>Education, Standards and Policy</td>
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<td></td>
<td>Include proposals for improvements to midwifery data with clear timelines</td>
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<td>committments. A seminar session with the Council is planned in September.</td>
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<td>NMC/16/07: Research programme - Outstanding from January 2016</td>
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<td>Develop proposals for a future research programme, with member input, for discussion at Council seminar.</td>
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<tr>
<td>NMC/16/40</td>
<td><strong>Corporate plan commitments 2016-2017</strong></td>
<td>Chief Operating Officer</td>
<td>27 July 2016</td>
<td></td>
</tr>
<tr>
<td></td>
<td>To enable Council to monitor progress, the Chief Operating Officer should ensure that the corporate delivery plan is reviewed before each meeting and report on all items where targets or milestones should</td>
<td></td>
<td></td>
<td>The corporate delivery plan is reviewed and has informed the content of the Chief Operating Officer’s report and the quarter one progress report.</td>
</tr>
<tr>
<td>Minute</td>
<td>Action</td>
<td>Action owner</td>
<td>Report back to: Date:</td>
<td>Progress to date</td>
</tr>
<tr>
<td>----------</td>
<td>--------------------------------------------------</td>
<td>--------------------------------------------------</td>
<td>-----------------------</td>
<td>------------------</td>
</tr>
<tr>
<td></td>
<td>have been achieved by that date. If targets or milestones have been missed, the report should include a recovery plan.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NMC/16/40</td>
<td>Corporate risk summary</td>
<td>Chief Operating Officer</td>
<td>27 July 2016</td>
<td>An explanation is included in the risk summary as part of the Chief Operating Officer’s report on the agenda.</td>
</tr>
<tr>
<td></td>
<td>Provide an explanation of the corporate risk ratings.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NMC/16/41</td>
<td>Key performance indicators 2016-2017</td>
<td>Chief Operating Officer</td>
<td>27 July 2016</td>
<td>KPI overview table is included in the Chief Operating Officer’s report on the agenda.</td>
</tr>
<tr>
<td></td>
<td>Include the KPI overview table in future performance reports.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NMC/16/41</td>
<td>Registration Call Centre abandonment rates</td>
<td>Director of Registration and Revalidation</td>
<td>27 July 2016</td>
<td>Call abandonment rates are now included on the dashboard report. Abandonment rates improved during the first quarter of 2016-2017.</td>
</tr>
<tr>
<td></td>
<td>Report call abandonment rates more prominently and consider whether a KPI would be appropriate and what level of investment would be required to improve performance.</td>
<td></td>
<td></td>
<td>We will be closely monitoring abandonment rates as part of our overall monthly performance management approach.</td>
</tr>
<tr>
<td>Minute</td>
<td>Action</td>
<td>Action owner</td>
<td>Report back to: Date:</td>
<td>Progress to date</td>
</tr>
<tr>
<td>-----------</td>
<td>---------------------------------------------</td>
<td>--------------------------------------------------</td>
<td>-----------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>NMC/16/21</td>
<td>Corporate KPIs and dashboards</td>
<td>Director of Fitness to Practise</td>
<td>27 July 2016</td>
<td>Included as part of the Chief Operating Officer’s report. Consideration will be given to suitable revalidation KPIs in line with publication of reporting data at the end of the first quarter.</td>
</tr>
<tr>
<td>NMC/16/21</td>
<td>Test of Competence centres</td>
<td>Director of Registration and Revalidation</td>
<td>27 July 2016</td>
<td>We expect to award a contract by the end of September, with a view to a new centre being live by the end of 2016.</td>
</tr>
<tr>
<td>NMC/16/22</td>
<td>Fitness to Practise interim order extensions</td>
<td>Director of Fitness to Practise</td>
<td>27 July 2016</td>
<td>This was discussed at the Council seminar in June.</td>
</tr>
<tr>
<td>NMC/16/24</td>
<td>Education Strategic Plan</td>
<td>Chief Executive and Registrar</td>
<td>28 September 2016</td>
<td>Not yet due</td>
</tr>
</tbody>
</table>
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 priorities: 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.

Author: Peter Pinto de Sa  Phone: 020 7681 5426  Peter.pinto@nmc-uk.org
Chief Executive: Jackie Smith  Phone: 020 7681 5871  jackie.smith@nmc-uk.org
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 around the nursing associate role and the development of future nursing competencies.

2 Updates on the NMC’s operating performance can be found in the Chief Operating Officer’s report.

Discussion:

External developments

EU Referendum

3 Following the outcome of the recent EU referendum, we issued a public statement to provide assurance that there will be no immediate impact on either the registration status of EU nurses already on our register, or on the NMC itself in terms of our role as the UK-wide regulator for nursing and midwifery.

4 We are working closely with the Government and other partners to understand the implications of the UK’s negotiated withdrawal from the European Union on our work and we are developing internal plans to address the various possible long term outcomes.

Nursing Associate role

5 Following Ministers’ decision to create the new nursing associate role, we were asked to assist Health Education England (HEE) by providing expert input to support development of the scope of practice and standards. As agreed by the Council, we responded positively, making clear that this does not imply any general endorsement or pre-empt any future Council discussion about regulation of the role. We have also been clear that any costs involved cannot be met from registrants’ fees.

6 The Chief Executive has since presented at a range of HEE events being held to develop the role. This has benefits in ensuring alignment with Dame Jill Macleod Clark’s work on development of future nurse competencies which should in turn position the role as part of a career pathway to graduate nursing. HEE is planning to pilot education and training for the role at a number of test sites given Ministers’ aim to have 1,000 nursing associates in training by early 2017.

7 The Chief Executive has also spoken at a number of events on the nursing associate role, including the Directors of Nursing Congress, the NHS Confederation’s annual conference and an engagement event in Birmingham.
Nursing apprenticeships

8 On 30 June 2016, the Chief Executive took part in a discussion with Lord Willis of Knaresborough and Sam Donohue, senior nursing policy manager, HEE regarding routes into the nursing profession, including graduate and postgraduate apprenticeships, as well as nursing associates.

9 We also continue to work with Department of Health (DH), Department of Business Innovation and Skills (BIS) and HEE on developing a higher level apprenticeship route into nursing.

Reform of professional regulation

10 The NMC hosted the DH’s first stakeholder engagement event on reform of professional regulation on 11 July 2016. At the request of DH, the Chief Executive chaired the event, which was also attended by the Chair and included a keynote presentation from the Rt Hon Stephen Dorrell MP. The event was oversubscribed and engendered a lively and constructive debate about future professional regulation focused on the purpose of regulation; agility; and cost-effectiveness. Further events are planned over the next month across the four countries.

11 We continue to attend the Chief Executives Legislation Group (CELG) meeting to discuss plans for the reform of professional regulation.

NMC Section 60 legislative changes

12 The DH’s consultation on modernising the NMC’s legislation closed on 17 June 2016. We met with a number of stakeholders to discuss the consultation during this period including the Royal College of Midwives (RCM), and Unison. We actively encouraged participation in the consultation exercise and the Chief Executive contacted stakeholders personally to draw the consultation to their attention.

Midwifery Section 60 changes

13 We held a productive workshop with the Local Supervisory Authority Midwifery Officers (LSAMO) in June 2016 to understand LSA management arrangements and prepare together for safe and timely transfer of related data.

14 We are participating in a UK-wide stock take meeting on progress with midwifery transition in July 2016. The meeting has been organised by the DH and other participants will include midwifery leads in the four countries of the UK, the RCM and the LSAMOForum.

15 The Chief Executive chaired the fourth meeting of the Midwifery Panel, overseeing the transition arrangements for midwifery
regulation on 21 July 2016. The panel continues to benefit from the active participation of senior colleagues from the four UK chief nursing offices.

**Fitness to Practise Section 60 changes**

16 In late July 2016 and early August 2016, the Director of Fitness to Practise will be holding a series of engagement events with the professional bodies and trade unions to discuss the proposed changes to the NMC’s fitness to practise legislation.

**Quality, safety and management assurance review at Liverpool Community Health NHS Trust**


18 We are looking at the concerns raised in Fitness to Practise and taking appropriate action. On 12 July 2016, the Chief Executive and the Director of Fitness to Practise met with Rosie Cooper MP to discuss the NMC’s actions in response to the report.

**Accountability and oversight**

19 On 7 June 2016, the Chief Executive met Charlie Massey, the DH’s Director General, Strategy and External Relations and William Vineall, the DH’s Director of Quality for a regular catch-up. Among the topics discussed was the launch of revalidation and developments with the nursing associate role.

**Health Committee hearing with the PSA**

20 The Health Committee held a hearing with the PSA on 5 July 2016. The NMC made a written submission to the Committee prior to the hearing at the Committee’s request.

21 In response to questions from the Committee, the PSA commented that we had improved immeasurably, that the FtP backlog had been cleared, although there were concerns about FtP decisions on occasions, and that our most recent performance review was the best ever. The strong leadership by the Chair, Council and Chief Executive was also commended.

**PSA**

22 The Chief Executive and the Director of Fitness to Practise have liaised with the PSA to discuss the performance review process, the
PSA’s review of cases, and our ongoing relationship.

23 The PSA has informed us that the 2015–2016 performance review will focus on the third, fifth, sixth, seventh and eighth Fitness to Practise Standards of Good Regulation. This will include an audit of 100 cases closed between 1 April 2015 and 31 March 2016. The review is due to start on 18 July 2016.

Stakeholder engagement and communication

24 The Chief Executive gave a presentation on the proposed changes to midwifery regulation at the RCM’s ‘legal births’ conference in London on 7 July 2016 and took part in a Q&A session at the event.

25 The Chief Executive attended the NHS Confederation conference from 15-17 June 2016. In addition to a speaking engagement on nursing associates, she met Danny Mortimer, Chief Executive, NHS Employers, and the Rt Hon Stephen Dorrell to discuss the NMC’s improvements to registration processes.

26 The Chief Executive attended the Royal College of Nursing (RCN) Congress on 20-21 June 2016. This included chairing the future nurse co-sponsoring board. The meeting was attended by the Chief Nursing Officers for Northern Ireland, Scotland and Wales, Janet Davies, the Chief Executive of the RCN and Lord Willis of Knaresborough among others. The group reflected on the progress with the ongoing engagement work being led by Dame Jill Macleod Clark and the work to develop the overarching attributes, roles and responsibilities required of the future graduate registered nurse.

27 The Chief Executive attended the Patient Safety Congress in Manchester on 5 July 2016 and 6 July 2016 where she chaired a number of sessions at the event, including one on best practice in nursing and multi-disciplinary work. The Chief Executive also took part in a panel discussion about the state of safety in healthcare with senior colleagues from NHS Improvement, the Royal College of Nursing, the Care Quality Commission and NICE.

Revalidation

28 Revalidation continues to feature prominently in our external engagement activity including presenting at a wide range of events and supporting workshops at the Unison Health Conference 2016 and the RCN Congress 2016. In anticipation of the significant increase in the numbers due to go through revalidation in September 2016 (51,000 compared with 15,800 in April 2016), we have developed a communications plan to support nurses, midwives and employers through this busy period. A regular cascade of revalidation content continues to be sent to communications contacts at key stakeholder organisations.
**Collaboration**

29 The Chief Executive attended the meeting of the regulatory body Chief Executives’ Steering Group on 16 May 2016. The Chief Executive also hosted a meeting attended by her opposite numbers from the General Medical Council, General Pharmaceutical Council, the General Optical Council and the PSA.

30 On 13 June 2016, the Chief Executive and the Chair met David Pearl, Chair of the Medical Practitioners Tribunal, the body which deals with the adjudication of the GMC’s fitness to practise cases, at arm’s length from the GMC itself which retains responsibility for investigations. The meeting was designed to learn about the experience of setting up the body and to explore the challenges and opportunities of establishing a tribunal system.

31 The Chief Executive met with her counterpart at the Royal College of Obstetricians and Gynaecologists for initial discussions on taking forward the recommendations on multi-disciplinary learning in the National Maternity Review.

**Media activity**

32 Media activity continues to focus on supporting the successful implementation of revalidation. This included a press activity at the start of May 2016 about how the number of nurses revalidating is in line with previous years and another in June 2016 urging nurses and midwives to prepare for September 2016, the busiest time for renewal. A number of confirmer case studies are also to feature in the Nursing Standard over the summer months.

| Public protection implications: | 33 No direct public protection implications. |
| Resource implications:         | 34 No direct resource implications.         |
| Equality and diversity implications: | 35 No direct equality and diversity implications. |
| Stakeholder engagement:       | 36 Stakeholder engagement is detailed in the body of this report. |
| Risk implications:             | 37 No direct risk implications.             |
| Legal implications:            | 38 No direct legal implications.            |
Council

Chief Operating Officer’s report

Action: For discussion.

Issue: Reports on performance and risk management since the May 2016 Council meeting.

Core regulatory function:

Strategic priority:
- Strategic priority 1: Effective regulation
- Strategic priority 2: Use of intelligence
- Strategic priority 3: Collaboration and communication
- Strategic priority 4: An effective organisation.

Decision required: The Council is recommended to

- Discuss progress made against the corporate plan 2016–2017 (paragraph 6).
- Note the KPI information for May and June 2016 (paragraph 9).
- Note the corporate risk summary and risk heat map (paragraph 14).

Annexes: The following annexes are attached to this paper:

- Annexe 2: KPI updates and Registration and FtP performance dashboards.
- Annexe 3a: Corporate risk summary
- Annexe 3b: Risk heat map
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: Kate Ward  
Phone: 020 7681 5081  
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Chief Operating Officer: Alison Sansome  
Phone: 020 7681 5911  
alison.sansome@nmc-uk.org
Context:

1. This report provides an overview of performance and risk management across the organisation, focusing on developments since the last Council meeting in May 2016.

2. The report at Annexe 1 provides the Council with a status update on progress towards achieving the corporate plan commitments 2016–2017 at the end of the first quarter. Other key developments are covered in the body of this report.

3. We continue to work on streamlining the presentation of performance and risk information.

Discussion:  

Chief Operating Officer’s summary of performance

Q1 Corporate Plan Update

4. We have made some revisions to the way in which performance is reported.

4.1 We have given a red/amber/green rating on our progress against each commitment to the end of quarter one. We have added a further rating showing whether we expect to meet the commitment at the end of the year. The definitions for each rating are included at Annexe 1.

4.2 We have not included a comparison with performance against the PSA standards because the last performance review ratings date from 2014–2015. The 2015–2016 PSA performance review is underway and ratings will be included in future reports once available.

5. We are making progress against the majority of commitments in the corporate plan. Many have been rated as amber because work is at an early stage. As requested by the Council, we have sought to make clear whether key milestones have been met, and if not, what action is being taken to get performance back on track.

5.1 Commitment 1, transformation: This is amber because we are still in planning and preparatory stage.

5.2 Commitment 2, value for money: this is amber as we are still at early stages as set out in the financial monitoring report.

5.3 Commitment 8, payment of fees in quarterly instalments: The roll out date for registrants undertaking revalidation and renewals moved by three weeks whilst we addressed issues that were discovered late in the testing cycle. This has now been successfully implemented.

5.4 Commitment 10, data, intelligence and research: limited progress has been made and we are seeking external
6 **Recommendation:** The Council is invited to discuss progress against the corporate plan.

**Corporate reports and key performance indicators**

7 We are reporting against the KPIs and targets agreed by the Council in March 2016 in **Annexe 2**.

7.1 EU/Overseas registration performance has been above target in both May and June, with a rise in performance month-on-month. The queue of work contains no outstanding assessments that are outside KPI. However the year to date rating remains red due to low performance in April.

7.2 The Registration performance dashboard has been adjusted to present call centre performance more prominently. The call centre abandonment rate has reduced compared to the same point last year from 12.64 percent in 2015–2016 to 5.96 percent in the current year. This is a result of improved resource planning and deployment along with optimised working patterns for staff.

7.3 The FtP dashboard reflects comments from previous Council discussion. The dashboard has been simplified and revised to show a three month view, alongside the performance assumptions made at the start of the year. Additional 12 month trend data has been provided for risk areas with the potential to develop the reporting of trend data throughout the year.

7.4 Free reserves are currently in line with expectations. We are also showing a revised data calculation that reflects the change in the way pension deficit is now calculated. The June 2016 available free reserves figure is not yet available.

8 As requested by the Council we have also included the summary KPI performance table for 2015–2016 (annexe 2d) and have begun to populate the table for 2016–2017 (annexe 2e).

9 **Recommendation:** The Council is invited to note the KPI information for May and June 2016.

**Corporate risk**

10 A corporate risk summary is attached at **Annexe 3a**, listing our corporate risks alongside the current rating for each risk, any risk movement since the last Council meeting and a status update.

11 As requested at the last meeting, definitions and our scoring matrix
have been added to the risk summary.

12 Corporate risks have been reviewed in the light of Council’s discussions in May.

12.1 Risk CR29 *Intelligence and insight* is now red-rated to reflect the considerable work to be done and the potential impact on the achievement of our strategic aims.

12.2 Risk CR30 *Transformation:* we have reviewed the risk rating but propose that this should remain red given the extent of work still to be done to map out transformation alongside and deliver our core regulatory business.

13 A heat map of corporate and directorate level risks is at **Annexe 3b**.

14 **Recommendation:** The Council is invited to note the corporate risk summary and risk heat map.

**Fitness to Practise**

*Exercise of delegated authority*

15 In June 2014 the Council delegated authority to the Director of Fitness to Practise to issue guidance on matters relating to the NMC’s Fitness to Practise function, including updates to existing guidance. In the last 12 months six new pieces of guidance were issued by the Director of Fitness to Practise, including guidance on allegations of language impairment. Updates were made to eight existing pieces of guidance, including updating our Incorrect and Fraudulent entry guidance to reference that a false declaration as part of revalidation will be considered under this process.

*Employer link service*

16 The Employer Link Service (ELS) fully launched on 1 April 2016 with a full complement of regulation advisers in place. The service now incorporates our safeguarding and referral function which shares information with other regulators and agencies, including the DBS and Disclosure Scotland. The ELS advice line is operational and has so far received over 300 calls from employers and other regulators seeking advice on making referrals, the Code, revalidation, FtP processes and the registration of overseas nurses and midwives.

**Additional office space**

17 Provision was agreed in the budget for additional office space to be procured if needed. There is currently insufficient office space available across the NMC estate to accommodate the essential temporary resources required for the registration and revalidation peak period in September. We have rented serviced office facilities near Portland Place for nine months (with a three month rent free period)
comprising desk space and a meeting room, to accommodate additional staffing needs. The costs of the additional space are within the provision made in the budget.

Public protection implications: 18 Public protection implications are considered when reviewing performance and the factors behind poor or good performance.

Resource implications: 19 Resource implications will be captured in the financial monitoring report.

Equality and diversity implications: 20 Equality and diversity implications are considered when rating the impact of risks and determining the action required to mitigate risks.

Stakeholder engagement: 21 KPI information, performance dashboards, risk summary and risk heat map are in the public domain.

Risk implications: 22 The impact of risks is assessed and rated on the risk register. Future action to mitigate risks is also described.

Legal implications: 23 No direct legal implications.
Quarter 1 report against the corporate plan 2016–2017

1 April – 30 June 2016

Our corporate plan sets out our commitments for 2016–2017 towards achieving the corporate strategy 2015–2020. This report presents:

- An update and assessment of our performance and progress to date.
- An assessment of whether we expect to deliver the commitment by year end 31 March 2016.

Summary of RAG ratings at end of Quarter one

<table>
<thead>
<tr>
<th>Commitment</th>
<th>Red</th>
<th>Amber</th>
<th>Green</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transforming the NMC (strategic priorities 3 and 4)</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effective regulation (strategic priorities 1 and 3)</td>
<td>4</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Use of intelligence (strategic priority 2)</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Communication and collaboration (strategic priority 3)</td>
<td>1</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Commitment RAG totals (12 in total)</td>
<td>1</td>
<td>8</td>
<td>3</td>
</tr>
</tbody>
</table>

Definitions of table headings

<table>
<thead>
<tr>
<th>Commitment for 2016–2017</th>
<th>Work we are undertaking in 2016–2017 as stated in the corporate plan.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 update (April-June)</td>
<td>Explanation of progress during quarter 1.</td>
</tr>
<tr>
<td>Red/amber/ green (RAG) rating</td>
<td>This reflects an assessment of our current progress and performance.</td>
</tr>
<tr>
<td>RAG rating (now)</td>
<td>We do not expect to fully meet this commitment by year end.</td>
</tr>
<tr>
<td>RAG rating (year-end)</td>
<td>We are on track to meet all areas of this commitment.</td>
</tr>
</tbody>
</table>

- **Red**: Significant work has not been progressed. We do not expect to fully meet this commitment by year end.
- **Amber**: Work is still at early stages or we have not met planned milestones. It is not yet clear whether the commitment will be met at the year end.
- **Green**: Most, if not all work has been progressed to date.
<table>
<thead>
<tr>
<th>1</th>
<th>Commitment for 2016–2017</th>
<th>Q1 update</th>
<th>RAG (Now)</th>
<th>RAG (Year-end)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong></td>
<td>Plan, resource and initiate our transformation programme. The programme will cover all aspects of our organisation, people and location, as well as improving the experience of our customers.</td>
<td>This is rated amber as the transformation programme is in the preparatory and planning stage. We are on track to provide an outline business case to the Council in September 2016 and the full business case in March 2017.</td>
<td>A</td>
<td>G</td>
</tr>
<tr>
<td><strong>1a</strong></td>
<td><strong>Our organisation</strong> By October 2016, have defined what the organisation shape, size and business processes should be, and have published our transformation roadmap.</td>
<td>By October 2016 we will have a top level picture of the future organisational model. This is rated amber: we now have a clearer picture of the complexity and scale of the transformation programme and this represents a realistic assessment of the progress we have.</td>
<td>A</td>
<td>G</td>
</tr>
</tbody>
</table>
| **1b** | **Our people** Develop a People Strategy that sets out the skills, capabilities and culture that the organisation will need now and for the future. This will address how we will attract, retain, support and reward people to meet our priorities. Produce a detailed plan to drive the achievement of the People Strategy and deliver outputs in accordance with that plan once agreed. | This is rated amber as work on the People Strategy has begun but is still at early stages. So far:  
- Directors have agreed high level principles and objectives for the people strategy.  
- We are beginning to identify the capabilities and skills which we need to deliver the proposed future business model. This will in turn be used to inform key elements of the People Strategy.  
- Alongside this, we are planning improvements to workforce and people management in preparation for transformation.  
We will report on progress to the Remuneration Committee and Council in September. | A | A |
| **1c** | **Our location** Develop a full accommodation business case setting out costed options to enable us to make decisions on future | This is rated amber due to the considerable work to be done, but initial development work is on track with support from external consultants. | A | G |
### 2 Value for money

Deliver a stretch target of five percent against the approved budget (excluding funds allocated for transformation) to drive value for money, which we will monitor and report against.

We will be able to set milestones for further work following consideration of the outline business case in September 2016.

This is rated amber because, as set out in the financial monitoring report, we are still at an early stage in identifying the efficiencies required to meet the five percent stretch target.

### Effective regulation (strategic priorities 1 and 3)

<table>
<thead>
<tr>
<th>Commitment for 2016–2017</th>
<th>Q1 update</th>
<th>RAG (Now)</th>
<th>RAG (Year-end)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3 Education</strong>&lt;br&gt;Draft new standards setting out the skills and competencies required of the future nurse, ready for consultation which will complete in 2017–2018.&lt;br&gt;Engage with stakeholders through the work we are doing to develop new standards.</td>
<td>We have met all milestones: a high level first year programme plan has been completed and detailed project planning for a future education framework is underway, with products/deliverables identified.&lt;br&gt;We have undertaken considerable engagement to date on development of the competencies for future nurses. We are now developing a four country stakeholder communications and engagement plan for the wider education programme with external consultancy support.</td>
<td>G</td>
<td>G</td>
</tr>
<tr>
<td><strong>4 Education</strong>&lt;br&gt;Commission an independent fundamental review of how nursing and midwifery education could be quality assured in the future, resulting in a set of options by March 2017. This review will take into account the changing arrangements for quality assurance in the higher education sector more generally.</td>
<td>We have met our milestones. This is rated amber as work is still at early stages, with the independent review only just getting underway.</td>
<td>A</td>
<td>G</td>
</tr>
<tr>
<td><strong>5 Midwifery regulation</strong>&lt;br&gt;Continue to support</td>
<td>This is rated amber as, although we have met our milestones and continue to support the</td>
<td>A</td>
<td>G</td>
</tr>
</tbody>
</table>
successful transition of midwifery supervision in all four countries of the UK. There is a good deal still to do. The Midwifery Committee is overseeing development of guidance for midwives bringing together all relevant information on midwifery regulation in one place. We have also documented all the steps and actions needed to help ensure smooth transition by all those involved.

Develop and implement a comprehensive communication plan to ensure that stakeholders have a clear understanding of regulation after the legislative change. A comprehensive communications and engagement plan has been co-produced with a range of key stakeholders. We delivered the first stage of the plan which focused on encouraging midwives and other stakeholders to respond to the Government’s consultation on the section 60 proposals.

Update our own policies, systems and processes to ensure we are ready for the consequences of legislative change in midwifery regulation. We have identified the changes we will need to make to our policies, systems and processes so that we can be ready to implement these once the final timetable is known.

**6**

**FtP** Prepare a detailed plan so that we are ready to implement the significant changes to our legislation to ensure that we can resolve fitness to practise cases in the right way at the right time. This will include developing policy and process for additional powers for Case Examiners and the Investigating Committee, and the development of systems and processes to support the changes. We have met our milestones: a high level plan is in place and detailed workstream plans are being developed. Initial policy proposals have been developed for how we use the new methods of disposal the section 60 will introduce (undertakings, warnings and advice). We will seek stakeholders’ views on our proposals at a series of listening events over the summer and the subsequent public consultation.

**7**

**Registration** Monitor the operational effectiveness of revalidation in its first full year of implementation and ensure continuous improvement to the process and our systems. We have met all expected milestones to date. Over 34,000 registrants revalidated successfully between April and June 2016 and the verification arrangements are operating as planned. We have begun the evaluation and made further improvements to the online systems.

**8**

**Registration** Make it easier for nurses and midwives to pay their registration fee by rolling out the facility to make payments in quarterly instalments. This is rated amber: our original timetable for roll out was delayed due to the need to resolve issues identified when we tested the system. We successfully introduced payment by instalments for those renewing registration from 27 June 2016. We are on track to introduce the facility for new registrants by December 2016.
We have alerted registrants to the new payment option through multiple communication channels including our website; trade press; renewal/retention letters and emails; our newsletters; and social media.

9 **FtP and Registration**

Maintain and continue to improve our regulatory performance (as measured by corporate KPIs) throughout transformation.

This is rated amber to reflect mixed performance during the first quarter against Registration key performance indicators; FtP key performance indicators were on track.

<table>
<thead>
<tr>
<th>Commitment for 2016–2017</th>
<th>Q1 update</th>
<th>RAG (Now)</th>
<th>RAG (Year-end)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>10</strong> Develop our strategic capability to enable us to articulate our data and intelligence requirements. Determine what research we should invest in, and use the outcomes to inform our work.</td>
<td>This is rated red due to the considerable work to be done and the potential impact on our strategic aims. We do not yet have the strategic capability we need to help us make progress in this area. We are seeking to learn from the GMC’s work on intelligence and plan to secure external expertise to help us shape this critical area. A seminar discussion with the Council is planned for September 2016.</td>
<td>R</td>
<td>A</td>
</tr>
<tr>
<td><strong>11</strong> Be in a position by March 2017, for our Employer Link Service to begin to analyse data from FtP referrals and employer settings to enable wider risk based interventions at an earlier stage to enhance public protection.</td>
<td>We have rated this amber as we are still at an early stage. Work to improve our ability to make use of the data we collect has progressed as planned and will feed into the changes we need to make to our systems. Simple analytical reports on the numbers of referrals from HSC Boards in Northern Ireland and NHS Boards in Scotland and Wales have been agreed and shared with systems regulators in those respective countries.</td>
<td>A</td>
<td>G</td>
</tr>
<tr>
<td>Commitment for 2016–2017</td>
<td>Q1 update</td>
<td>RAG (Now)</td>
<td>RAG (Year-end)</td>
</tr>
<tr>
<td>--------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----------</td>
<td>---------------</td>
</tr>
<tr>
<td>12</td>
<td>Improve our access to the views of patients and the public through new public and patient networks in each of the four countries and use this to shape and inform our work.</td>
<td>This is rated amber to reflect progress to date.</td>
<td>A</td>
</tr>
<tr>
<td></td>
<td>Following discussion with the Council in February 2016, we took forward proposals to pilot a ‘hub’ approach to engaging with patients and the public. In Belfast in May, we co-hosted an event with the Patient and Client Council, attended by a wide range of representatives from patient advocacy groups. We received valuable feedback from those attending on refining our model of engagement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>We now need to confirm plans to establish hubs in the remaining UK Countries by March 2017.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>We have agreed with the General Medical Council to co-deliver an event for patient and public groups. This event will provide us with an additional mechanism for gaining public feedback on the future of healthcare regulation.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Performance and risk directorate information

Contents of Annexe 2

2a  Registration KPI and dashboard
2b  Fitness to Practise KPIs and dashboards
2c  Resources KPIs
2d  KPI summary table 2015-2016
2e  KPI summary table 2016-2017
## Registration KPI

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

#### Strategic priority 1: Effective regulation

<table>
<thead>
<tr>
<th>Rationale</th>
<th>Measures NMC assessment and processing time for UK initial registration applications.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Definition</td>
<td>Measures the time elapsed between receipt by the NMC of a complete new UK registration application (this is system determined) and when the applicant joins the register or is notified of refusal.</td>
</tr>
</tbody>
</table>

#### April 2016 | May 2016 | June 2016 | Year to date | Year end target |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No. of apps within KPI</strong></td>
<td><strong>As a %</strong></td>
<td><strong>No. of apps within KPI</strong></td>
<td><strong>As a %</strong></td>
<td><strong>No. of apps within KPI</strong></td>
</tr>
<tr>
<td>Primary figures/ target</td>
<td>1000</td>
<td>95.1%</td>
<td>514</td>
<td>93.5%</td>
</tr>
<tr>
<td>Secondary figures/ target</td>
<td>1030</td>
<td>98%</td>
<td>538</td>
<td>97.8%</td>
</tr>
</tbody>
</table>

*Number:* Number of applications completed within the KPI target  
*As a %:* That number expressed as a proportion of the total for the month  
*Year to date average:* The cumulative average from April 2016  
*RAG:* Year to date average vs. year end target

**Red/Amber/Green rating (primary target):**  
Green = figure matches or is higher than the target figure of 95%.  
Amber = figure is between 90 and 94.9%.  
Red = figure is 89.9% or lower.

**Red/Amber/Green rating (secondary target):**  
Green = figure matches or is higher than the target figure of 99%.  
Amber = figure is between 94 and 98.9%.  
Red = figure is 93.9% or lower.
Graphical information and commentary:

KPI 1a - Primary target (95% within 10 days)

We experienced a small dip in May and June. We are improving our management information to support the early identification of applications at risk of not being processed within KPI.
**KPI 1b - Percentage of EU/overseas registration applications assessed within 68 days**

**Strategic priority 1: Effective regulation**

**Rationale**: Measures the time taken to assess EU/overseas registration applications.

**Definition**: Measures the time elapsed between receipt by the NMC of a complete international (EU and non-EU) application (this is system determined) 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 issue of each new assessment decision.

<table>
<thead>
<tr>
<th>April 2016</th>
<th>May 2016</th>
<th>June 2016</th>
<th>Year to date</th>
<th>Year end target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>As a %</td>
<td>Number</td>
<td>As a %</td>
<td>Number</td>
</tr>
<tr>
<td>1461*</td>
<td>61.2%*</td>
<td>2350</td>
<td>94.6%</td>
<td>1964</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>84.5% (Red)</td>
</tr>
</tbody>
</table>

* We identified in May that our existing reporting did not include those EU applications made via the new MRPQ route. We have since added the MRPQ assessments for all three months above. As a consequence, the April 2016 number has risen slightly from our previous submission (1430, 60.6%).

**Number**: Number of assessments within the KPI target

**As a %**: That number expressed as a proportion of the total assessments for the month

**Year to date average**: The cumulative average from April 2016

**RAG**: Year to date average vs. year end target

**Red/Amber/Green rating**:

Green = figure matches or is higher than the target figure of 90%.

Amber = figure is between 85 and 89.9%.

Red = figure is 84.9% or lower.
Graphical information and commentary:

KPI 1b (90% within 68 days)

Performance has improved month-on-month and there are no outstanding assessments outside KPI. This is a result of an excellent team effort.

- Individual team members now take ownership of the cases they are assessing while the new management structure enables managers to allocate work and focus on tackling the oldest cases first.
- Where applications are not right first time and the applicant has failed to submit all the information required, we are giving the applicant a single named contact to further improve customer service.
- The team are now preparing for a peak period – with the deadline for language requirements fast approaching – 18 July.
## Fitness to Practise KPIs

### KPI 2 – Percentage of interim orders (IO) imposed within 28 days of opening the case

**Strategic priority 1: Effective regulation**

<table>
<thead>
<tr>
<th>Rationale</th>
<th>A measurement of how quickly we protect the public in the most serious cases by applying restrictions to a nurse or midwife’s practice.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Definition</td>
<td>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. The start point is the day that a case is logged on the case management system and the end point is the day that an interim order is imposed. Cases which do not have an order imposed are not counted towards this measure.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>March 2016 Average for 2015–16</th>
<th>April 2016</th>
<th>May 2016</th>
<th>June 2016</th>
<th>Year end average target</th>
</tr>
</thead>
<tbody>
<tr>
<td>89%</td>
<td>89%</td>
<td>90%</td>
<td>90% (Green)</td>
<td>80%</td>
</tr>
</tbody>
</table>

*Each monthly figure is based on numbers for a rolling 12 month period. RAG rating: Average actual vs Year end average target.*

**Red/Amber/Green rating**
- Red - cumulative average for previous 12 months less than 72%
- Amber - between 72% and 80%
- Green - greater than or equal to 80%

**Graphical information and commentary:**

Performance up to June increased slightly to 90% and remained consistent with what we have reported over the last twelve months.
### KPI 3 - Percentage of FtP cases concluded within 15 months of being opened

**Strategic priority 1: Effective regulation**

<table>
<thead>
<tr>
<th>Rationale</th>
<th>Measures timeliness of case progression and decision making.</th>
</tr>
</thead>
</table>

**Definition**

This measure uses the cumulative percentage of cases which have concluded at all stages of the FtP process within 15 months of being opened, measured over a 12 month period.

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 not included.

<table>
<thead>
<tr>
<th>Month</th>
<th>Average for 2015–16</th>
<th>April 2016</th>
<th>May 2016</th>
<th>June 2016</th>
<th>Year end average target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>78%</td>
<td>78%</td>
<td>78%</td>
<td>78% (Amber)</td>
<td>80%</td>
</tr>
</tbody>
</table>

*Each monthly figure is based on numbers for a rolling 12 month period.*

**RAG rating:** Average actual vs Year end average target.

**Red/Amber/Green rating**

- Red - cumulative average for previous 12 months less than 72%
- Amber - between 72% and 80%
- Green - greater than or equal to 80%

**Graphical information and commentary:**

![15 Month KPI - 12 month rolling performance](image)

Performance to June remained steady at 78%.
12 Month Fitness to Practise Trend Data

Overall caseload size

Case age at Investigation stage (months)

Legend:
- < 8 months
- 8 to 11 months
- 12 months plus

Caseload Movement Summary
Apr 16 opening caseload 4502
1321 cases received
1513 cases closed
Jun 16 closing caseload 4282
SOR caseload 948

April caseloads have been rebased to account for time lag in CMS and other reporting changes.
Ftp performance dashboard: June 2016

- **Caseload graph**
  - Age in weeks ranges from 0 to 16, 17 to 29, 30 to 41, 42 to 56, 57 to 69, 70 to 82, 83 to 95, 96 to 108, 109 to 121, and 122 to 135.
  - Categories include Screening, Investigations, CE, and Adjudications.

- **Interim orders imposed**
  - Months: March, April, May, June.
  - Days: 1 to 28, 29 days plus.
  - Numbers: March: 34, 50, 39, 39; April: 7, 8, 9, 11; May: 18, 10; June: 8, 7.

- **SOR caseload**
  - Numbers: March: 927, 945, 938, 948; April: 327, 945, 938, 948.

- **Interim order extensions**
  - Numbers: March: 26, 31, 38, 35; April: 7, 7, 18, 10.

- **SORs lifted**
  - Categories: Hearing, Meeting.
  - Numbers: March: 37, 31, 39, 32; April: 7, 7, 18, 10.

- **Part heard and adjourned hearings**
  - Types: CCC hearing, CCC meeting, HC, VR, CPD.
  - Percentages: March: CCC hearing 23%, CCC meeting 26%, HC 20%, VR 28%, CPD 28%.

- **Determinations**

- **Percentage alternative disposals**
  - Percentages: March: 25%, April: 20%, May: 28%, June: 28%.
Resources KPIs

KPI 4 – Available free reserves

Strategic priority 4: An effective organisation

Rationale

The NMC's budget and financial strategy was predicated on a restoration of available free reserves to a minimum target level of £10m by January 2016, meeting the target as agreed with the Department of Health as a condition of the grant received in 2013.

Thereafter the Council agreed target for available free reserves is that they remain between £10 million and £25 million. This was on the basis that the pensions deficit, used in arriving at the level of available free reserves, was calculated using the method for (2) below.

This KPI measures our performance against this target. Note that changes to this measure are being proposed in the Financial Strategy paper to Council in July 2016.

Definition

The level of available free reserves at month end compared with budget at that month end.

£ million

<table>
<thead>
<tr>
<th>2015–16 year end</th>
<th>April 2016</th>
<th>May 2016</th>
<th>Forecast 31 March 2017</th>
<th>Budget 31 March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March 2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1) Available free reserves using latest actuarial estimate of pension deficit: (in line with audited financial statements)</td>
<td></td>
<td></td>
<td>21.8 (Green)</td>
<td>21.5</td>
</tr>
<tr>
<td>17.9</td>
<td>18.9</td>
<td>19.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2) Available free reserves using existing cash commitments to address pension deficit:</td>
<td></td>
<td></td>
<td>26.7 (Green)</td>
<td>26.4</td>
</tr>
<tr>
<td>22.7</td>
<td>23.7</td>
<td>24.4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Available free reserves are calculated by taking: total reserves, less capital assets, less the pension deficit.

The pensions deficit used in 2015-2016 and earlier years was calculated simply using the discounted future cash payment commitments agreed by the NMC to address the pensions deficit as estimated at 31 March 2013. This represents about £1m a year up to and including year ending 31 March 2023. The advantage of this approach is that it used a defined, predictable, and cash based financial commitment as its basis. It is reflected in (2) above.

An alternative approach to calculating the pensions deficit for this purpose, uses the approach in the annual audited financial statements, which is of the latest actuarial estimate of the deficit. This is the approach used in (1) above. It has the advantage of being consistent with the audited accounts, reflecting the latest actuarial view of the pension scheme’s financial position. For 2016-2017, it is more conservative in its impact on the available free reserves. The disadvantage is its likely fluctuation from year to year, in line with bond/equity markets.

The approaches are discussed further in the financial strategy paper for the July Council.

RAG rating: Year end forecast vs Year end target
1) Based on latest actuarial estimate of pensions deficit

Available free reserves for 2016-2017 (latest actuarial basis)

2) Based on existing cash commitments to address pensions deficit

Available free reserves for 2016-2017 (cash committed basis)
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.

Definition
This is the proportion of employees leaving in the previous 12 months expressed as a rolling average, but excluding end of fixed term contracts.

\[
\text{Sum of permanent leavers in past 12 months (X)} \\
\text{Average number of permanent staff in post in last 12 months (Y)}
\]

Historic figure (March 2016) | April 2016 | May 2016 | June 2016
---|---|---|---
23.5% | 23.6% | 22.6% | 22.7%

No target has been set for 2016–17 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 and the uncertainty around the longer term structure and location of NMC functions. Instead, performance will be monitored and will include reference to longer historic trends.

Graphical information and commentary:

The permanent headcount continues to increase, rising by 8 employees in June. The permanent headcount at the end of June was 642.

Turnover in June was 22.7% barely increasing from 22.6% in May. There were 14 permanent leavers in June. All of the permanent leavers were resignations. There were 11 leavers in Fitness to Practise, 2 in Resources and 1 in Business Delivery and Technology Services.

We are undertaking an exercise to cut the data in a number of different ways: by directorate and team, by grade, by length of service and by age. Looking at this data alongside information available from exit interviews, should enable us to better understand what the real issues are around turnover and how they might be addressed.
## Corporate KPI figures for 2015-2016: Summary table 2016-2017

Note: using RAG ratings from 2015-2016

<table>
<thead>
<tr>
<th>KPI</th>
<th>2015</th>
<th>2016</th>
<th>Avg for the year</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a % of UK reg applications completed within 10 days</td>
<td>Apr: 95%, May: 94%, Jun: 95.2%, Jul: 95.1%, Aug: 97.5%, Sep: 98.7%, Oct: 99.1%, Nov: 92.6%, Dec: 90%, Jan: 92.8%, Feb: 96.3%, Mar: 98.4%, Apr: 97.4%, May: 95%</td>
<td>Apr: 97.5%, May: 96.3%, Jun: 96.6%, Jul: 97.4%, Aug: 98.2%, Sep: 99.2%, Oct: 99.9%, Nov: 97.3%, Dec: 91.1%, Jan: 96.5%, Feb: 97.6%, Mar: 99.5%, Apr: 98.7%, May: 99%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1b % of EU/OS reg applications assessed within 70 days</td>
<td>Apr: 99.8%, May: 98.2%, Jun: 99.7%, Jul: 100%, Aug: 99.8%, Sep: 99.8%, Oct: 97.1%, Nov: 86.3%, Dec: 53.4%, Jan: 64.8%, Feb: 63.7%, Mar: 87.5%, Apr: 90%</td>
<td>Apr: 92%, May: 91%, Jun: 90%, Jul: 90%, Aug: 89%, Sep: 89%, Oct: 88%, Nov: 88%, Dec: 89%, Jan: 89%, Feb: 89%, Mar: 89%, Apr: 80%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Available free reserves</td>
<td>Apr: £12.6m, May: £13.5m, Jun: £14.1m, Jul: £14.6m, Aug: £16.0m, Sep: £16.3m, Oct: £17.3m, Nov: £18.1m, Dec: £20.3m, Jan: £21.4m, Feb: £22.8m, Mar: £22.7m*, Apr: £22.7m**,</td>
<td>Apr: £12.6m, May: £13.5m, Jun: £14.1m, Jul: £14.6m, Aug: £16.0m, Sep: £16.3m, Oct: £17.3m, Nov: £18.1m, Dec: £20.3m, Jan: £21.4m, Feb: £22.8m, Mar: £22.7m*, Apr: £22.7m**,</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* subject to any audit adjustments
** spot figure, not an average
### Corporate KPI figures: Summary table 2016-2017

Note: using RAG ratings from 2015-2016

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jan</td>
<td>Feb</td>
<td>Mar</td>
<td>Apr</td>
<td>May</td>
</tr>
<tr>
<td>1a</td>
<td>% of UK reg applications completed within 10 days</td>
<td>92.8%</td>
<td>96.3%</td>
<td>98.4%</td>
<td>97.4%</td>
</tr>
<tr>
<td>1a</td>
<td>% of UK reg applications completed within 30 days</td>
<td>96.5%</td>
<td>97.6%</td>
<td>99.5%</td>
<td>98.7%</td>
</tr>
<tr>
<td>1b</td>
<td>% of EU/OS reg applications assessed within 68 days</td>
<td>53.4%</td>
<td>64.8%</td>
<td>63.7%</td>
<td>87.5%</td>
</tr>
<tr>
<td>2</td>
<td>% of interim orders imposed within 28 days of opening the case</td>
<td>88%</td>
<td>89%</td>
<td>89%</td>
<td>89%</td>
</tr>
<tr>
<td>3</td>
<td>Proportion of FtP cases concluded within 15 months of being opened</td>
<td>78%</td>
<td>78%</td>
<td>78%</td>
<td>78%</td>
</tr>
<tr>
<td>4</td>
<td>Available free reserves</td>
<td>£21.4m</td>
<td>£22.8m</td>
<td>£22.7m</td>
<td><strong>£22.7m</strong></td>
</tr>
<tr>
<td>5</td>
<td>Staff turnover</td>
<td>21.6%</td>
<td>22.8%</td>
<td>23.5%</td>
<td>23.5%</td>
</tr>
</tbody>
</table>
## Corporate risk summary

<table>
<thead>
<tr>
<th>Ref</th>
<th>Date of entry</th>
<th>Corporate risks</th>
<th>Risk rating</th>
<th>Movement Since May Council</th>
<th>Status Recent developments, planned mitigations</th>
</tr>
</thead>
<tbody>
<tr>
<td>CR26</td>
<td>April 2016</td>
<td>Education – training must provide nurses and midwives with the right skills and competencies to meet the needs of patients and the public now and in the future.</td>
<td><strong>A</strong></td>
<td>This risk will be mitigated by the delivery of our Education Strategic Plan 2016–2020. It is likely to remain amber for some time.</td>
<td></td>
</tr>
<tr>
<td>CR27</td>
<td>April 2016</td>
<td>We must ensure that only those who meet our requirements can enter or remain on our register.</td>
<td><strong>A</strong></td>
<td>This risk is being mitigated by reviews of our data and processes and through improvements being taken forward in 2016–2017.</td>
<td></td>
</tr>
<tr>
<td>CR28</td>
<td>April 2016</td>
<td>FtP outcomes – we must take appropriate action to protect the public in relation to a nurse or midwife's fitness to practise. We must also engage with stakeholders to improve understanding of our FtP work and prevent misconceptions.</td>
<td><strong>A</strong></td>
<td>This risk will be mitigated in 2016–2017 by further work to improve the functionality of our FtP case management system and the development of key messages for stakeholders about the purpose of our FtP processes. Longer term, the implementation of Section 60 legislative changes will improve our FtP function and reduce this risk.</td>
<td></td>
</tr>
<tr>
<td>CR29</td>
<td>April 2016</td>
<td>We must effectively gather and use intelligence, including the insight we have into the external environment, to enable us to identify and respond to risks and to anticipate, influence and respond appropriately to external changes that impact our regulatory work.</td>
<td><strong>R</strong></td>
<td>The red rating for this risk reflects the considerable work to be done and the potential impact on the achievement of our strategic aims.</td>
<td></td>
</tr>
<tr>
<td>Ref</td>
<td>Date of entry</td>
<td>Corporate risks</td>
<td>Risk rating</td>
<td>Movement Since May Council</td>
<td>Status: Recent developments, planned mitigations</td>
</tr>
<tr>
<td>------</td>
<td>---------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-------------</td>
<td>-----------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>CR25</td>
<td>Feb 2016</td>
<td>Midwifery transition and strategic communication - we must engage and communicate effectively with the sector about the changes.</td>
<td>A</td>
<td></td>
<td>As mitigation, we finalised and are now implementing a detailed communications plan covering all stakeholders. We are also developing two documents: a paper for the transition boards in each of the four UK countries detailing activities and roles which will no longer be carried out by the NMC, and a document for midwives, employers and educators on the new regulatory framework for midwifery.</td>
</tr>
<tr>
<td>CR30</td>
<td>April 2016</td>
<td>In undertaking our major programme of change, we must deliver it to plan whilst ensuring that our performance in core regulatory areas is not adversely affected.</td>
<td>R</td>
<td></td>
<td>Work is progressing on defining how the NMC will operate as a dynamic regulator. Impacts on ‘business as usual’ activity are a key part of Transformation planning. The red rating for this risk reflects the early stage of the Transformation programme and the extent of the work required to deliver our corporate plan commitments.</td>
</tr>
<tr>
<td>CR31</td>
<td>April 2016</td>
<td>We must ensure that we have the right organisational structure, culture and capabilities in place to deliver the corporate strategy and achieve transformational change.</td>
<td>A</td>
<td></td>
<td>The development of a People Strategy in 2016–2017 is the key mitigation that will address this risk, alongside reviews of our recruitment, retention, roles and skills and staff engagement. Our annual staff conference was held on 19 May 2016, with a focus on Transformation.</td>
</tr>
<tr>
<td>CR32</td>
<td>April 2016</td>
<td>We must manage our financial resources in the most efficient and sustainable way and communicate our approach in a transparent and articulate manner.</td>
<td>A</td>
<td></td>
<td>We are working to deliver an in-year 5% stretch target. A financial strategy is being developed. Our Transformation programme is being put in place to deliver longer term efficiencies.</td>
</tr>
</tbody>
</table>
Key to the risk ratings

The rating table below provides a summary of what the red / amber / green ratings mean. The following scoring tables demonstrate how the scores and therefore ratings are determined. Each risk is assessed and given a likelihood and an impact score.

Rating definitions

<table>
<thead>
<tr>
<th>Red</th>
<th>A high likelihood that the risk could happen and a huge impact on public protection and the achievement of our objectives if the risk happened.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amber</td>
<td>A medium to high likelihood that the risk could happen and/or moderate to major impact on public protection and the achievement of our objectives if the risk happened.</td>
</tr>
<tr>
<td>Green</td>
<td>A low likelihood that the risk could happen and a low impact on public protection and the achievement of our objectives if the risk happened.</td>
</tr>
</tbody>
</table>

Key to arrows

No movement of risk rating since previous Council meeting.

Risk rating has increased since previous Council meeting.

Risk rating has reduced since previous Council meeting.
Risk scoring

1. Rating the likelihood

<table>
<thead>
<tr>
<th>Term</th>
<th>Score</th>
<th>Guidance</th>
<th>Evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very high</td>
<td>5</td>
<td>There is strong evidence (or belief) to suggest that the risk will occur during the timescale concerned. Typical likelihood of 81-100%.</td>
<td>A history of it happening at the NMC. Expected to occur in most circumstances.</td>
</tr>
<tr>
<td>High</td>
<td>4</td>
<td>There is some evidence (or belief) to suggest that the risk will occur during the timescale concerned. Typical likelihood of 51-80%.</td>
<td>Has happened at the NMC in the recent past. Expected to occur at some time soon.</td>
</tr>
<tr>
<td>Medium</td>
<td>3</td>
<td>There is some evidence (or belief) to suggest that the risk may occur during the timescale concerned. Typical likelihood of 21-50%.</td>
<td>Has happened at the NMC in the past. Can see it happening at some point in the future.</td>
</tr>
<tr>
<td>Low</td>
<td>2</td>
<td>There is little evidence (or belief) to suggest that the risk may occur during the timescale concerned. Typical likelihood of 6-20%.</td>
<td>May have happened at the NMC in the distant past. Not expected to occur for years.</td>
</tr>
<tr>
<td>Very low</td>
<td>1</td>
<td>There is no evidence (or belief) to suggest that the risk may occur at all during the timescale concerned. Typical likelihood of 0-5%.</td>
<td>No history of it happening at the NMC. Not expected to occur.</td>
</tr>
</tbody>
</table>

2. Rating the impact (consequence)

<table>
<thead>
<tr>
<th>Term</th>
<th>Score</th>
<th>Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Critical</td>
<td>5</td>
<td>Critical impact on the achievement of business, project and public protection objectives, and overall performance. Huge impact on public protection, costs and/or reputation. Very difficult to recover from and long term consequences.</td>
</tr>
<tr>
<td>Major</td>
<td>4</td>
<td>Major impact on costs and achievement of objectives. Affects a significant part of the business or project. Serious impact on output, quality, reputation and public protection. Difficult and expensive to recover from and medium to long term consequences.</td>
</tr>
<tr>
<td>Moderate</td>
<td>3</td>
<td>Significant waste of time and resources. Impact on operational efficiency, output and quality, hindering effective progress against objectives. Adverse impact on public protection, costs and/or reputation. Not easy to recover from and medium to long term consequences.</td>
</tr>
<tr>
<td>Minor</td>
<td>2</td>
<td>Minor loss, delay, inconvenience or interruption. Objectives not compromised. Low impact on public protection and/or reputation. Easy to recover from and mostly short term consequences.</td>
</tr>
<tr>
<td>Insignificant</td>
<td>1</td>
<td>Minimal loss, delay, inconvenience or interruption. Very low or no impact on public protection, costs and/or reputation. Very easy to recover from and no lasting consequences.</td>
</tr>
</tbody>
</table>

3. Scoring likelihood against impact

| Impact | Score | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |
|--------|-------|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|
| Critical | 5     | 5 | 10 | 15 | 20 | 25 |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |
| Major   | 4     | 4 | 8  | 12 | 16 | 20 |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |
| Moderate | 3     | 3 | 6  | 9  | 12 | 15 |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |
| Minor   | 2     | 2 | 4  | 6  | 8  | 10 |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |
| Insignificant | 1 | 1 | 2  | 3  | 4  | 5  |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |

Risk score: 1-8 Green 9-15 Amber 16-25 Red

* due to their 'Critical' impact, an amber rating is also given to risks which score 5 for Impact and 1 for Likelihood
Risk heat map of corporate and directorate risks as at 24 June 2016

This map presents changes in post-mitigation scores for corporate and directorate risks which the Council has seen before. It is not a comprehensive map of all our risks. Risk registers exist for directorates, teams and programmes and whilst the risks are being managed, work is also currently being undertaken to refine newer registers and/or refresh other registers. Alongside this activity, we are reviewing which risks would be useful for the Council to have sight of and should appear on future risk heat maps within corporate reporting.

The direction of travel reflects changes since 6 May 2016 (preparation of May 2016 Council papers).

**Critical (5)**
- CR23 (Business continuity)
- CR25 (Strategic commits about midwifery transition)
- CR27 (Registration outcomes)
- CR28 (FtP outcomes)
- R (Integrity of register – current)
- R (Integrity of register – historic)
- R (Reval – regulatory impact)
- ESP1 (Education strategic programme)
- CS2 (Procurement risk)
- HR3 (Staff turnover)
- FTP1 (Regulatory failure in FtP)
- FTP5 (FtP performance - staffing)
- FTP7 (Data management, security and breaches)
- FTP12 (Contracted suppliers’ service)
- FTP13 (Customer service delivery)
- OCCE01 (Communication)
- R7 (Maintenance of WISER)
- R17 (NMC Online target take-up)
- IR6 (No. of placements & aptitude tests for EU applicants)
- R (Raising quality)
- ESP4 (Equality and diversity compliance)
- OCCE (Accountability commitments)

**Major (4)**
- CS3 (Fraud and bribery)
- FTP4 (Downtime: ICT and print)
- FTP8 (Projects fail to deliver benefits)
- FTP10 (Fraud, bribery & corruption)
- R14 (Fraud and bribery)
- FTP11 (Substantive order caseload)

**Moderate (3)**
- ESP2 (Delivery of QA of edu framework)
- CS6 (Policies in Estates, Finance, Procurement)
- FTP3 (Referrals up beyond forecasts)
- HR4 (HR Policies)
- ESP5 (Welsh Language Scheme)

**Insignificant (1)**

**Risk scores:**
- 1-8 (Very low)
- 9-15 * (Low)
- 16-25 (Medium)
- 26-35 (High)
- 36+ (Very high)

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

**Arrows indicate the direction of travel:**
- ↑ Risk score has increased since 6 May 2016
- ↓ Risk score has decreased since 6 May 2016
- ↔ Risk score has stayed the same since 6 May 2016

**Risk references:**
- CR: Corporate risk
- FTP: Fitness to Practise risk
- IR: Registration risk (International Reg)
- R: Registration risk
- BDTS: BDTS risk
- CS: Resources risk
- HR: Resources risk
- ESP: Education, Stds and Policy risk
- OCCE: OCCE risk
Council

Financial monitoring report to 31 May 2016

Action: For discussion.

Issue: Provides financial performance information for current and future reporting periods including progress on identifying and delivering efficiency savings.

Core regulatory function: Supporting functions.

Strategic priorities: Strategic priority 4: An effective organisation.

Decision required: None.

Annexes: The following annexes are attached to this paper:

- Annexe 1: May 2016 financial results
- Annexe 2: Efficiency progress 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.

Author: Richard Wilkinson
Phone: 020 7681 5172
Richard.Wilkinson@nmc-uk.org

Director: Adam Broome
Phone: 020 7681 5964
Adam.Broome@nmc-uk.org
The Performance and Resources Board (PRB) reviews the financial results and forecast each month and a financial monitoring report is presented to Council at each meeting. This report discusses the first two months of the current financial year to 31 May 2016.

Over the past four years the NMC has been moving from a position of financial insecurity to one of stability. This progress is continuing.

Full financial stability will allow us to fulfil our responsibilities as a dynamic regulator in accordance with the NMC Strategy, whilst at the same time giving excellent value for the fees that our registrants pay. It will also enable the NMC to support the transformation programme with the objective of improving effectiveness and efficiency.

Year to date (YTD) results (Annexe 1)

Income

At £14.3 million, income is broadly in line with budget.

Revenue spend

At this stage in the year, spend is broadly in line with budget. There is a slight underspend mainly due to slower than anticipated recruitment in a number of areas.

Initial reviews of forecasts for the year indicate that they are also in line with budget. Although some areas have made minor changes to their forecasts we plan to undertake a more detailed review at the end of the first quarter.

OCCE expenditure is £0.1 million below budget due to vacancies and due to the staff conference costing less than budgeted.

Education Standards and Policy expenditure is £0.2 million lower than budget at present due to slower than planned recruitment to new roles to support the Education Strategic programme.

Transformation expenditure is £0.1 million above budget due to work commencing earlier than anticipated at the time of setting the budget.

Resources Directorate expenditure is £0.2 million below budget due to the timing of recruitment and training within...
HR&OD and due to unfilled vacancies within Procurement.

6.5 Depreciation is higher than budget due to the capitalisation of multiple projects at the latter end of 2015-2016 which has led to a higher rate of depreciation on the NMC’s assets.

Capital

7 Capital spend is slightly ahead of budget. This is as a result of IT projects being delivered ahead of schedule.

Overall picture

8 It is anticipated that the YTD variances to budget detailed above will be largely absorbed throughout 2016-2017 and therefore full year forecast remains broadly on budget.

Cashflow

9 Cash is broadly in line with budget. An updated view of the impact of phased payments will be undertaken as part of the quarter 1 forecast but it is not anticipated that there will be any material impact at this stage.

Efficiencies 2016-2017 (Annexe 2)

10 Efficiencies this financial year are being addressed through two routes: those needed in order operate within the budgets allocated for 2016-2017 financial year; and those needed to achieve the five percent stretch target efficiency savings (£3.8 million). The latter do not necessarily represent cash savings.

11 The intention is to report progress on developing and delivering efficiencies to Council as part of this regular financial report.

12 In summary, the savings identified as needed to remain within budget are:

<table>
<thead>
<tr>
<th>Budget 2016/17 Savings (excl Transformation) £m</th>
<th>Budget 2016/17</th>
<th>Savings Embedded</th>
<th>Savings %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fitness to Practise (FtP)</td>
<td>38.6</td>
<td>3.9</td>
<td>9%</td>
</tr>
<tr>
<td>Registrations</td>
<td>6.0</td>
<td>0.3</td>
<td>5%</td>
</tr>
<tr>
<td>Education, Standards &amp; Policy</td>
<td>4.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resources</td>
<td>12.4</td>
<td>0.1</td>
<td>1%</td>
</tr>
<tr>
<td>Business Delivery &amp; Technology Services (BD&amp;TS)</td>
<td>9.0</td>
<td>0.3</td>
<td>3%</td>
</tr>
<tr>
<td>Office of Chair &amp; Chief Executive (OCCE)</td>
<td>4.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>5.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>80.5</td>
<td>4.6</td>
<td>5%</td>
</tr>
</tbody>
</table>

13 Further details of these are in Annexe 2. The key savings, identified for FtP, and which build on the savings delivered in previous years, are through reducing time spent on hearings, when they happen, and through closing cases earlier so that they
do not reach the hearing stage. Currently, these savings are on track to be delivered.

14 Work is underway to identify and track savings across the organisation to deliver the stretch target. Potential efficiencies identified to date are summarised at annexe 2.

Efficiencies 2017-2018 and later

15 There is a current ongoing portfolio of change initiatives that is planned to deliver efficiencies over the next couple of years. For 2017-2018 and beyond this will be built into the budget setting process to provide clarity on efficiencies to be driven out. One of the key projects is linked to Section 60 (proposed changes to FtP legislation) and efficiencies linked to that. Another potential avenue will be the Transformation programme once it has been developed and approved.

16 The change initiatives and resulting efficiencies will need to be tied to the reserves policy, as part of the wider financial strategy. The current approach of incremental efficiency savings will need to develop and become more radical in order to both make the NMC financially sustainable and improve its delivery.

Public protection implications: 17 The monitoring of financial results and forecasts enables the NMC to ensure it has sufficient resources to deliver continued public protection.

Resource implications: 18 The key financial indicators for current and projected levels are discussed in this paper.

Equality and diversity implications: 19 None.

Stakeholder engagement: 20 None.

Risk implications: 21 Risks in relation to forecasting and financial resourcing are set out in directorate and corporate risk registers.

Legal implications: 22 None.
### Income and Expenditure 2016/2017

<table>
<thead>
<tr>
<th>Item</th>
<th>2016/2017</th>
<th></th>
<th></th>
<th>2016/2017</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Budget</td>
<td>Variance</td>
<td>Actual</td>
<td>Budget</td>
<td>Variance</td>
</tr>
<tr>
<td>Total Income</td>
<td>14,347</td>
<td>14,258</td>
<td>89</td>
<td>84,964</td>
<td>84,875</td>
<td>89</td>
</tr>
<tr>
<td>OCCE</td>
<td>539</td>
<td>631</td>
<td>92</td>
<td>3,813</td>
<td>3,906</td>
<td>93</td>
</tr>
<tr>
<td>Registration &amp; Revalidation</td>
<td>1,009</td>
<td>1,006</td>
<td>(3)</td>
<td>6,106</td>
<td>6,056</td>
<td>(50)</td>
</tr>
<tr>
<td>FTP</td>
<td>6,414</td>
<td>6,487</td>
<td>73</td>
<td>38,712</td>
<td>38,637</td>
<td>(75)</td>
</tr>
<tr>
<td>Education Standards &amp; Policy</td>
<td>522</td>
<td>701</td>
<td>179</td>
<td>4,366</td>
<td>4,651</td>
<td>285</td>
</tr>
<tr>
<td>Business Delivery &amp; Technology Services</td>
<td>1,551</td>
<td>1,513</td>
<td>(38)</td>
<td>9,116</td>
<td>8,947</td>
<td>(169)</td>
</tr>
<tr>
<td>Transformation</td>
<td>482</td>
<td>374</td>
<td>(108)</td>
<td>2,825</td>
<td>2,849</td>
<td>24</td>
</tr>
<tr>
<td>Resources</td>
<td>1,625</td>
<td>1,794</td>
<td>169</td>
<td>12,291</td>
<td>12,394</td>
<td>103</td>
</tr>
<tr>
<td>Depreciation</td>
<td>640</td>
<td>536</td>
<td>(104)</td>
<td>3,318</td>
<td>3,214</td>
<td>(104)</td>
</tr>
<tr>
<td>NMC Corporate/General</td>
<td>0</td>
<td>9</td>
<td>9</td>
<td>818</td>
<td>828</td>
<td>10</td>
</tr>
<tr>
<td>PSA Fee</td>
<td>291</td>
<td>291</td>
<td>0</td>
<td>1,744</td>
<td>1,744</td>
<td>0</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>13,073</td>
<td>13,342</td>
<td>269</td>
<td>83,109</td>
<td>83,226</td>
<td>117</td>
</tr>
<tr>
<td>Income less Expenditure</td>
<td>1,274</td>
<td>916</td>
<td>358</td>
<td>1,854</td>
<td>1,652</td>
<td>202</td>
</tr>
<tr>
<td>Capital</td>
<td>446</td>
<td>375</td>
<td>(71)</td>
<td>2,321</td>
<td>2,250</td>
<td>(71)</td>
</tr>
</tbody>
</table>

At this stage in the year, expenditure is broadly in line with budget. Initial reviews of forecasts for the year indicate that they are also in line with budget. Although some areas have made minor changes to their forecasts, we plan to take a more detailed look at the end of the first quarter.
Actual, budget & forecast 2016-2017

### BALANCE SHEET INDICATORS

<table>
<thead>
<tr>
<th>Available free reserves</th>
<th>31 May 2016</th>
<th></th>
<th>31 March 2017</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Budget</td>
<td>Variance</td>
<td>Actual</td>
</tr>
<tr>
<td>A Net assets</td>
<td>55,011</td>
<td>54,653</td>
<td>358</td>
<td>55,590</td>
</tr>
<tr>
<td>B less: Fixed assets</td>
<td>23,005</td>
<td>23,038</td>
<td>(33)</td>
<td>22,202</td>
</tr>
<tr>
<td>C = A - B Total free reserves before pensions deficit</td>
<td>32,006</td>
<td>31,615</td>
<td>392</td>
<td>33,388</td>
</tr>
<tr>
<td>D less: Pension deficit (latest actuarial basis)</td>
<td>12,449</td>
<td>12,455</td>
<td>6</td>
<td>11,600</td>
</tr>
<tr>
<td>E = C - D Available free reserves (latest actuarial basis)</td>
<td>19,557</td>
<td>19,159</td>
<td>398</td>
<td>21,787</td>
</tr>
<tr>
<td>F less: Pension deficit (cash committed basis)</td>
<td>7,585</td>
<td>7,591</td>
<td>6</td>
<td>6,736</td>
</tr>
<tr>
<td>G = C - F Available free reserves (cash committed basis)</td>
<td>24,421</td>
<td>24,023</td>
<td>398</td>
<td>26,651</td>
</tr>
</tbody>
</table>

### Cash summary

<table>
<thead>
<tr>
<th>31 May 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments (12 month deposits)</td>
</tr>
<tr>
<td>Current account</td>
</tr>
<tr>
<td>Total cash</td>
</tr>
</tbody>
</table>
Budget 2016-2017, Efficiency Savings

1 The Corporate plan and budget 2016-2017 approved by the Council in March 2016 includes:

1.1 £4.6m embedded savings/efficiencies (savings which need to be delivered to meet the revenue budget).

1.2 a five percent stretch target to drive value for money. This requires further efficiencies of £3.8m to be found.

2 At the May Council meeting a commitment was made to report back at this July meeting on the following:

2.1 What was already built into the budget and what was not

2.2 The identified efficiencies to be secured and the amount of money to be released

2.3 Whether the efficiencies are one-off or recurring

2.4 The dates by which these should be achieved

2.5 Who is responsible in each case

2.6 When it will be clear what was included in the 5% stretch target and how this is being plugged into the transformation value for money strand.

3 As well as reporting above at this July Council meeting we will report the above on a quarterly basis via the Financial Monitoring Report.

4 Finance and Procurement have a template for tracking individual efficiencies and will support directorates to complete these templates. This will also include any benefits that are identified via business cases. The template will capture the efficiency type and source as well as the baseline for any cash savings. A summary of the above will accompany the Financial Monitoring report in the future.

5 The sections below provide more details on the embedded efficiency initiatives and the latest position on the five percent stretch target initiatives.
Budget 2016-2017 embedded efficiencies (£4.6 million)

Table 1: Efficiencies by Directorate

<table>
<thead>
<tr>
<th>Directorate</th>
<th>Budget 2016/17 Savings (excl Transformation) £m</th>
<th>Savings Embedded £m</th>
<th>Savings %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fitness to Practise (FtP)</td>
<td>38.6</td>
<td>3.9</td>
<td>9%</td>
</tr>
<tr>
<td>Registrations</td>
<td>6.0</td>
<td>0.3</td>
<td>5%</td>
</tr>
<tr>
<td>Education, Standards &amp; Policy</td>
<td>4.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resources</td>
<td>12.4</td>
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<td>0.3</td>
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<tr>
<td>Office of Chair &amp; Chief Executive (OCCE)</td>
<td>4.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>5.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80.5</strong></td>
<td><strong>4.6</strong></td>
<td><strong>5%</strong></td>
</tr>
</tbody>
</table>

6 Fitness to Practise (FtP) £3.9 million planned savings are as a result of the following:

6.1 less cases being sent to external investigators £0.5 million;

6.2 more cases closed at screening and case examiner stages £1.4 million; and

6.3 more efficient planning of hearing days £2 million.

7 Registrations and Revalidation £0.3 million planned savings are due to planned increase in the proportion of registrations made online from 80% to 90% resulting in lower print and postage costs.

8 BD&TS £0.3 million planned savings are attributed to new IT data service contract where savings are anticipated at circa £0.8 million per annum. We only expect to realise £0.3 million in 2016-2017 as the new service is only due to commence in November 2016 after a period of parallel running with the incumbent service provider.

9 Resources’ £0.1 million planned savings are due to efficiencies in the recruitment process and are planned to be delivered through various initiatives including e-recruitment, negotiation of more favourable terms with recruitment agents and various internal initiatives to reduce staff turnover.

**Stretch Target for 2016-2017 (5% or £3.8 million)**

10 As stated above a five percent stretch target (£3.8m) was proposed against the baseline budget for 2016-2017 (excluding Transformation, depreciation and PSA Levy). The 5% target can be cashable savings, non-cashable savings or a combination of both.

11 The table below shows a breakdown of 2016-2017 budget by staff and external costs and is a useful distinction to help us understand the scope to deliver the 5% by either making changes to the way we work or achieving better value for our external spend.
Table 2: Budget 2016-2017 by Staff and External Costs

<table>
<thead>
<tr>
<th>5% Stretch Target Savings (excl Transformation) £m</th>
<th>Budget 2016/17</th>
<th>Staff Costs</th>
<th>External Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fitness to Practise (FtP)</td>
<td>38.6</td>
<td>19.4</td>
<td>19.2</td>
</tr>
<tr>
<td>Registrations</td>
<td>6.0</td>
<td>5.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Education, Standards &amp; Policy</td>
<td>4.6</td>
<td>2.3</td>
<td>2.3</td>
</tr>
<tr>
<td>Resources</td>
<td>12.4</td>
<td>5.0</td>
<td>7.4</td>
</tr>
<tr>
<td>Business Delivery &amp; Technology Services (BD&amp;TS)</td>
<td>9.0</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Office of Chair &amp; Chief Executive (OCCE)</td>
<td>4.8</td>
<td>3.4</td>
<td>1.4</td>
</tr>
<tr>
<td>Other</td>
<td>5.1</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80.5</strong></td>
<td><strong>39.6</strong></td>
<td><strong>35.8</strong></td>
</tr>
</tbody>
</table>

12 To date the following savings have been identified towards the five percent target:

12.1 FtP have identified ‘digital audio recording’ as an initiative that removes the need for loggers to manually record hearings. Savings are estimated at £0.3 million per annum. We only expect to realise £0.1 million in 2016-2017 as the current date for implementation is January 2017.

12.2 The procurement team has identified £0.3 million potential savings in the current 2016-2017 procurement pipeline that have not already been included in the £4.6 million savings embedded in the 2016-2017 budget. These initiatives mainly include renegotiation of our travel, accommodation, cleaning and catering contracts.
Council

NMC Welsh Language Scheme Annual Report 2015 - 2016 and a summary of the current position of the implementation of the new Welsh Language Standards

Action: For decision.

Issue: This paper seeks approval of the NMC’s Welsh Language Scheme Annual Report 2015 – 2016 together with an update on implementation of proposed new Welsh Language Standards.

Core regulatory function:

Supporting functions.

Strategic priority:

Strategic priority 1: Effective regulation
Strategic priority 4: An effective organisation.

Decision required:

Council is recommended to approve the Welsh Language Scheme Annual Report for submission to the Welsh Language Commissioner.

Annexes:

The following 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 deputy director named below.

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Deputy Director: Clare Padley
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The NMC, as a public body that exercises statutory functions in Wales, is subject to the Welsh Language Act 1993 which requires us to:

1. Establish the principle that the English and Welsh languages should be treated on a basis of equality in the conduct of public business.

2. Facilitate the use of the Welsh language.

In 2011, the Welsh government introduced the Welsh Language Measure, which granted the Welsh language official status in Wales and established the Office of the Welsh Language Commissioner. It also announced that schemes, such as the NMC’s, would need to be replaced by new standards.

Meeting with the Welsh Language Commissioner to discuss investigation under section 17 of the Welsh Language Act 1993

In 2015, the Commissioner conducted an investigation into our approach to the NMC Code, and made four recommendations for compliance with our current Welsh language scheme. The NMC was directed to:

1. Review the way our policies and initiatives are developed to ensure that our Welsh language scheme is applied;

2. Reconsider our Code;

3. Amend our equality analysis to include Welsh language; and

4. Put records requirements in place to ensure we can evidence Welsh language considerations in the future.

All the recommendations have been implemented.


This is our fourth Welsh Language Scheme annual report covering the period 1 April 2015 to 31 March 2016. We will continue to evaluate our performance which will inform future reporting in this area.

The report highlights that we know we need to increase our focus on Welsh language implications, especially in preparation for the implementation of the Standards. In the near future we will review our Welsh language scheme to consider if it needs to be updated in light of the new standards.

After the report has been agreed it will be translated into Welsh and
submitted to the Commissioner by 30 November 2016.

8 **Recommendation:** The Council is asked to approve the Welsh language scheme annual report 2015 – 2016.

**The implementation of the new Welsh language standards**

9 In November 2015 Council was presented with an implementation plan for the new Welsh language standards. At that time it was envisaged that these would come into force in early 2016. However, this timeline has now changed. Through engagement with the Welsh Language Commissioner’s Office we have been informed that the regulations that would be applicable to the NMC have not yet been drafted. They will be considered for implementation by the next government in Wales, through the First Minister of the Welsh Assembly.

10 Draft standards were provided by the Welsh Language Commissioner to the Welsh Ministers during the last Government, but were not approved or brought before the Assembly in relation to the NMC. As this is at the discretion of the Welsh Ministers to approve and introduce for parliamentary process, taking account of scheduled parliamentary time, we are unclear on the expected timeframe for Welsh Language Standards relating to us.

11 Should the Standards be brought forward and approved by the Welsh Assembly, the Welsh Language Commissioner would issue us with a compliance notice setting out which of the standards we were to be bound by and by when. It would be for us to develop our processes within this timeframe to ensure that we are compliant.

12 We continue to monitor the situation regularly through monitoring and engagement including with the Welsh Language Commissioner’s Office regarding timescales. We will work with other regulators to estimate the potential impact and put in place the implementation plan at the right time.

13 **Recommendation:** The Council is asked to note the current position of the implementation of the new Welsh Language Standards.

**Resource implications:**

14 Resource implications arising from this report relate to the compilation, translation and publication of the report, which are covered within current staffing and budgeting resources.

15 There are potentially significant resource implications arising from the implementation of the new standards and these will be estimated when we know the scope of the requirements.
Equality and diversity implications: 16 The NMC has adopted the principle that in conducting its public business in Wales, it will recognise both the Welsh and English languages equally. Welsh language considerations are included in our equality analysis toolkit and will continually be reviewed to ensure that in all of our work we uphold the commitments we have made in our Scheme.

Stakeholder engagement: 17 Officers have engaged with external stakeholders, including with other healthcare and non-healthcare regulators and the Commissioner, in working to ensure the NMC adopts a ‘good practice’ approach in this area.

Risk implications: 18 None arising directly from this report. However, there are key areas of possible financial, operational and reputational risk related to the new standards. This risk is monitored through our Education Standards and Policy Directorate risk register.

Legal implications: 19 As per risk implications.
The Welsh language scheme monitoring report
01 April 2015–31 March 2016
Introduction

Our role

1 We are the independent regulator of nurses and midwives in the UK. We exist to protect the public and uphold public confidence in the professions. We maintain a register of those qualified and suitable to practise as a nurse or midwife. We set standards of education, training, conduct and performance so that nurses and midwives can deliver high quality healthcare throughout their careers.

2 We make sure that nurses and midwives keep their skills and knowledge up to date and uphold our professional standards. We have clear and transparent processes to investigate nurses and midwives who fall short of our standards.

Corporate commitment

3 Members of the Council, the Executive and all staff and contractors play a part in delivering our Welsh language scheme.

4 Specific responsibilities include the following:

4.1 The Council is responsible for determining our overall strategy.

4.2 The Executive are responsible for implementing our strategy and for determining internal policies and business plans that support the delivery of the Welsh language scheme.

4.3 Responsibility for coordinating the business planning and for monitoring delivery sits at director level. This was the Director of Strategy for Q1-3 and the Director of Continued Practice in Q4.

4.4 The Equality and Diversity Steering Group (EDSG) monitors progress against the Welsh language scheme and provides a forum for sharing good practice. The EDSG meetings have a standing agenda item to discuss the Welsh Language Scheme and necessary changes to the way that we work to ensure compliance.

4.5 The Equality and Diversity Policy Manager is responsible for driving forward the agenda and providing support and guidance for individual action owners and our staff.

Welsh language progress

5 In accordance with Section 21 of the Welsh Language Act 1993, we have adopted the principle that, in the conduct of public business and the administration of justice in Wales it will treat Welsh and English equally, as far as
is appropriate in the circumstances and reasonably practicable. In January 2011, our Welsh language scheme was approved by the Welsh Language Board.

The aim of the annual monitoring report is to summarise our progress in implementing our Welsh language scheme during the period from 1 April 2015 to 31 March 2016. We are pleased to share our progress over the past year. A summary report (based on questions from the Welsh Language Commissioner’s Office) is set out in Annexe one which demonstrates how we are implementing each area of the scheme. In addition we have further examples at the end of this document.

We recognise that it is important that we continue to focus on our role and Welsh language scheme to achieve our high standards. We will continue to engage with the Welsh Language Commissioner to help inform and develop an approach, especially in light of the Commissioner’s proposed new standards.

**Welsh Language Standards**

We engaged with the Welsh language Commissioner throughout the year to anticipate the changes that the new standards would bring to the way that we provide Welsh language services to our registrants and the public.

We have met with other healthcare regulators to discuss the potential implications of and share best practice about the implementation of the Welsh Language Standards Regulations.

**Key actions for the next year**

Over the next year, we will focus our efforts on:

10.1 Reviewing our Welsh language scheme.

10.2 Continuing to raise the profile of Welsh language across the organisation to ensure staff are fully aware of what is required under our Welsh language Scheme.

10.3 Continuing to develop relationships with healthcare and non-healthcare regulators to share best practice; and

10.4 Monitor the timeline for implementation of the new standards.
In addition

11 Our regulatory presence in Wales has been growing as we have a new Employer Link Service (ELS) which was launched in September 2015. The ELS helps us to develop more effective regulatory relationships with employers, giving us the ability to intervene earlier by identifying emerging trends and issues, to enhance public protection. So far of the nine NHS health boards/trusts in Wales, the Employer Link Service has had introductory meetings with eight.

- Abertawe Bro Morgannwg University Health Board
- Aneurin Bevan University Health Board
- Betsi Cadwaladr University Health Board
- Cardiff & Vale University Health Board
- Cwm Taf Health Board
- Hywel Dda Health Board
- Powys Teaching Health Board
- Public Health Wales
- Velindre NHS Trust

12 We have a Memorandum of Understanding with [Healthcare Inspectorate of Wales](http://www.wales.gov.uk) and the Care Council for Wales to share information and intelligence.

13 In 2015 we conducted extraordinary reviews of the Healthcare Inspectorate of Wales LSA within Betsi Cadwaladr University Health Board and Bangor University. The reports of these reviews are available [in Welsh on our website](http://www.wales.nhs.uk).

Conclusion

14 We will continue to embed the Welsh language scheme in our day to day activities and raise awareness of our scheme with staff as our work evolves.

15 We will continue to engage closely with the Welsh Language Commissioner and other healthcare regulators to ensure the smooth transition to the new Welsh Language Standards Regulations.
Annexe one: Summary report of the implementation of the Welsh language scheme from 1 April 2015 to 31 March 2016

| New policies and initiatives | Due to implementation of the recommendations from the Welsh Language Commissioner in early 2016 we have now integrated Welsh language assessments into our Equality Impact Assessment Process. Although we cannot at this time provide examples of completed policies that have been Welsh language assessed (since this change), the policies that are currently in development e.g. changes to the statutory framework for midwifery regulation and the Education Standards have had initial Welsh language assessments.

An example of a policy or initiative which was amended following consideration of the language impact assessment. | There were two new policies in the reporting period, the implementation of the EU directive and English language controls. We conducted a Welsh language assessment for the English language controls.

Revalidation by which all nurses and midwives will have to demonstrate that they practise safely and effectively throughout their career. The first cohort of nurses was revalidated in April 2016 | The revalidation model requires nurses and midwives to meet a range of requirements. With respect to revalidation standards and guidance, paragraph 34 of our Welsh Language Scheme states that ‘standards, guidance and other technical or specialised material aimed at professionals and not directly at the public will be in English. However, we will offer a translation in Welsh on request’. After conducting a Welsh language assessment.


language assessment we anticipated receiving such requests and went beyond the requirement in our Welsh language scheme and published Welsh language versions of our revalidation guidance for registrants, confirmers and employers on our website. We also accommodate any requests for the supporting documents to be translated into the Welsh language in line with our policy.

We put these measures in place to ensure that our registrants who are Welsh language speakers would not be disadvantaged as a result of the introduction of revalidation.

<table>
<thead>
<tr>
<th>Contact with the public</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of publications available to the public.</td>
<td>We continue to translate and publish all core documents in the Welsh language. Examples would include all the guidance documents for revalidation. We have also identified older documents that had erroneously not been translated at the time of publication and had these translated: examples would include both nursing and midwifery pre-registration standards. There are currently in excess of 60 PDF publications available, on our websites, in Welsh, out of a total numbering around 1179.</td>
</tr>
<tr>
<td>Number of publications available to the public in Welsh.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Complaints</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of all complaints received about the conduct of practitioners in Wales.</td>
<td>Nurses, midwives and members of the public can make a complaint to us in Welsh, by letter or email.</td>
</tr>
<tr>
<td>Number of complaints received in Welsh about the conduct of practitioners in Wales.</td>
<td>257 referrals received regarding practitioners registered in Wales. This equates to 6% of all referrals received between 1 April 2015 and 31 March 2016.</td>
</tr>
<tr>
<td>Number of complaints received about the operation of the Welsh language scheme.</td>
<td>We received no new referrals this year in Welsh.</td>
</tr>
<tr>
<td></td>
<td>We have received no complaints in relation to the NMC’s compliance with our Welsh</td>
</tr>
<tr>
<td><strong>Information technology</strong></td>
<td>The main website now features an ‘about us’ in Welsh page, accessed through a ‘Cymraeg’ button in the navigation. This page draws together key information about us as a regulator, as well as 27 core Welsh language documents. The page has had 979 unique visits since it was launched in April. The page on the Welsh language scheme has had 435 unique visits in the year from 10 June 2015 to 9 June 2016. In total there are three webpages in Welsh, out of a total 1548 pages on the site: less than 1 percent. We continue to offer the Browsealoud function on the website, which enables users to translate the whole site into Welsh, either to read or listen to (using Google translate). As detailed above, we have reviewed existing website content to ensure compliance with our policy of ensuring all significant documents are available in Welsh. These documents always sit alongside the English language versions.</td>
</tr>
<tr>
<td>Percentage of the organisation’s website that is available in Welsh. Evidence relating to any plans to improve or increase the Welsh Language provision on the website. Evidence relating to the process used to ensure that existing content, updates and new content, complies with the requirements of the Welsh language scheme.</td>
<td></td>
</tr>
</tbody>
</table>

| **Publicity** | The link to the Welsh language page is prominent on the homepage of our website. There is a clear link to the page, in Welsh, on our commitment to the Welsh language scheme, which sits under ‘About us’. We respond to requests for information and resources to be available in different formats but have received none for availability in Welsh by email nor has our contact centre received any requests for a Welsh language speaker. We would, however, respond to any demand. We are in the process of establishing hubs for public and patient engagement across the |
| Evidence of the methods used to promote the organisation’s Welsh language services e.g. telephone services, website, providing evidence etc. | |
UK, including one in Wales by autumn 2016. This hub will actively promote the availability of information and resources in Welsh and might offer possibilities for assessing the experience of current users of the resources.

<table>
<thead>
<tr>
<th>Fitness to practise cases</th>
<th>Number of hearings held in Wales.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>We held 59 substantive hearings and 118 non substantive events\textsuperscript{ii}.</td>
</tr>
<tr>
<td></td>
<td>There were no requests made by a witness to speak Welsh</td>
</tr>
<tr>
<td></td>
<td>There were no hearings in which evidence was presented in Welsh</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Language awareness training</th>
<th>Number and percentage of the organisation’s new staff (i.e. new since 1 April 2014) who have received training to raise awareness of the Welsh language scheme’s commitments.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Our equality and diversity mandatory training for staff contains Welsh language awareness content. This means that all NMC staff will be made aware of Welsh language requirements through our standard training.</td>
</tr>
<tr>
<td></td>
<td>There were 204 new starters (permanent and fixed term - 1 year contracts) from 1 April 2015 and 31 March 2016. Of these 156 (76%) attended Equality &amp; Diversity training.</td>
</tr>
<tr>
<td></td>
<td>There are 677 NMC staff of which 611 are permanent staff and the remainder fixed term (based on Individual Performance Development Plan headcount from 1st April 2016). Of these, 319 (47%) employees attended Equality &amp; Diversity training from 1/04/2014 till 07/07/2016.</td>
</tr>
<tr>
<td></td>
<td>Note: Some of the 677 may be on less than 1 year fixed term contracts and wouldn’t be invited to attend E&amp;D training. This percentage does not take into account those that have attended the training pre 1st April 2014.</td>
</tr>
<tr>
<td></td>
<td>We also provide links through our learning</td>
</tr>
</tbody>
</table>

| Number of hearings where a request was made by the witness to speak Welsh. |
| Number of hearings in which evidence was presented in Welsh. |
and development intranet pages for staff that want to learn basic Welsh language skills (Surface languages and BBC learning Welsh). In the reporting period 368 members of staff have accessed these pages.

1 An extraordinary review of a LSA or particular trust is one that was not originally planned. The NMC may have to convene a rapid response team in certain circumstances where we feel that public protection is at a high risk due to midwifery supervision.

2 A substantive hearing is a hearing with all the charges where we consider their fitness to practice. A non-substantive hearing is where we either impose or review an order which may restrict their practise whilst we investigate or once we have imposed a sanction.
Council

Appointment of Assistant Registrars

Action: For decision

Issue: Appointment of three new Assistant Registrars.

Core regulatory function:

Strategic priority:

Strategic priority 1: Effective regulation
Strategic priority 4: An effective organisation.

Decision required: The Council is recommended to appoint the three Assistant Registrars named below to act on behalf of the Registrar.

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.

Author: Alice Hilken
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Director: Alison Sansome
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Article 4(5) of the Nursing and Midwifery Order 2001 provides for the appointment of Deputy and Assistant Registrars by the Council:

*If the Council appoints a deputy or assistant Registrar and that deputy or assistant Registrar is authorised by the Registrar to act for him in any matter, any reference in this Order to “the Registrar” shall include a reference to that deputy or assistant Registrar.*

Standing Order 6.6 describes the process for the appointment of Deputy and Assistant Registrars by the Council:

**6.6 Deputy and Assistant Registrars**

6.6.1 The Council may, upon the nomination of the Registrar, appoint a member of staff as a Deputy or Assistant Registrar.

6.6.2 The Registrar may authorize in writing any person appointed by the Council under Standing Order 6.6.1 to act on her / his behalf in any matter.

6.6.3 In determining whether to authorize a person under Standing Order 6.6.2, the Registrar shall ensure that (a) appropriate training, guidance, and procedures are available to enable the proper discharge of the delegated functions; (b) due consideration is given to (i) the segregation of duties, where appropriate; (ii) potential conflicts of interest.

The Council is invited to appoint the following members of staff as Assistant Registrars:

3.1 Emma Broadbent – newly appointed Director of Registration and Revalidation

3.2 Bernie Lunney – Assistant Director of Continuous Improvement, Registration and Revalidation

3.3 Lara Rogers – Assistant Director, Registration and Revalidation

It is proposed that these Assistant Registrars will be authorised to make decisions on behalf of the Registrar.

These appointments are needed due to the appointment of Alison Sansome to the role of Chief Operating Officer, and the anticipated departure of Tom Kirkbride, Director of Registration, from the NMC on 15 July 2016. Alison Sansome and Tom Kirkbride are both currently Assistant Registrars.

There is an immediate and specific need for decisions to be made at the appropriate level on behalf of the Registrar in relation to complex or non-standard registration and revalidation decisions. There may
also be a need in the future for the Assistant Registrars, if appointed by council, to make other specified decisions on behalf of the Registrar. Such decision-making will be authorised in writing by the Registrar in accordance with paragraph 6.6.2 of the relevant Standing Order, having regard to the considerations described in paragraph 6.6.3.

7 The proposed persons have been permanently appointed to their roles within the Registration and Revalidation Directorate. Their appointment will maintain and improve efficiency in decision-making, and increase the resilience of the organisation in accordance with Strategic Priorities 1 and 4.

8 **Recommendation:** The Council is recommended to appoint the three new Assistant Registrars named in paragraph 2.

**Public protection implications:**

9 The appointment of Assistant Registrars is necessary to maintain public protection and uphold the public interest.

**Resource implications:**

10 No direct resource implications. The training of Assistant Registrars will be managed within existing budgets.

**Equality and diversity implications:**

11 None.

**Stakeholder engagement:**

12 None required.

**Risk implications:**

13 Without the appointment of new Assistant Registrars, we will not be able to perform our regulatory functions effectively.

**Legal implications:**

14 Appointment of Assistant Registrars by Council is in accordance with Article 4(5) of the Nursing and Midwifery Order 2001.
Council

Reappointment and transfer of FtP panel members

Action: For decision.

Issue: Reappointment and changes to the panel membership of practice committees.

Core regulatory function: Fitness to Practise.

Strategic priority: Strategic priority 1: Effective regulation.

Decision required: The Council is recommended to approve the reappointments and administrative changes to the practice committees set out at Annexe 1.

Annexe: The following annexe is attached to this paper:

- Annexe 1: List of recommended reappointments and administrative changes to the practice committees.

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 Johnson
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Director: Sarah Page
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The report sets out the changes to the membership of the practice committees following a review by the Appointments Board at its meeting on 6 July 2016. The purpose of the review was to ensure that the capacity of panel members available to the NMC was being used effectively.

The Appointments Board considered a number of proposed changes to membership of the practice committees including the reappointment of registrant panel members to a second term for a period of four years and the transfer of 10 panel members from the Conduct and Competence Committee to the Investigating Committee.

We have reviewed and discussed with the Appointments Board the operational necessity of the changes set out at Annexe 1. On the basis of these discussions the Appointments Board recommends the following:

3.1 The reappointment of 22 registrant panel members to a second term of office for a period of four years.

3.2 The transfer of 10 individuals from the Conduct and Competence Committee to the Investigating Committee.

Recommendation: The Council is recommended to approve the appointments and administrative changes to the practice committees set out at Annexe 1.

Panel members are required to make decisions at fitness to practise events that protect the public.

If the recommended panel members are not reappointed there is an increased risk that there will be insufficient panel members to constitute sufficient panels to manage planned business activity.

No direct resource implications.

No equality and diversity implications have been identified as a result of these changes.

The NMC has engaged with each of the 22 registrant panel members advising of the process and each individual in this group has been provided with a personal activity and engagement report, and the opportunity to comment upon it.

Those individuals who are being transferred between the committees or are being reappointed have confirmed this is the course of action they want the NMC to take.
**Risk implications:** 11 Failure to ensure the practice committees are in balance could inhibit future recruitment activity and the ability to manage the workload in Fitness to Practise.

**Legal implications:** 12 Appointments and removals are governed by Rules 8 to 11 of the Nursing and Midwifery Council (Midwifery and Practice Committees) Rules of the Order of the Council 2008.
### List of recommended reappointments and administrative changes to the practice committees

<table>
<thead>
<tr>
<th>#</th>
<th>Full Name</th>
<th>Term in Office</th>
<th>Practice Committee</th>
<th>Chair/ Lay/Registrant</th>
<th>Action Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Evette Roberts</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Conduct and Competence Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>2</td>
<td>Helen Hoult</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Conduct and Competence Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>3</td>
<td>Julia Whiting</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Conduct and Competence Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>4</td>
<td>Julie Tindale</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Conduct and Competence Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>5</td>
<td>Kathryn Bergmanski</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Conduct and Competence Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>#</td>
<td>Full Name</td>
<td>Term in Office</td>
<td>Practice Committee</td>
<td>Chair/ Lay/Registrant</td>
<td>Action Required</td>
</tr>
<tr>
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<td>---------------------</td>
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<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>6</td>
<td>Kathryn Eastwood</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Conduct and Competence Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>7</td>
<td>Kitty Lamb</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Conduct and Competence Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>8</td>
<td>Lynne Grundy</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Conduct and Competence Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>9</td>
<td>Noreen Kent</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Conduct and Competence Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>10</td>
<td>Stella Armstrong</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Conduct and Competence Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>11</td>
<td>Susan Greenwood</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Conduct and Competence Committee on 26/10/2016 for a period of four years to expire on 25/10/2020.</td>
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<td>#</td>
<td>Full Name</td>
<td>Term in Office</td>
<td>Practice Committee</td>
<td>Chair/ Lay/Registrant</td>
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<tr>
<td>12</td>
<td>Carolyn Roth</td>
<td>First</td>
<td>Investigating Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Investigating Committee on 25/10/2016 for a period of four years to expire on 24/10/2020.</td>
</tr>
<tr>
<td>13</td>
<td>Della Warren</td>
<td>First</td>
<td>Investigating Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Investigating Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>14</td>
<td>Denise Thiruchelvam</td>
<td>First</td>
<td>Investigating Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Investigating Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>15</td>
<td>Donna Lamb</td>
<td>First</td>
<td>Investigating Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Investigating Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>16</td>
<td>Heather Bower</td>
<td>First</td>
<td>Investigating Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Investigating Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>17</td>
<td>Helen Meehan</td>
<td>First</td>
<td>Investigating Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Investigating Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
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<td>#</td>
<td>Full Name</td>
<td>Term in Office</td>
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<tr>
<td>18</td>
<td>Jane Bryant</td>
<td>First</td>
<td>Investigating Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Investigating Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>19</td>
<td>Janet Mountford</td>
<td>First</td>
<td>Investigating Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Investigating Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
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<tr>
<td>20</td>
<td>Julie Wainwright</td>
<td>First</td>
<td>Investigating Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Investigating Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
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<tr>
<td>21</td>
<td>Sally Gooch</td>
<td>First</td>
<td>Investigating Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Investigating Committee on 03/08/2016 for a period of four years to expire on 02/08/2020.</td>
</tr>
<tr>
<td>22</td>
<td>Yana Richens</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Re-appoint for a second term to the Conduct and Competence Committee on 03/08/2016 for a period of four years to expire on 02/08/2020 and transfer to the Investigating Committee on 04/08/2016.</td>
</tr>
<tr>
<td>#</td>
<td>Full Name</td>
<td>Term in Office</td>
<td>Practice Committee</td>
<td>Chair/ Lay/Registrant</td>
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<tr>
<td>23</td>
<td>Andrea Stebbings</td>
<td>Second</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Transfer from the Conduct and Competence Committee to the Investigating Committee.</td>
</tr>
<tr>
<td>24</td>
<td>Christine Castledine</td>
<td>Second</td>
<td>Conduct and Competence Committee</td>
<td>Lay</td>
<td>Transfer from the Conduct and Competence Committee to the Investigating Committee.</td>
</tr>
<tr>
<td>25</td>
<td>Howard Freeman</td>
<td>Second</td>
<td>Conduct and Competence Committee</td>
<td>Lay</td>
<td>Transfer from the Conduct and Competence Committee to the Investigating Committee.</td>
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<td>Full Name</td>
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<tr>
<td>26</td>
<td>Judith Allfrey</td>
<td>Second</td>
<td>Conduct and Competence Committee</td>
<td>Lay</td>
<td>Transfer from the Conduct and Competence Committee to the Investigating Committee.</td>
</tr>
<tr>
<td>27</td>
<td>Karen Heenan</td>
<td>Second</td>
<td>Conduct and Competence Committee</td>
<td>Lay</td>
<td>Transfer from the Conduct and Competence Committee to the Investigating Committee.</td>
</tr>
<tr>
<td>28</td>
<td>Naseem Malik</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Lay</td>
<td>Transfer from the Conduct and Competence Committee to the Investigating Committee.</td>
</tr>
<tr>
<td>#</td>
<td>Full Name</td>
<td>Term in Office</td>
<td>Practice Committee</td>
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<tr>
<td>29</td>
<td>Paul Theed</td>
<td>Second</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Transfer from the Conduct and Competence Committee to the Investigating Committee.</td>
</tr>
<tr>
<td>30</td>
<td>Stuart Turnock</td>
<td>Second</td>
<td>Conduct and Competence Committee</td>
<td>Lay</td>
<td>Transfer from the Conduct and Competence Committee to the Investigating Committee.</td>
</tr>
<tr>
<td>31</td>
<td>Alice Clarke</td>
<td>First</td>
<td>Conduct and Competence Committee</td>
<td>Registrant</td>
<td>Transfer from the Conduct and Competence Committee to the Investigating Committee.</td>
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</tbody>
</table>
Council

Appointment of external auditors

Action: For decision.

Issue: To approve the appointment of external auditors.

Core regulatory function: Supporting functions.

Corporate objectives: Strategic priority 4: An effective organisation.

Decision required: The Council is recommended to appoint haysmacintyre as external statutory auditors

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.

Author: Sarah Carpenter
Phone: 020 7681 5434
sarah.carpenter@nmc-uk.org

Director: Adam Broome
Phone: 020 7681 5964
adam.broome@nmc-uk.org
Context: 1 Article 52 of the Nursing and Midwifery Order 2001 requires the Council to appoint external statutory auditors.

2 Appointment of the external auditors is a matter reserved to the Council.

3 The Council agreed in May (NMC/16/35c) to go out to tender for the provision of external audit services and approved the award criteria and process.

Discussion: 4 A full procurement exercise was undertaken with a notice placed on the Government Contracts Finder with the NMC requirements. In addition, eight suppliers registered on the Crown Commercial Framework were invited to submit tenders. Two tender responses were received.

5 The evaluation panel carefully considered both bids whilst maintaining an open mind. The panel took particular care to ensure that the incumbent suppliers did not have any unfair advantage and that both bids were strictly evaluated on their merits in accordance with the award criteria.

6 In terms of both quality and cost, the panel judges that haysmacintyre should be appointed.

7 The proposed contract to be awarded will be on the NMC’s terms and conditions and the new service will take effect from 1 November 2016 for 3 years with an option to extend for up to a further 2 years.

8 Recommendation: The Council is invited to approve the appointment of haysmacintyre as statutory external auditors for the NMC.

Public protection implications: 9 None.

Resource implications: 10 The costs of external audit are within current budget provisions.

Equality and diversity implications: 11 Our procurement process requires all suppliers to demonstrate evidence of compliance with our equality requirements.

Stakeholder engagement: 12 None.

Risk implications: 13 None.

Legal implications: 14 Appointment of external statutory auditors is a requirement of the Order.
Council

Audit Committee annual report

Action: For information.

Issue: Reports on the work of the Audit Committee during 2015-2016 and provides an update on the meeting on 23 June 2016.

Core regulatory function: Supporting functions.

Strategic priority: Strategic priority 4: An effective organisation.

Decision required: None.

Annexe: None.

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

Secretary: Fionnuala Gill Phone: 020 7681 5842 Fionnuala.Gill@nmc-uk.org

Chair: Marta Phillips
Reports on the work of the Audit Committee during 2015-2016 and the Committee’s most recent meeting on 23 June 2016.

The remit of the Audit Committee is to support the Council and management by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of financial statements and the annual report.

The Committee met four times in 2015-2016 and has since met in April and June of the current financial year.

As part of the wider Council review, the Committee’s membership changed in January 2016. New members were provided with an induction. Following the departure in April 2016, of the previous Chair, I am pleased to have been appointed as the Committee’s independent chair for the next 12 months.

The Committee has welcomed the regular attendance of the Chief Executive and Registrar, as Accounting Officer, as well as the Chief Operating Officer at its meetings. The Committee has also welcomed the consistent attendance of the Head of Internal Audit, external auditors and the National Audit Office at each meeting and has held private meetings with each at appropriate junctures during the year. Going forward from June 2016, the Committee has extended an invitation to the Chair to attend its meeting as she sees fit. Consequently, she observed parts of the June Audit Committee meeting.

Throughout the year the Committee received updates on the operation of the risk management policy and scrutinised the Executive's management of risk. The Committee welcomed the Executive’s annual review of the effectiveness of risk management and was pleased that this was recognised as good practice by the Head of Internal Audit.

As reported in 2015, the Committee kept implementation of the corporate quality assurance strategy under close scrutiny. Following the further internal audit report in October 2015, the Committee escalated concerns about progress resulting in the Council’s request in November 2015 that the Executive reconsider the approach to quality. The Committee looks forward to seeing the options which it understands are to be developed for consideration by the Council at
this meeting.

8 The Committee continued to hold in-depth sessions with each of the regulatory directorates (Registration, Fitness to Practise and Continued Practice) to scrutinise action to embed quality assurance, risk management and improvement arrangements at directorate level and agreed that it would undertake ‘deep dives’ into particular areas where necessary.

**Internal audit**

9 The Committee endorsed the Executive’s proposals to extend the contract of the existing internal audit providers for 12 months for the period to April 2018. In doing so, the Committee took account of the need for stability given the ongoing exercise to tender for external auditors.

10 The Committee approved the work programme for 2015-2016 and monitored progress throughout the year. Nine planned audit assignments were undertaken, of which three were advisory.

11 The Committee is pleased to report that all planned internal audit assignments for 2015-2016 have been completed. This involved reviewing a large volume of reports outside of formal meetings and the considerable effort and time commitment by members was much appreciated. The Committee reviewed the protocol for managing internal audit reports and suggested revisions to help ensure that the work programme is adhered to for 2016-2017.

12 In addition, internal audit was commissioned to undertake a bribery risk assessment. The Committee reviewed the outcomes and is pleased to report that the findings were that the NMC is at low risk.

13 The Committee has sought to ensure that the Council has an accurate picture of the assurance available throughout the year, including, escalating concerns to the Council as appropriate - for example in relation to organisational quality assurance, as mentioned above.

14 During the year, the Committee considered and supported the action being taken to strengthen controls in finance and procurement which had been identified as needing attention through internal audit and other reviews in 2014-2015. The Committee has been disappointed that progress in these areas has been slow but recognises that there have been considerable challenges not least due to high staff turnover, particularly at a senior level in these areas.

15 Alongside this, the Committee has continued to oversee of progress in implementing previous internal audit recommendations to ensure these are followed through and is pleased that some progress has been made. The Committee welcomes the Executive’s commitment to accelerate progress in completing outstanding actions.
The Committee has considered the internal auditors’ annual opinion and report for 2015-2016. The Committee has already flagged to the Council that the Head of Internal Audit’s annual opinion view is that there has been some deterioration in the management of governance, risks and controls, primarily in relation to finance and procurement. In part, this is due to senior staff changes mentioned above and insufficiently rapid progress being made on the finance and procurement improvement programmes.

The Committee considered the opinion a fair reflection of the position. However, the Committee has been assured by the Executive that the challenging timetable now set to make progress in these areas is realistic and appropriately resourced and, following organisational restructuring, now has the benefit of new strategic leadership to drive this forward.

**Assurance map**

The Committee has sought to ensure that the currency of the assurance map and supporting evidence is maintained and subject to regular scrutiny and review by the Executive. The most recent iteration of the map was considered on 23 June 2016. The Committee noted that the map and accompanying commentary could be difficult to interpret and welcomed plans for this to be reconsidered. The Committee asked the Executive to work up a revised approach which will provide a clearer more factual and concise picture for the Council of the sources of assurance.

**Whistleblowing policy**

The Committee has been kept informed of instances where the policy has been invoked and investigation outcomes. This is covered more fully in the annual governance statement section of the draft annual report which the Council will consider separately on this agenda.

The Committee welcomed development of a refreshed whistleblowing policy and associated guidelines for staff and was pleased to note that this was clear and accessible. The Committee also endorsed plans for staffing training and approved terms of reference for an audit of the effectiveness of the policy which will be undertaken in 2016-2017.

**Serious events and data breaches**

The Committee has received reports throughout the year on serious events and data breaches and sought assurance on action to address the most serious events. The Committee has encouraged ongoing development of the reports to include increased trend analysis to help inform learning across the organisation.
Integrity of reports and financial statements

Review of accounting policies and adoption of FRS 102

22 The Committee has considered reports on both preparations for, and the impact of the new accounting standard FRS 102 on the NMC’s accounting policies, and the accounts for the year ending 31 March 2016. The Committee advised the Council on key changes including:

22.1 The requirement to disclose the pension deficit in the accounts: the Committee has suggested that a consistent approach is taken to reporting the pension deficit in financial management reports and statutory accounts going forward.

22.2 The requirement to disclose the remuneration of 'key management personnel’. In the interests of full transparency, the Committee advised that disclosure should include remuneration of both permanent and interim Directors, including in relation to Directors who had left in year.

External audit

23 The Committee reviewed the letters of representation and draft audit reports from the external auditors and the National Audit Office (NAO) and noted that, subject to post-balance sheet review, both reports are expected to be unqualified.

24 The Committee considered and noted progress against previous year recommendations and welcomed recognition of progress on its wider control environment. The Committee also noted management responses to current year external audit recommendations to strengthen key elements of controls.

Draft annual report and accounts 2015-2016

25 Following scrutiny of the draft annual report and accounts 2015-2016 including the draft annual governance statement, the Committee endorsed the annual report and accounts for approval in principle by the Council, subject to:

25.1 Minor amends suggested to the performance review section and annual governance statement.

25.2 The normal post balance sheet review before the report is laid in parliament in autumn 2016.

Draft Fitness to Practise report 2015-2016

26 The Committee also scrutinised the draft annual fitness to practise report 2015-2016 and welcomed the changes introduced to the report this year, such as inclusion of case studies. The Committee endorsed the draft for approval by the Council, subject to a number of comments and suggestions.
Committee’s views on governance, risk management and control

27 The Committee has reflected on a range of issues including the internal audit annual opinion and report, the findings of external auditors and NAO and the views of the Accounting Officer.

28 The Committee recognises that there has been considerable change over the past year, including in the senior management team and to organisational structures. This has affected the Executive’s ability to address areas which need improvement. The Committee is, however, assured that the Executive has taken steps to strengthen senior management and set clear expectations of the progress that must be made in the year ahead. Improvements in other areas, notably IT, give confidence that this can be achieved. Overall, the Committee’s view is that the Council can have confidence that arrangements for governance, risk management and controls are satisfactory, notwithstanding the fact that there is further work to do in some control areas.

29 Given that further significant change is planned in the form of the major transformation programme now getting underway, the Committee's approach will be to adopt a course for stability, coupled with due rigour and robustness, in the year ahead.

Public protection implications: 30 No public protection implications arising directly from this report.

Resource implications: 31 No resource implications arising directly from this report.

Equality and diversity implications: 32 There are no direct equality and diversity implications resulting from this paper.

Stakeholder engagement: 33 None.

Risk implications: 34 The role of the Audit Committee is to give assurance to Council that the NMC has effective governance, risk management and internal controls in place.

Legal implications: 35 None identified.
Council

Midwifery Committee annual report

Action: For information.

Issue: This paper provides Council with an overview of the work of the Midwifery Committee from April 2015 to April 2016.

Core regulatory function: All regulatory functions

Strategic priority: Strategic priority 1: An effective regulator.

Decision required: No decision is required.

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.

Secretary to the Midwifery Committee: Jennifer Turner
Phone: 020 7681 5521
Jennifer.Turner@nmc-uk.org

Chair: Dr Anne Wright
Context:

1. During the 2015-2016 financial year, the Midwifery Committee met on six occasions. Two of those were extraordinary meetings held by teleconference. The Committee has met once so far during 2016-2017. The Committee also held a joint seminar with Council in July 2015.

2. At the joint seminar, the Midwifery Committee had the opportunity to contribute its thoughts on the midwifery aspects of the NMC Strategy 2015-2020.

3. The primary topic of discussion at committee meetings over the previous year has been the proposed changes to midwifery regulation, including the monitoring of risks and the formation of a communications plan. The Committee also continued to monitor the quality assurance of local supervising authorities and approved education institutions, the progress of the revalidation programme particularly as it related to midwives, and the extraordinary reviews that took place in North Wales and Guernsey.

Proposed midwifery regulation change

4. A major focus for the Committee this year was to monitor the progress of those elements of the proposed regulation change which related to midwifery. The catalyst for the proposed regulation change was Council’s agreement of the recommendations made in the King’s Fund report. The Committee continued to monitor the risks associated with the proposed change and, at its April 2016 meeting, approved the communications plan.

5. The Committee noted the need to strike an appropriate balance between expediting regulatory change and doing so with diligence and care. The Committee considered the initial risk mapping exercise in June 2015, and noted a particular risk around the need to ensure that the NMC played a leading role in communicating and engaging with stakeholders, the profession and members of the public to offer some reassurance around the timescales and process associated with the change. The Committee continued to seek assurance on behalf of the Council on the full range of risks associated with the regulatory process through to the transition stage, and the management of those risks throughout the year.

6. As the proposed change programme progressed, the NMC produced a number of preliminary documents which were designed to assist the midwifery community through the preparation and transition stages of the proposed change.

7. The Committee reviewed a draft document intended as guidance for midwives on the proposed regulatory framework. The guidance provided advice on key areas such as the education of midwives, registration of midwives including revalidation, and midwives...
obligations under the Code. The guidance also paid particular attention to protected title and protected function of midwives, the safeguarding of which is of particular concern to the Committee and the wider midwifery community. The Committee put forth a number of suggestions for the enhancement of the guidance.

8. The Committee also reviewed a proposed transition document, for the use of the Transition Boards in each of the four countries, which was designed to prompt midwifery sector partners to think about the activities and functions that are anticipated to change as part of the regulatory review.

Quality assurance

Local supervising authorities

9. At its June 2015 meeting, the Committee discussed findings arising from the quarterly quality monitoring by Local Supervising Authorities (LSAs) across the United Kingdom for the 2014-2015 reporting year.

10. At its October 2015 meeting, the Committee discussed the draft Quality assurance framework annual report for education and LSAs (which Council subsequently received). The Committee noted some issues around failure of midwives to escalate concerns and a shortage of supervisors of midwives, and the importance of ensuring compliance during the legislative change transition period.

11. In light of confirmation from the government that statutory supervision for midwives would be removed as part of the proposed legislation change, the Committee agreed with the proposed approach to remove quarterly quality monitoring and discontinue risk based monitoring visits from 1 April 2016. Council subsequently approved this recommended approach to the quality assurance of local supervising authorities.

Approved education institutions

12. At its October 2015 meeting, the Committee also discussed the education section of the draft Quality assurance framework annual report. The Committee noted that in some cases the learning environment was found to be inadequate due to a lack of resources, mentorship, and placement capacity.

Revalidation

13. The Committee received an update on the status of the revalidation programme at each meeting.

14. The Committee noted the successful launch and good initial uptake of the programme in April 2016. Quarterly reports on revalidation will
be produced from the end of June 2016 and the Committee will receive a further update at its July 2016 meeting.

**Extraordinary reviews**

15. The Committee reviewed the draft reports produced as a result of the review in North Wales, and was satisfied that they had captured the concerns in detail. Many of the themes arising from the review were not within the NMC’s control such as the culture and behaviours displayed in the organisations under review.

16. The Committee also reviewed the report on the follow up review in Guernsey. While some areas of concern did still exist, the Committee noted there had been significant improvement over the previous year across most issues. The most notable changes were the commitment of staff to patient safety and a shift towards being proactive. The review team observed that improved leadership was empowering midwives to do their jobs more effectively.

Public protection implications:

17. No public protection implications.

Resource implications:

18. No resource implications.

Equality and diversity implications:

19. No direct equality and diversity implications.

Stakeholder engagement:

20. None.

Risk implications:

21. None.

Legal implications:

22. None identified.
Council

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

Action: For information.

Issue: Reports action taken by the Chair of the Council since 26 May 2016 under delegated powers in accordance with Standing Orders.

Core regulatory function: Supporting functions.

Strategic priority: Strategic priority 4: An effective organisation.

Decision required: None.

Annexe: The following annexe is attached to this report:

• Annexe 1: Chair’s action – Approval of Mr Rob Parry as the named Council member, and Ms Marta Phillips Chair of the Audit Committee, for the purpose of the Whistleblowing (Public Interest Disclosure) Policy.

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

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 (Scheme of Delegation, paragraph 4.6). Such actions shall be recorded in writing and passed to the Secretary who maintains a record of all authorisations made under this paragraph. The Chair is required to 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 set out full details of the action that the Chair is requested to authorise on behalf of the Council.

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<th>Date:</th>
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<tr>
<td>Secretary to the Council</td>
<td>27 June 2016</td>
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At its meeting of 26 April 2016, the Audit Committee approved a refreshed Whistleblowing (Public Interest Disclosure) Policy but suggested the addition of a named Council member as a route for staff to contact to report concerns under the policy, in addition to the Chair of the Audit Committee.

The Chair is requested to approve the people below as named contacts in the Whistleblowing (Public Interest Disclosure) Policy, both of whom have agreed to take on this role.

1. Mr Robert Parry, Council member
2. Ms Marta Phillips, Independent Chair of the Audit Committee

Signed ______________________ (Chair)

Date ___________ 27.06.16 ___________
Council

Appointments Board annual report

Action: For information.

Issue: Provides the annual report of the Appointments Board to the Council.

Core regulatory function: Supporting functions.

Strategic priority: Strategic priority 4 – An effective organisation

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 below

Author: Fionnuala Gill
Phone: 020 7681 5842
fionnuala.gill@nmc-uk.org

Chair of Appointments Board:
Belinda Phipps

Context:

1 This report serves to satisfy paragraph 9 of the Board’s terms of reference, which state that the Board will report “annually to the Council on the Appointments Board’s activities, including an assessment of compliance with, and effectiveness of, policies in place.”

2 The Appointments Board met five times in 2015-16. This report details some of the Board’s accomplishments over 2015 and 2016 and sets out how the Board has met its terms of reference.

Discussion:

Board membership

3 The Board’s membership is comprised entirely of non-Council members to ensure an appropriate separation of the Board’s work from that of the Council.

4 Following an open competitive recruitment process, the Chair and a member were appointed to the Board in September 2015 bringing the Board’s membership to full complement (five members including the chair).

5 The current members of the Board are:

5.1 Belinda Phipps (Chair)

5.2 Bridget Anderson (partner member)

5.3 Mary Dowling (partner member)

5.4 Fiona Whiting (partner member)

6 Stephen McCafferty (partner member) resigned in July 2016, due to other commitments. The Board would welcome early action to fill the vacancy to avoid any risk that it is unable to fulfil its work.

Board’s role and work programme

7 The Board’s role is key to making sure that effective arrangements are in place to recruit, train and manage fitness to practise (FTP) panel members and legal assessors to fulfil our FTP functions.

8 The Board’s primary objective therefore is to support FTP to drive forward continuous improvements, particularly in relation to case management and the quality of decision making.
The Board has been proactive in shaping its programme of work which has focused on ensuring that the arrangements with which FTP panel members and legal assessors engage with the NMC and the policies underlying these arrangements are up to date and fit for purpose.

The Board ensures that its work is informed by receiving at each meeting copies of the FTP key performance indicators and dashboard once these have been reviewed by the Council. The Board is seeking to develop that understanding further by receiving information on the work of the FTP directorate Quality Outcomes review group. The Board also maintains an up-to-date picture of wider organisational developments through a regular update on corporate developments at each meeting.

In addition, Board members have had the opportunity to view the hearings centre facilities at Stratford and attend FTP hearings as observers and meetings of the panel member forum.

Panel member appointments and reappointments

A significant achievement during the year has been the Board's work on the new Panel Member Services Agreement (PMSA). Following rigorous scrutiny by the Board, clearer and more robust arrangements are now in place governing the contractual relationship between the NMC and Panel members. The Board was pleased to hear at its most recent meeting that roll out of the new agreement would be complete by July 2016.

In addition, the Board is reviewing on a rolling schedule the array of policies and processes underpinning the agreement and this should be completed by October 2016.

The Board has also overseen the development of more rigorous arrangements for managing the performance of panel members to inform its recommendations on reappointments.

The Board continues to review and make recommendations to Council on the appointment and reappointments of Fitness to Practise panel members and has flagged issues to the Council as appropriate.

This year the Board scrutinised the performance management framework for panel members and sought to ensure that this set out expectations more clearly. The performance framework will allow the NMC to manage the
pool of panel members in a more robust way to ensure that they meet expected standards.

17 The Board has reviewed the outcomes of previous recruitment rounds, including scrutinising equality and diversity data and also reviewed the processes underway to recruit a further cohort of panel members with support from external recruitment consultants.

**Appointment of legal assessors**

18 The Board also continues to recommend Legal assessors to Council for appointment.

19 Legal assessors are now provided with standard instructions on a case by case basis to reinforce the contractual arrangements between them and the NMC.

20 The Board continues to encourage the NMC to build up a pool of high quality legal assessors that is sufficient to meet demand.

21 The Board also endorsed the plans for the recruitment of legal assessors which is being run concurrently with panel member recruitment to reduce the costs incurred.

**Conclusion**

22 The Board’s focus has been on ensuring that its work is directed at improving the timeliness and quality of fitness to practise outcomes. The Board recognises that whilst this may not yet be evident in tangible improvements in fitness to practise performance metrics, it anticipates that the changes made should begin to have an impact in due course.

23 The Board is grateful for the support it has received from the Director of Fitness to Practise, Adjudications staff and the Panel Support Team.

24 The Board recognises that, constitutionally, an arms-length relationship with the Council is required, but would welcome feedback to ensure that its work is directed appropriately and in line with expectations.
<table>
<thead>
<tr>
<th><strong>Public protection implications:</strong></th>
<th>25</th>
<th>There are no public protection implications arising directly from this report.</th>
</tr>
</thead>
<tbody>
<tr>
<td>26</td>
<td>The Board plays an important role in the NMC’s governance structure by ensuring that processes in place on the appointment and reappointment of panel members serve to protect the public. Public protection implications are therefore considered carefully by the Appointments Board.</td>
<td></td>
</tr>
<tr>
<td><strong>Resource implications:</strong></td>
<td>27</td>
<td>None arising directly from this report.</td>
</tr>
<tr>
<td><strong>Equality and diversity implications:</strong></td>
<td>28</td>
<td>None arising directly from this report.</td>
</tr>
<tr>
<td><strong>Stakeholder engagement:</strong></td>
<td>29</td>
<td>None.</td>
</tr>
<tr>
<td><strong>Risk implications:</strong></td>
<td>30</td>
<td>There are no risk implications arising directly from this report.</td>
</tr>
<tr>
<td><strong>Legal implications:</strong></td>
<td>31</td>
<td>None at this time.</td>
</tr>
</tbody>
</table>
Council

Health and Safety annual report

Action: For information

Issue: Provides assurance on the NMC’s health and safety arrangements and information on health and safety activity over the last 12 months.

Core regulatory function: Supporting functions

Strategic priority: Strategic priority 4: An effective organisation

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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Phone: 020 7681 5488  
David.power@nmc-uk.org

Director: Adam Broome  
Director of Resources  
Phone: 020 7681 5964  
Adam.broome@nmc-uk.org
Context: 1 In terms of health and safety the NMC is a relatively low-risk environment but it is still important that the Council monitors the extent to which we have formal policies, guidance and procedures in place, assuring the health, safety and welfare of our employees, contractors and visitors.

2 This paper provides an annual report on how we ensure compliance with health and safety requirements and the assurance available to the Council.

Discussion: Sources of assurance

3 The following arrangements are in place:

3.1 A Health and Safety Steering Group (HSSG), chaired by the Head of Estates, under the Director of Resources, with membership drawn from across the organisation. Over the last twelve months the group has met four times: September 2015, December 2015, April 2016 and June 2016.

3.2 Mandatory e-learning training on health and safety for all staff.

3.3 Training for statutory responsibilities and further training for specific roles.

3.4 A health and safety policy, approved by the Council in 2014, published, and due to be reviewed at the end of 2016.

3.5 A health and safety guide for staff which was reviewed, revised and reissued in June 2016.

3.6 Sufficient numbers of trained first aiders and fire wardens at all sites.

3.7 Fire evacuation testing and weekly fire alarm tests.

3.8 Regular incident reporting.

3.9 A programme of planned preventative maintenance.

3.10 Periodic internal audit reviews.

Reviews during the year

4 The health and safety guide was reviewed and revised to ensure that it was up to date with the latest relevant legislation. This includes guidance for staff and managers around responsibilities in relation to staff working off-site. The guide will be included in induction packs for new starters, as well as being promoted to all staff through Insider Weekly and on iNet as a news item.
We have undertaken a review of fire/evacuation procedures at 23 Portland Place (23PP) with a workshop held for fire wardens and first aiders. Staff were updated on new arrangements.

There were no changes to legislation during 2015-2016 that required revisions to policy.

Training

The main core health and safety training focus in the year centred on continuing to improve rates of compliance with the mandatory e-learning training. Compliance is now consistently above 90 percent and reached 96 percent as a top score in both February and May 2016.

A new e-learning platform went live on 1 April 2016. This also flags to HR when refresher training is due and reminder emails are sent to staff.

Refresher and new training continues to be provided to fire wardens and first aiders across all sites, with defibrillator training also provided to those requiring it.

Health and safety also includes consideration of staff welfare. In July 2016 a range of ‘Wellbeing’ opportunities and workshops were offered to staff and take-up has been good. We will be assessing the impact of the interventions over the course of the rest of the financial year.

Incident reporting

During the year 1 April 2015 to 31 March 2016 there were 12 reported health and safety incidents across all sites. Two of the incidents did not happen on NMC premises and were not work related; however we treated the person(s). An assessment of the causes of these minor incidents has not identified any trends or common causes that need to be addressed.

One incident was reported to the Health and Safety Executive under RIDDOR (Reporting of Injuries, Diseases, and Dangerous Occurrences Regulations 2013): an individual broke a bone in their foot after tripping up a stair. An assessment of the incident concluded that there were no preventable actions to be taken.

A security incident at the FTP Stratford hearings facility in June involved an observer brandishing a knife. A security guard was present on site, police were called and no injuries occurred. A Serious Event Review (SER) is underway. Staff are being supported and immediate additional security measures have been put in place including provision of a security guard at all hearing sites and the provision of personal alarms at each hearing. Consideration is also being given to any additional training that could be offered to keep
people safe.

**Progress against priorities set for 2015-2016**

14 Two priorities were set and both have been addressed:

14.1 As indicated above, we have included revised guidance on off-site and lone working in the new health and safety guide.

14.2 Occupational health: an assessment of requests for reasonable workplace adjustments (special chairs as an example) has been made to gain a better understanding of these. We concluded that the number of requests and associated further assessment that may require additional reasonable adjustments is commensurate with our duty as an employer.

**Priorities for 2016-2017**

15 In addition to regular monitoring of incidents and accidents and maintaining oversight of any changes to legislative requirements, priorities for health and safety for the coming year are:

15.1 Ensuring that through the period of transformation, directorate representation is maintained across all areas of the business to the Health and Safety Steering Group.

15.2 We will also work to ensure that we support staff’s well-being through the period of uncertainty caused by change, linking our well-being activity into the broader People Strategy for the organisation.

15.3 During the period of internal and external remedial works to 23 Portland Place, staff are kept informed of the works to minimise and prevent the risk to staff.

<table>
<thead>
<tr>
<th>Public protection implications</th>
<th>16</th>
<th>None.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resource implications:</td>
<td>17</td>
<td>There are no material resource implications. Health and safety requirements, such as training, are built into normal revenue budgets.</td>
</tr>
<tr>
<td>Equality and diversity implications:</td>
<td>18</td>
<td>There are no specific equality and diversity implications arising from this report.</td>
</tr>
<tr>
<td>Stakeholder engagement: 19</td>
<td>Not applicable.</td>
<td></td>
</tr>
<tr>
<td>--------------------------</td>
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<td></td>
</tr>
<tr>
<td>Risk implications: 20</td>
<td>This report provides assurance that we have measures in place to address any health and safety risks.</td>
<td></td>
</tr>
<tr>
<td>Legal implications: 21</td>
<td>Policies and guidance notes are reviewed and updated for compliance with any new legislation or best practice.</td>
<td></td>
</tr>
</tbody>
</table>