

## Meeting of the Council

To be held from 09:30am on Thursday 26 May 2016  
in the Olympic room at Titanic Belfast, 1 Olympic Way

### Agenda

Dame Janet Finch  
Chair

Fionnuala Gill  
Secretary

- |          |  |               |       |
|----------|--|---------------|-------|
| <b>1</b> | <b>Welcome and Chair's opening remarks</b>                   | NMC/16/31     | 09:30 |
| <b>2</b> | <b>Apologies for absence</b>                                 | NMC/16/32     |       |
| <b>3</b> | <b>Declarations of interest</b>                              | NMC/16/33     |       |
| <b>4</b> | <b>Minutes of the previous meeting</b>                       | NMC/16/34     |       |
|          | Chair  |               |       |
| <b>5</b> | <b>Summary of actions</b>                                    | NMC/16/35     |       |
|          | Secretary  |               |       |
| <b>6</b> | <b>Chief Executive's report</b>                              | NMC/16/36     | 09:35 |
|          | Chief Executive and Registrar                                |               |       |
| <b>7</b> | <b>Legislative changes to the NMC's statutory objectives</b> | NMC/16/37     | 09:45 |
|          | Chief Executive and Registrar                                |               |       |
| <b>8</b> | <b>Education</b>   | NMC/16/38     | 09:50 |
|          | Chief Executive and Registrar and<br>Dame Jill Macleod Clark | <b>(Oral)</b> |       |
| <b>9</b> | <b>Revalidation</b>  | NMC/16/39     | 10:10 |
|          | Presentation   | <b>(Oral)</b> |       |

## Corporate reporting

- 10 **Corporate Plan 2016-2017 & Chief Operating Officer's report April 2016** NMC/16/40 10:30

Chief Operating Officer

## Refreshment break 10:50 – 11:20

- 11 **Chief Operating Officer's report 2015-2016** NMC/16/41 11:20

Chief Operating Officer

- 12 **Financial monitoring report** NMC/16/42 11:45

Interim Finance Director

## Matters for discussion

- 13 **Questions from observers** NMC/16/43 12:00

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.*

- 14 **Chair's action taken since the last meeting of the Council** NMC/16/44

Chair of the Council

- 15 **Midwifery Committee report** NMC/16/45

Chair of the Midwifery Committee

- 16 **Audit Committee report** NMC/16/46

Chair of the Audit Committee

## Lunch break 12:30 – 13:00

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

Meeting of the Council  
Held at 9:30am on 23 March 2016  
at 23 Portland Place, London W1B 1PZ

## Minutes

### Present

#### Members:

Dame Janet Finch	Chair
Karen Cox	Member
Maura Devlin	Member
Maureen Morgan	Member
Robert Parry	Member
Quinton Quayle	Member
Louise Scull	Member
Amerdeep Somal	Member
Stephen Thornton	Member
Lorna Tinsley	Member
Anne Wright	Member

#### NMC officers:

Jackie Smith	Chief Executive and Registrar
Alison Sansome	Chief Operating Officer
Annette Clinnick	Interim Director of Human Resources and Organisational Development
Richard Finlayson	Interim Director of Finance
Tom Kirkbride	Interim Director of Registrations
Katerina Kolyva	Director of Continued Practice
Sarah Page	Director of Fitness to Practise
Fionnuala Gill	Secretary to the Council
Angela Archbold	Interim Governance and Committee Manager

## Minutes

### **NMC/16/15 Welcome from the Chair**

1. The Chair welcomed all attendees to the meeting.
2. On behalf of the Council, the Chair offered thanks and appreciation to Louise Scull and Katerina Kolyva for the significant contributions both had made to the NMC over a number of years

### **NMC/16/16 Apologies for absence**

1. There were no apologies.

### **NMC/16/17 Declarations of Interest**

1. **NMC/16/24: Education Strategic Plan** - Professor Karen Cox declared an interest as Deputy Vice-Chancellor, University of Nottingham.
2. The Chair determined that the interest declared was not material such as to require withdrawal from the discussion or decision.

### **NMC/16/18 Minutes of previous meeting**

1. The minutes of the meeting on 27 January 2016 were agreed as an accurate record.

### **NMC/16/19 Summary of actions**

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

### **NMC/16/20 Chief Executive's report**

1. 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.
2. In discussion, the following points were noted:
  - a) Some 61% of nurses and midwives due to revalidate in April 2016 had already begun their applications. The support expressed by the Royal College of Physicians for revalidation was welcome.
  - b) The reference on page 23 should be to the NMC's Senior Midwifery adviser. The Midwifery Committee would be updated further in April on the national maternity reviews. As indicated in the report, the NMC's standards already require student midwives to work with

other professions, however, the Committee would consider whether this could be enhanced, in line with the English maternity review recommendations.

- c) Anne Wright and the Chief Operating Officer had represented the NMC at the annual Professional Standards Authority symposium. This had been a good opportunity to discuss future professional regulation from an integrated and four country perspective. Collaborative working with social care regulators was also important.
- d) Regular meetings continued to take place with the General Medical Council (GMC) to discuss scope for collaboration building on joint work in 2015-2016. Ministers were considering the future configuration of professional regulation and it was important that the two largest regulators took a lead in working together, where appropriate.

- 3. The Council endorsed collaboration with the GMC, in relation to both regulatory and resource issues. It also supported the principle that the NMC should play a proactive role in the future shape and focus of professional regulation.

#### **NMC/16/21 Draft Corporate plan and budget 2016-2017**

- 1. The Council considered a report on the proposed corporate plan; corporate key performance indicators (KPIs) and budget for the financial year 2016-2017, together with a presentation from the Chief Operating Officer.

#### ***Draft Corporate plan 2016-2017***

- 2. In discussion, the following points were noted:
  - a) The draft corporate plan sought to take forward the ambition of the NMC's five year Strategy to be a dynamic regulator delivering best value for money for registrants' fees. The plan set out high level commitments and was underpinned by more detailed plans at directorate level.
  - b) The transformation programme represented a significant undertaking; it would involve looking at all aspects of how the NMC did business. The focus in 2016-2017 would be on planning and preparation.
  - c) Communication with registrants, as well as staff, about the transformation programme would be important. Although transformation was about changing the way the organisation worked, a key aim would be to achieve a better customer experience for registrants.

- d) More detail was needed around what would be delivered in respect of IT under the transformation commitments.
- e) Education would be another significant area of focus. This would build on the work already undertaken by Dame Jill MacCleod Clarke. The plan should set out specific dates and deliverables. The new Director of Education and Standards role was welcome.
- f) A key commitment was to undertake an independent review of quality assurance arrangements for education. This should look at options for the future, rather than an evaluation of the existing arrangements. There would be no presumption that future arrangements would be similar to those in the past. It was noted that this review would need to take account of changing arrangements for quality assurance in the higher education sector more generally. Some Council members expressed an interest in contributing to the terms of reference for this review. Given the importance of getting this work underway quickly, it might be necessary to do this by correspondence.
- g) A further major programme of work would be the planning and preparation necessary to be ready to implement legislative changes in Fitness to Practise as quickly as possible, once available. Given that these changes have been long sought by the NMC, it would be important to take full advantage of them as quickly as possible, and preparation for this should be given more prominence in the corporate plan.
- h) There was a need to be mindful that, should the Council be required to do so, regulation for nursing associates would also involve a significant programme of work. No provision was included in the budget since the Council was clear that this should not be cross-subsidised by registrant fees.
- i) In relation to revalidation, it would be helpful to set out more clearly what was envisaged by each of the references in the draft plan. This included taking forward the commitment to evaluation made by the Council when approving implementation of revalidation.
- j) The midwifery section did not fully capture the complexity of work around midwifery change, including the significant communications required. This should be identified separately, along with the work to support transition of supervision.
- k) Work around data and intelligence was not as advanced as the Council might wish: a major piece of work was needed to articulate the data and intelligence requirements and would

need to be supported with the right capabilities.

- l) Collaborative work would build on the explorations already underway with the GMC in particular, to identify scope for shared approaches to help secure better value for money.
- m) The draft corporate plan was clear and accessible as a public facing document, subject to the modifications discussed.
- n) In addition, the Council would need a more detailed delivery plan which it could use to monitor and track performance and hold the Executive to account for delivery of outcomes. Key elements which the Council would expect to see in the delivery plan included the detail of deliverables, timescales and outcomes in each of the areas discussed.

***Proposed Corporate key performance indicators 2016-2017***

3.

The Council welcomed the clear presentation of the proposals and supporting rationale for retaining the existing key indicators for 2016-2017. In discussion, the following points were noted:

- a) KPI 3: The proposed target for 80 per cent of FTP cases to be completed within 15 months was welcome. Consideration should be given to either a target or more formal monitoring of interim order extensions. A new quality dashboard was being developed for introduction in May which would give greater prominence to Interim Order extensions.
- b) In relation to KPI 4, Available Free Reserves, this had been a condition of the Department of Health Grant now met. There was now an opportunity for the Council to consider more suitable financial indicators, although as a charity it was prudent to continue to monitor the level of reserves. The current KPI should be retained for the present, pending development of a more suitable financial KPI or dashboard.
- c) It remained inappropriate to set a target for KPI 5, staff turnover, but this would continue to be closely monitored.
- d) Consideration should be given to development of a KPI relating to revalidation.
- e) In monitoring transformation, it would be important to be rigorous around the performance information the Council would need. It may be sensible to use the opportunity to look at all relevant performance reports and tools to see whether these remained appropriate.

***Draft budget 2016-2017***

4. In discussion the following points were noted:
- a) The income projections took account of an expected increase in registrant numbers including from EU and overseas, as well as the first full year impact of the current registration fee level.
  - b) No account had been taken of any potential income reduction due to introduction of revalidation. Media speculation about the impact on register numbers was unfounded on any evidence. Some drop off might be expected, though there was no indication of this yet and it was too early to draw any conclusions. A more predictable impact on register numbers related to the level of nurses and midwives close to retirement age. There would be ongoing monitoring, including the impact on the budget. Council members felt that this was important, given that as yet there was no evidence, either way, about the possible impact of revalidation on the number of registrants.
  - c) Proposed spend on the Education and Standards function was increasing. This might not be apparent in the figures, because of the reconfiguration of Directorates. In the previous year expenditure on the introduction of revalidation would have appeared in the same Directorate as education, and this has now been removed. Costs relating to implementation for revalidation were now included in the Registration directorate budget.
  - d) The increased spend on Executive pay (paragraph 18) reflected the restructure of the senior management team and creation of new roles, as well as existing staff pay increases.
  - e) Given the significant investment which would be needed for transformation, the Council would need to revisit and revise the reserves policy with the benefit of external advice. Until then, the agreed range for reserves levels should remain between £10 and £25 million. Similarly, fees should remain at the current levels.
  - f) The proposed spend on IT was lower than in 2015-2016, as further work would need to be done during 2016-17 to prepare for transformation.
  - g) An outline business case for transformation spend would be brought to the Council in September 2016.
  - h) Capital expenditure included provision for external maintenance of 23 Portland Place; there was also provision for internal works

in the revenue budget. The Council had a duty to staff to ensure that essential repair work be undertaken urgently.

- i) Given the cash flow position, an investment strategy should be developed to ensure prudent but effective use was made of available funds.
- j) The budget was based on full year staff costs. Staff turnover and inability to recruit to vacancies and new roles remained a risk to the delivery of the corporate plan commitments and associated budget, as had materialised in 2015-2016.
- k) The budget already included built in efficiencies and the 5% represented a further stretch target over and above this. Efficiency savings of at least 5% would be normal elsewhere in the health service and a similar level of financial discipline should be expected.
- l) The Council would wish to have a clear picture of what was included in the efficiency programme for 2016-2017 including:
  - i. What was already built into the budget and what was not.
  - ii. The identified efficiencies to be secured and the amount of money to be released.
  - iii. Whether the efficiencies were one-off or recurring.
  - iv. The dates by which these should be achieved.
  - v. Who was responsible in each case.
  - vi. When it would be clear what was included in the 5% stretch target and how this was being plugged into the transformation value for money strand.

5.

**Decision - The Council:**

- i. **Approved the draft corporate plan for 2016-2017, subject to the amendments discussed.**
- ii. **Approved the proposed corporate KPIs, subject to the modifications discussed.**
- iii. **Agreed that the target risk based reserves level should remain in the range of £10 million to £25 million, subject to further development of the reserves policy with external advice**
- iv. **Agreed that the fee level should be maintained at £120 for 2016-2017**
- v. **Approved the proposed budget for 2016-2017.**

**Action:** Amend the public corporate plan, as discussed  
**For:** Chief Operating Officer  
**By:** 26 May 2016

**Action:** Produce a detailed delivery plan which the Council can use for performance monitoring purposes, track progress and hold the

<b>For:</b>	<b>Executive to account</b>
<b>By:</b>	<b>Chief Operating Officer</b>
	<b>26 May 2016</b>
<b>Action:</b>	<b>Consider further development of KPIs and performance dashboards as discussed</b>
<b>For:</b>	<b>Chief Operating Officer</b>
<b>By:</b>	<b>26 May 2016</b>
<b>Action:</b>	<b>Review the reserves policy, with the benefit of external advice</b>
<b>For:</b>	<b>Interim Director of Finance</b>
<b>By:</b>	<b>27 July 2016</b>
<b>Action:</b>	<b>Provide the required information on efficiencies for 2016-2017, as set out above</b>
<b>For:</b>	<b>Chief Operating Officer/Interim Director of Finance</b>
<b>By:</b>	<b>26 May 2016</b>

**NMC/16/22 Chief Operating Officer's report**

- 1 The report provided an overview of performance and risk management across the organisation since the previous meeting. The following points were noted in discussion:

***Registration***

- a) Payment by instalments would be introduced for existing registrants from 1 June 2016 and rolled out to new applicants by the end of the year. As the latter were most likely to need this facility, it was disappointing that it would not be available for the next tranche of new applicants in September 2016.
- b) Registration performance had been affected by the significant increase in EU applications received before the introduction of language controls. An increase had been anticipated and planned for, but the volume was higher than expected. Remedial steps had been taken and performance should be back on track by 31 March 2016.
- c) Similar issues had been faced in introducing other registration changes. The language control changes represented a further enhancement to public protection; the volume of those applying before the changes came into effect did not therefore represent any public protection risk, not least since employers remained responsible for determining suitability for appointment. The time limit on submission of applications under the previous rules would be strictly applied.

- d) Northern Ireland was about to launch a recruitment drive to fill 1500 vacancies, including overseas. Currently the only centre for the test of competence (part 2) was in England. A tender process for further test centres was being developed. Consistency and security would be critical factors, as well as ensuring full use was made of existing capacity, however scope to look at local centres would be considered.
- e) Registration call centre performance had been affected during February by the flooding on the second floor but had recovered to 89% of calls answered in March. This is a significant business interruption risk. Registration customer service measures should be given much greater prominence in future performance reporting.

### ***Fitness to Practise***

- f) Referrals for 2015-2016 had been five per cent higher than in 2014-2015; this was a smaller increase than had been predicted.
- g) The number of cases over 18 months was concerning but a lot of good work had been done on case progression, giving confidence that the position at year end would be as forecast.
- h) Positives included the strong closure rate and the reduction in average length of a hearing. The latter was the result of good case preparation and better case management. This included ensuring that the right issues were being charged to determine the need for any restriction on practice, as well as the continued drive for early engagement with registrants.
- i) The number of interim order extensions raised the question of how the Council could be assured that the most serious cases were being progressed as quickly as possible. This was also a key area monitored by the Professional Standards Authority (PSA). Cases which went to a full hearing were likely to be the most serious and complex and therefore have a higher proportion of interim orders. Consideration would be given to how to provide the Council with a clearer view and further assurance through a specific future item. This would include more information about the reasons for closure of the directorate risk on interim order extensions.
- j) The number of adjournments applied for by the NMC was a concern. This was being addressed through better case preparation, but such applications would include factors outside the NMC's control, such as, illness of a witness.

**Action** Give customer service more prominence in Registration reports  
**For:** Interim Director of Registration  
**By:** 26 May 2016

**Action:** Share information on tender for future test of competence centres  
**For:** Chief Operating Officer  
**By:** 27 July 2016

**Action:** Schedule a specific future item on interim order extensions, to include explanation for closing directorate risk.  
**For:** Director of Fitness to Practise  
**By:** 27 July 2016

### ***Corporate Risk Register***

1. The Council noted that work continued on the new corporate risk register with a view to introduction in May 2016. The new register would seek to provide more assurance about the impact of mitigations, with less detail around activities and processes. In the interim, the existing corporate risk register continued to be updated to reflect developments.
2. In discussion the following points were noted:
  - a) As requested by the Council, the register now included a risk in relation to communications on Midwifery changes which had been reviewed by the Midwifery Committee in February. This did not yet capture fully the urgency around development of a comprehensive communications plan (see NMC/16/30).
  - b) The condition of 23 Portland Place should be added to the risk register as a specific business interruption risk.
  - c) Transformation should feature on the new risk register.
  - d) Revalidation readiness was now green, so would be closed and would not feature on the new risk register.
  - e) More visibility was needed about the increasing risk around incomplete or unreliable data in Fitness to Practise directorate.

**Action:** Take account of issues raised in new risk register or report, as required, to next meeting.  
**For:** Chief Operating Officer  
**By:** 26 May 2016

### **NMC/16/23 Financial monitoring report to 31 January 2016**

1. The Council considered the report, which set out the financial performance to 31 January 2016.

2. The Council requested:
- a) More information, when available, on the impact of the changes to the calculation of the Defined Benefit pension scheme deficit.
  - b) A full report on the outcomes of the previous efficiency programme, so that this could be closed down.

**Action:** Provide information on the impact of the changes to the calculation of the Defined Benefit pension scheme deficit  
**For:** Interim Director of Finance  
**By:** 26 May 2016

**Action:** Report fully on close down of previous efficiency programme  
**For:** Interim Director of Finance  
**By:** 26 May 2016

**NMC/16/24 Education Strategic plan**

1. The Council considered the proposed education strategic plan which built on work undertaken during 2015-2016 to look at the skills and competencies required for future nurses. The plan would be taken forward by the new Director of Education and Standards when appointed, supported by the new Education and Standards directorate.
2. In discussion, the following points were noted:
- a) Considerable stakeholder engagement had already taken place as part of the work so far and would continue throughout the programme. There may be merit in looking at international approaches, such as the Magnet Schools of America.
  - b) The timescales for new programmes to begin in September 2019 were ambitious, but had been discussed with the Council of Deans who considered this achievable.
  - c) There were significant changes ongoing or proposed in the higher education sector, including the proposed new funding arrangements and changes to quality assurance of universities. The scale and pace of change meant that universities would have a number of risks to negotiate in recruiting to new programmes during 2018-2019.
  - d) The importance of clarity around timescales for review of pre-registration midwifery standards was again stressed.
  - e) The proposed governance arrangements for the programme, including the Joint Sponsoring Board were welcome. Further consideration should be given to arrangements for effective

Council oversight and assurance. This would be brought to the Council in September, once the new Director of Education was in place.

3. **Decision: The Council approved the Education Strategic plan**

**Action: Develop proposals for Council oversight and assurance**  
**For: Chief Executive and Registrar**  
**By: 28 September 2016**

**NMC/16/25 Panel Member Appointments and Changes to the Practice Committees**

1. The Council considered the recommendations of the Appointments Board on the appointment of Fitness to Practise panel members and changes to practice committee membership.
2. **Decision: The Council approved the appointments and changes to the Practice Committees as set out in Annexe 1 of the paper.**

**NMC/16/26 Updates to Financial Regulations**

1. The Council considered proposals to update the existing Financial Regulations to reflect changes to the NMC leadership structure and the additional role of a Chief Operating Officer.
2. The Chair proposed an amendment to provide that the Council Budget Scrutiny Group should comprise three members appointed by the Chair, one of whom should be a Remuneration Committee member.
3. **Decision: The Council approved the updated Financial Regulations, subject to amendment of the Budget Scrutiny Group membership.**

**NMC/16/27 Questions from observers**

1. The Chair invited questions from observers. The following points were raised:
  - a) Changes to the funding of nursing and midwifery education were not within the NMC's remit and there had been no contact with the Government over the change in policy. The NMC would continue to monitor student experience through assurance of education.
  - b) Stakeholders echoed the Council's appreciation for the contribution made by Katerina Kolyva to the NMC's work, and hoped that the good practice she had established in relation to stakeholder engagement would be continued.

- c) The Midwifery Panel's role was to consider how best the voice of the midwifery communities could be heard post legislative change, not to act as that voice, since this remained the role of the Midwifery Committee pending legislation (page 41).
- d) The Joint Sponsoring Board relating to education was focused on nursing only. Given that the midwifery pre-registration standards predated those for nursing, the Royal College of Midwives was being strongly lobbied to press for action, so the commitment to providing an indicative timescale was welcome.

- 2. The Chair noted that the next meeting of the Council would be held in Belfast and hoped to see many of the regular attendees there.

**NMC/16/28 Chair's action taken since the last meeting of the Council**

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

**NMC/16/29 Audit Committee Report**

- 1. The Council noted the Audit Committee Report.

**NMC/16/30 Midwifery Committee Report**

- 1. The Chair of the Midwifery Committee introduced the report on the February meeting. This summarised the significant programme of work underway and associated risks arising from forthcoming legislative change and the commitment made by the Council to support transition of supervision.
- 2. The Committee had reviewed a risk register in February which included three strategic risks: strategic communications risk, legislative risk and operational risk.
- 3. The Committee had welcomed the opportunity to comment on an early draft communications plan in February. This had represented a good start but needed more granularity. It would be critical to ensure that communications reached both the whole of the midwifery community and service users. There was a need to allay any misconceptions around what would change and what would not. The Committee proposed to build on the successful model used for revalidation communications and develop a similar approach, including co-production with stakeholders and development of shared messages.
- 4. It was also important to address the cessation of the Midwifery Committee and the work ongoing to ensure that the voice of the midwifery community continued to be heard by the Council. The Midwifery Committee had undertaken to review its terms of reference at the next meeting to ensure that these were captured and handed on appropriately as part of the transition.

5. Other work included development of two products: a reference document for transition of supervision for the benefit of the four country Transition Boards and guidance for registrants and the public.
6. The Committee had been disappointed at the proposals not to progress work on revision of midwifery pre-registration education standards alongside those for nursing but understood the reasons for deferring this, given the volume and complexity of the transition work. However, the Committee was keen to have assurance that indicative timescales would be provided.
7. The Committee and Midwifery Panel ensured that there was good sharing of information, including through the role of the shared Midwifery Council member.
8. The Committee had also considered proposals for a proportionate approach to quality assurance of Local Supervising Authorities from April 2016, including removal of the requirement for quarterly monitoring reports, since this was likely to hinder work on transition. The Council could be assured that public protection would be safeguarded through the recourse to extraordinary reviews as necessary.
9. **Decision: The Council endorsed the Committee's recommendations on quality assurance of Local Supervising Authorities for 2016-2017.**

The date of the next meeting is 26 May 2016 in the Titanic Conference Centre, Belfast.

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

**SIGNATURE:**         *DRAFT*  
 \_\_\_\_\_

**DATE:**                 *DRAFT*  
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## Council

### Summary of actions

<b>Action:</b>	For information.
<b>Issue:</b>	Summarises progress on completing actions from previous Council meetings.
<b>Core regulatory function:</b>	Supporting functions.
<b>Strategic priority:</b>	Strategic priority 4: An effective organisation.
<b>Decision required:</b>	None.
<b>Annexes:</b>	None.
<b>Further information:</b>	If you require clarification about any point in the paper or would like further information please contact the author below.

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## Summary of outstanding actions arising from the Council meeting on 23 March 2016

Minute	Action	Action owner	Report back to: Date:	Progress to date
<b>NMC/16/21</b>	<b>Draft corporate plan</b>  Amend the public corporate plan, as discussed.	Chief Operating Officer	26 May 2016	On the agenda for this meeting.
<b>NMC/16/21</b>	<b>Delivery plan</b>  Produce a detailed delivery plan which the Council can use for performance monitoring purposes, track progress and hold the Executive to account.	Chief Operating Officer	26 May 2016	On the agenda for this meeting.
<b>NMC/16/21</b>	<b>Corporate KPIs and dashboards</b>  A new format for the FtP dashboard and the KPIs for revalidation to be agreed.	Chief Operating Officer; Director of Fitness to Practise; Interim Director of Registration	26 May 2016	A new format for the FtP dashboard is being finalised and will be shared with the Council at the first suitable opportunity. Consideration will be given to suitable revalidation KPIs in line with publication of reporting data at the end of the first quarter.
<b>NMC/16/21</b>	<b>Reserves policy</b>  Review the reserves policy, with the benefit of external advice.	Interim Director of Finance	27 July 2016	Not yet due
<b>NMC/16/21</b>	<b>Efficiencies 2016-2017</b>  Provide the further information	Chief Operating Officer/Interim Director of Finance	26 May 2016	As indicated in the Financial Monitoring report, work is ongoing to provide the information requested in a way which will

Minute	Action	Action owner	Report back to: Date:	Progress to date
	<p>required on efficiencies for 2016-2017 as set out:</p> <ul style="list-style-type: none"> <li>i. What is already built into the budget and what was not</li> <li>ii. The identified efficiencies to be secured and the amount of money to be released</li> <li>iii. Whether the efficiencies are one-off or recurring</li> <li>iv. The dates by which these should be achieved</li> <li>v. Who is responsible in each case</li> <li>vi. 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.</li> </ul>			enable the Council to monitor progress robustly.
<b>NMC/16/22</b>	<p><b>Registration performance - customer service</b></p> <p>Give customer service more</p>	Interim Director of Registration	26 May 2016	The Registration dashboard has been amended to give greater prominence to customer service data. The new dashboard is included in the Chief Operating Officer's

Minute	Action	Action owner	Report back to: Date:	Progress to date
	prominence in Registration reports.			report on this agenda.
<b>NMC/16/22</b>	<p><b>Test of Competence centres</b></p> <p>Share information on tender for future test of competence centres.</p>	Chief Operating Officer	27 July 2016	Currently at pre-tender stage, update to be provided to Council in July. Expect to move into formal tender process by end of June. Contract Tender Award is expected by end of September with a view to a new centre in place by end of November and site live by end of 2016.
<b>NMC/16/22</b>	<p><b>Fitness to Practise interim order extensions</b></p> <p>Schedule a specific future item on interim order extensions, to include explanation for closing directorate risk.</p>	Director of Fitness to Practise	26 May 2016 or 27 July 2016	<p>An Interim Order dashboard has been developed and will be presented to Council at a future meeting.</p> <p>The directorate FtP risk relating to interim order extension deadlines being missed was recently closed because the risk is now mitigated by effective systems which track IO expiry dates, alert the legal team to the need for an extension and allow for applications to be lodged in good time.</p>
<b>NMC/16/22</b>	<p><b>Corporate risk register</b></p> <p>Take account of issues raised (ie, business continuity, transformation, incomplete or unreliable FtP data) in new risk register or report, as required, to</p>	Chief Operating Officer	26 May 2016	Complete. The new risk register takes account of these issues.

<b>Minute</b>	<b>Action</b>	<b>Action owner</b>	<b>Report back to: Date:</b>	<b>Progress to date</b>
	next meeting.			
<b>NMC/16/23</b>	<p><b>Financial Monitoring</b></p> <p>i. Provide information on the impact of the changes to the calculation of the Defined Benefit pension scheme deficit</p> <p>ii. Report fully on close down of previous efficiency programme.</p>	Interim Director of Finance	26 May 2016	Both addressed in the financial monitoring report on the agenda for this meeting.
<b>NMC/16/24</b>	<p><b>Education Strategic Plan</b></p> <p>Develop proposals for Council oversight and assurance</p>	Chief Executive and Registrar	28 September 2016	Not yet due.

### **Summary of outstanding actions arising from the Council meeting on 27 January 2016**

<b>NMC/16/07</b>	<p><b>Research programme</b></p> <p>Develop proposals for a future research programme, with member input, for discussion at Council seminar.</p>	Deputy Director, Education	April 2016	This work is now included in the 2016-2017 Corporate Plan.
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## 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.

**Annexe:** There are no annexes attached to this paper.

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

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- Context:**
- 1 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 continues to be primarily around the future nursing competencies workstream and the nursing associate role.
  - 2 Updates on operational performance can be found in the Chief Operating Officer's report.

**Discussion: External developments**

**Section 60 changes to our legislation**

- 3 On 21 April 2016, the Department of Health opened its consultation on changes to our legislation to modernise midwifery regulation and make a number of improvements to our fitness to practise processes. The Chief Executive wrote to a range of our stakeholders drawing this to their attention and inviting their input. The consultation closes on 17 June 2016.
- 4 Detailed communications and engagement plans are now in place and our Midwifery Committee has played a strong role in shaping the midwifery plan. We are working with sector partners on preparations for the midwifery change, including through the transition boards which have been established in each of the four countries of the UK.

**Nursing associate role**

- 5 The NMC facilitated a meeting to discuss the nursing associate proposals in the context of UK-wide regulation, involving Department of Health colleagues from professional regulation and workforce, and health regulatory policy leads from the administrations of Northern Ireland, Scotland and Wales. The government has yet to announce next steps with the nursing associate role following the Health Education England (HEE) consultation, and we do not yet know whether the role will be subject to regulation. The meeting was convened in order that these deliberations could take place with a full understanding of the positions of the devolved administrations.
- 6 There have also been bilateral discussions with a number of organisations to understand their positions on the nursing associate proposals.

**Nursing apprenticeships**

- 7 The Chief Executive participated in meetings, with the Department of Health and the Department of Business, Innovation and Skills, of the group looking at the development of the nursing apprenticeship role, held on 16 March 2016 and 19 April 2016. The third meeting of the group is scheduled to take place in June 2016.

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

- 8 We are in receipt of a copy of *Quality, safety and management assurance review at Liverpool Community Health Trust*, a report prepared by Capsticks Solicitors LLP for the Board of the Liverpool Community Health NHS Trust. We are reviewing the content of the report and considering our response to the issues raised.

## **Accountability and oversight**

- 9 The Chair and the Chief Executive Chair met the Parliamentary Under Secretary of State for Health Services on 24 March 2016.
- 10 On 7 April 2016, the Chief Executive, accompanied by the NMC's Assistant Director for Communications and Policy, held separate meetings with the special adviser to the Secretary of State for Health and the special adviser on health to the Prime Minister.
- 11 At these meetings a range of policy matters relating to professional regulation were discussed, including modernising our legislation, revalidation and the proposed nursing associate role.

## **Professional Standards Authority (PSA)**

- 12 We sent our dataset information for the quarter ending on 31 March 2016 and annual data for the period 1 April 2015 to 31 March 2016 to the PSA at the end of April 2016.
- 13 The PSA will take account of the data we have supplied when considering the scope of the review they will undertake. They will also take account of other information, such as feedback from third parties and from their scrutiny of our final fitness to practise decisions. Their decision on the type of review which they will undertake will be taken by an internal PSA panel, which is scheduled for 17 May 2016. We will have an opportunity to comment on the PSA's recommendation to their panel.

## **Stakeholder Engagement and Communication**

### **Revalidation**

- 14 Revalidation continues to feature prominently in terms of our external engagement. Recent revalidation speaking engagements undertaken by the Chief Executive and other senior staff have included the Unison Nursing Conference in Cardiff, *Nursing Times* Deputies Congress, Queen's Nursing Institute Annual Meeting, the Health and Social Care Regulators Forum, and Public Health England School Nurse and Health Visitor regional events.
- 15 April saw the first group of registrants complete revalidation. Of the 15,873 registrants who were due to revalidate, 14,362 (90.4%)

successfully revalidated, and 1,401 lapsed. This number of lapsing is consistent with the number we would normally expect to leave the register during April. Additionally, 106 registrants were given an extension, and four registrants have had fitness to practise sanctions imposed and are no longer entitled to revalidate.

## **Midwifery issues**

### **Scottish Maternity and Neonatal Review**

- 16 We have had initial engagement with the Scottish Maternity and Neonatal Review, led by Jane Grant, Chief Executive, NHS Forth Valley, and further involvement has been discussed. The Review group will provide a report to Ministers in Summer 2016 which will record its findings and make recommendations for implementation.

### **Guernsey**

- 17 On 5 April 2016, the Chief Executive visited Guernsey, with the Assistant Director, Education and Standards, to assess progress since our extraordinary review into midwifery standards published in October 2014 and the follow-up in November 2015. This visit was rescheduled from early March 2016 which had been reported to Council in the March 2016 Chief Executive's report.

### **NMC Midwifery Panel**

- 18 On 21 April 2016, the Chief Executive chaired the third meeting of our Midwifery Panel established to support the transition to the future regulatory arrangements for the midwifery profession following the proposed legislative changes expected in 2017. Attendees at the meeting included the Chief Executive of the Royal College of Midwives, the Head of the Nursing, Midwifery and Allied Health Professions Policy Unit, Department of Health, the NMC's senior Midwifery Advisor, the Professor of Mother and Infant Health at the University of Dundee, Lorna Tinsley, NMC Council and Midwifery Committee member and colleagues from the Scotland and Northern Ireland health departments.

## **Education**

### **Future nurse competencies**

- 19 The Chief Executive chaired the first meeting of the board which the NMC is leading with input from the Royal College of Nursing (RCN) on developing future nurse competencies. In addition to the RCN, the membership of the board includes representation from the offices of the four UK Chief Nursing Officers and the Council of Deans. The next meeting of the board is scheduled to take place in Glasgow on 20 June 2016. The work of the board is supported by a group, chaired by the Chief Executive, which includes Dame Jill

Macleod Clark, Emeritus Professor at Southampton University and the Director of Nursing at Imperial College Healthcare NHS Trust, which met on 30 March 2016.

- 20 The Chief Executive met with a range of individuals and organisations to discuss our regulatory role and our work on education standards. This included:
  - 20.1 Attending a meeting of the Shelford Group, comprising representation from ten leading NHS multi-specialty academic healthcare organisations in England, on 22 March 2016.
  - 20.2 Meeting the Director of Regulation and Assurance and the Head of Health Policy from the Higher Education Funding Council for England (HEFCE) on 4 April 2016 on the topic of quality assurance regimes for education programmes, to inform our thinking about how nursing and midwifery education could be quality assured in the future.
  - 20.3 Meeting the Director for Quality Development at the Quality Assurance Agency for Higher Education on 6 April 2016.
  - 20.4 Meeting the Professor of Mother and Infant Health in the School of Nursing and Health Sciences at the University of Dundee, on 21 April 2016.
  - 20.5 Participating in a summit on mentorship which the Royal College of Nursing jointly hosted with the Council of Deans of Health and the NMC on 29 April 2016. This event focused on the relationship between practice education and the delivery of high-quality patient care.
  - 20.6 Speaking at the HEE's second 'Thought Leadership' lecture on 3 May 2016, alongside Lord Willis of Knaresborough and the Director of Nursing at HEE, about the role of the NMC in shaping the future nursing and care workforce.
  - 20.7 Meeting the Director of Nursing at HEE on 16 May 2016.
- 21 The Assistant Director Education and Standards visited NIPEC on 6 April 2016 to receive an overview on Northern Ireland practice education matters. On 19 April 2016 she spoke in Dublin at the network of EU nursing competent authorities on minimum training requirements.

### **Professional Strategic Advisory Group**

- 22 The Chief Executive chaired the latest meeting of our Professional Strategic Advisory Group which took place on 14 April 2016. The main item was a presentation on our strategic plan for education, in addition to discussion about midwifery supervision, the NMC's

response to the nursing associate consultation and revalidation.

### **Engagement with other regulators**

- 23 The Director of Fitness to Practise met with the Director of Nursing at the Regulation and Quality Improvement Authority in Northern Ireland on 10 March 2016 to explore future areas of engagement and to introduce the Employer Link Service.
- 24 On 12 April 2016, the Chief Executive hosted a meeting to discuss regulatory issues with the Chief Executives of the Professional Standards Authority, the General Medical Council, the General Optical Council and the General Pharmaceutical Council.
- 25 The Chief Executive attended meetings of the Chief Executives' Legislation Group on 29 April 2016 and the Chief Executives' Steering Group on 16 May 2016 and continued bilateral engagement with other professional regulators.
- 26 The Chief Executive and the Chair met with the Chair and Chief Executive of the Care Quality Commission on 10 May 2016 for the latest of their regular catch-up meetings.

### **Other engagement**

- 27 The Chief Executive undertook other engagement as follows:
  - 27.1 Hosting the latest of the NMC's regular meetings on 8 March 2016 with senior colleagues from the RCN, the RCM, Unison and UNITE/CPHVA. The meetings continue to be positive and the next meeting has been scheduled for July 2016.
  - 27.2 Attending the *Nursing Times* student awards on 28 April 2016.
  - 27.3 Participating in the Royal College of Nursing (RCN)/NHS England 'Five year forward view' roundtable discussion on 6 May 2016, alongside the Chief Executive for NHS England, the Chief Nursing Officer for England and the Chief Executive of the RCN.
- 28 On 10 March 2016, the Director of Fitness to Practise attended the Central Nursing and Midwifery Advisory Committee in Northern Ireland and gave an update on NMC matters, including the Employer Link Service.

### **Media activity**

- 29 Media activity during this period focused on revalidation. This involved publishing and distributing a weekly programme of communications based on a different revalidation theme. The Chief Executive also contributed an opinion piece to the April 2016 issue

of *RCN Bulletin*.

30 There were 84 pieces of coverage about revalidation between 1 March and 12 April across national, trade and regional media.

**Public protection implications:** 31 None.

**Resource implications:** 32 None.

**Equality and diversity implications:** 33 None.

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

**Risk implications:** 35 None.

**Legal implications:** 36 None.



## Council

### Legislative changes to the NMC's statutory objectives

**Action:** For information.

**Issue:** Sets out changes to the Council's statutory objectives resulting from the Health and Social Care (Safety and Quality) Act 2015.

**Core regulatory function:** All

**Strategic:** All

**Decision required:** None

**Annexes:** None

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

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- Context:**
- 1 The Health and Social Care (Safety and Quality) Act 2015, which originated as a Private Member's bill, was a direct response to the failings at the Mid-Staffordshire NHS Foundation Trust, and the recommendations of the Francis report.
  - 2 The Act's provisions are designed to improve patient safety and include introduction of a new overarching objective of protection of the public for some health care regulators, including the NMC. We understand from the Department of Health that the provisions to change the NMC's statutory objectives will be brought into force shortly.

**Discussion:                   Changes to the NMC's legislation**

- 3 The Act makes specific changes to the Nursing and Midwifery Order 2001 ("the Order") to replace the Council's current statutory objective "*to safeguard the health and well-being of persons using or needing the services of registrants*".
- 4 Once the provisions are brought into force, the Council's statutory objectives will be as follows:

*"The over-arching objective of the Council in exercising its functions is the protection of the public.*

*The pursuit by the Council of its over-arching objective involves the pursuit of the following objectives –*

*(a) to protect, promote and maintain the health, safety and well-being of the public;*

*(b) to promote and maintain public confidence in the professions regulated under this Order; and*

*(c) to promote and maintain proper professional standards for members of those professions."*

- 5 The Act also makes specific provision for Practice Committees to have regard to the overarching objective in carrying out their functions.

**Impact and preparation for implementation**

- 6 The NMC's policies, standards and operational functions already largely reflect the requirements of the new objectives. Some consequential amendments are needed to a number of processes and public facing materials. as follows:
  - 6.1 General communication to ensure that all staff are aware of the revised statutory objectives;

- 6.2 Review and amendment of Fitness to Practise policies and guidance for panelists and decision makers, together with training materials;
- 6.3 Amendment of other internal policies as required;
- 6.4 Amendment of all relevant standards publications and website material; and
- 6.5 Incorporation of new objectives into corporate business and strategy planning and reporting.

<b>Public protection implications:</b>	7	The changes being made to the NMC's statutory objectives have arisen as a result of the recommendations made in the Francis report, and are designed to enhance public protection, and the NMC's role in this.
<b>Resource implications:</b>	8	Amendment of policies and processes to reflect the new objectives is not expected to have a significant resource impact, and will be accounted for within existing budgets.
<b>Equality and diversity implications:</b>	9	There are not expected to be any equality and diversity implications as a result of the new objectives. The policy and legislation team will however undertake an equality and diversity screening of the consequential changes required by the new legislation, and will take any action required as a result.
<b>Stakeholder engagement:</b>	10	There are not expected to be significant stakeholder engagement implications as a result of these changes. However, the NMC will clearly communicate the changed objectives in its published and online material, and through training and information for internal staff.
<b>Risk implications:</b>	11	No adverse risk implications have been highlighted at this stage.
<b>Legal implications:</b>	12	The changes outlined in this paper arise as a result of legislation that will amend the Nursing and Midwifery Order, and which the NMC must ensure are reflected in its policies and processes.



## Council

### Corporate Plan 2016-2017 and Chief Operating Officer's report: April 2016

**Action:** For discussion.

**Issue:** Reports on performance and risk management for April 2016.

**Core regulatory function:** All regulatory functions.

**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

- Note the final corporate plan 2016–2017 (paragraph 6).
- Approve the draft corporate delivery plan 2016–2017 (paragraph 8).
- Discuss the KPI information for April 2016 (paragraph 13).
- Note the corporate risk summary and risk heat map (paragraph 22).

**Annexes:** The following annexes are attached to this paper:

- Annexe 1: Corporate plan 2016–2017
- Annexe 2: Draft corporate delivery plan 2016–2017
- Annexe 3: Performance and risk directorate information
- Annexe 4: Corporate risk summary
- Annexe 5: 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.

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- Context:**
- 1 This report provides an overview of performance and risk management across the organisation, focusing on developments since the last Council meeting in March 2016.
  - 2 This report also presents the final corporate plan 2016–2017 and, as requested by the Council, a more detailed corporate delivery plan which it can use to monitor and track performance and hold the Executive to account for delivery of outcomes.
  - 3 We continue to work on streamlining the presentation of performance and risk information. Following discussion by the Council, the detailed corporate risk register will now be considered by the Council in confidential session to enable a more detailed debate. However, in the interests of transparency, a risk summary will continue to be presented as part of this report, alongside the risk heat map.

**Discussion and options appraisal:**

**Corporate plan 2016–2017**

- 4 In March 2016, the Council considered the corporate plan 2016–2017 and agreed that, subject to modifications discussed, it was clear and accessible as a public facing document. The plan sets out our annual commitments for the second year of our *Strategy 2015–2020: Dynamic Regulation for a changing world*.
- 5 Modifications have now been made and the final corporate plan 2016–2017 is attached at **Annexe 1**. The plan will be published on our website and circulated to key stakeholders.
- 6 **Recommendation: The Council is invited to note the final corporate plan 2016–2017.**

**Corporate delivery plan 2016–2017**

- 7 The proposed corporate delivery plan is attached at **Annexe 2**. The plan contains the high level deliverables, broken down by quarter, that underpin our corporate plan commitments. As some commitments will be delivered over a longer period of time, we have included deliverables for subsequent years in the plan, where appropriate. We will report to Council on progress against this plan on a quarterly basis.
- 8 **Recommendation: The Council is invited to approve the draft corporate delivery plan 2016–2017.**

**Chief Operating Officer’s summary of performance**

- 9 We are reporting against the KPIs and targets agreed by the Council in March 2016.
- 10 On this occasion, KPI 4 (Free reserves) is not included as due to the

timing of the Council meeting and the requirement to complete the year end audit and accounts to March 2016, the April 2016 available free reserves figure is not yet available. In addition, the basis of the calculation for the target for this KPI is dependent on the decision the Council is yet to take around accounting for the pension scheme liability, as highlighted in the Financial Monitoring paper at Item 12.

- 11 Performance in April across the other KPIs remained steady and/or was just under the target level. The only notable exception was performance in processing EU/Overseas registration applications. This KPI is rated red, as we are still processing a notable volume of EU applications received earlier in the year. We are successfully reducing this volume and expect KPI performance to be around the target level next month.
- 12 Performance in the Contact Centre in April was notably stronger compared to previous months. This improved performance was achieved during one of our annual peaks of activity, as well as during the first month of revalidation.
- 13 **Recommendation: The Council is invited to discuss the KPI information for April 2016.**

### **Collaboration**

- 14 We are developing a systematic approach to collaboration with the General Medical Council (GMC) as part of our Transformation programme.
- 15 We have prioritised potential areas for collaboration with the GMC, which we are sharing with them prior to discussion at a joint workshop with senior colleagues in June 2016.
- 16 The areas identified for potential collaboration include accommodation, panel training, recruitment of case examiners, lay panel members and legal assessors, registration ID and document verification, project management and joint commissioning of research on specific areas.

### **Risk**

#### **Corporate risk summary**

- 17 The Council has reviewed our strategic risks in the context of our new corporate plan for 2016–2017, to ensure that risks to the delivery of our strategic priorities have been captured appropriately. The result is a register containing seven new or reframed risks alongside two risks that have been transferred from the 'old' corporate risk register (CR25 *Midwifery transition and strategic communication* and CR23 *Business continuity*).
- 18 A risk summary is attached at **Annexe 4**, listing all our corporate

risks alongside the current rating for each risk, any risk movement since the last Council meeting and a status update.

- 19 As part of the risk review exercise we have reviewed the 'old' risk register to ensure that risks were either closed or relegated to directorate level for management and monitoring, as appropriate.
- 20 A risk heat map of corporate and directorate risks is at **Annexe 5**.
- 21 In response to an action from the March Council meeting, an explanation for the increasing directorate risk around incomplete or unreliable data in FtP (risk FTP6, rated red) is provided within **Annexe 3c**.
- 22 **Recommendation: The Council is invited to note the corporate risk summary and risk heat map.**

**Public protection implications:**

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

**Resource implications:**

- 24 Resource implications will be captured in the financial monitoring report.

**Equality and diversity implications:**

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

**Stakeholder engagement:**

- 26 KPI information, performance dashboards, risk summary and risk heat map are in the public domain.

**Risk implications:**

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

**Legal implications:**

- 28 No direct legal implications.



## Corporate plan 2016–2017

### Commitments 2016–2017

#### Transforming the NMC (Strategic priorities 3 and 4)

We are embarking on a substantial programme of transformation over the next four to five years. Work has begun to develop a clear picture of how we will transform the way we work including the steps we need to take, the benefits this will bring and the investment we need to make.

We are committed to communicating with our staff and registrants about what this means for both the NMC and them as we move forward.

We have already stabilised and strengthened our IT function and infrastructure. This provides a sound basis to build future IT capability to support and enable the transformational changes we are planning.

We have also made good progress towards financial stability and delivered some £20m efficiencies in Fitness to Practise since 2014. Transformation will require significant investment but will be key to driving forward further improvements in effectiveness and efficiency. Alongside this we will maintain financial discipline and a rigorous focus on value for money.

#### In 2016–2017 we will:

- 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.

#### ***Our Organisation***

- By October 2016, have defined what the organisation shape, size and business processes should be, and have published our transformation roadmap.

#### ***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.
- Complete a pilot management training programme to build management capability in our first level managers and evaluate its effectiveness and the potential for full roll

out as a first step to building capability.

### ***Our Location***

- Develop a full accommodation business case setting out costed options to enable us to make decisions on future accommodation and location by March 2017.
- In parallel, produce a transition plan to implement the recommended option in the accommodation business case.

### ***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.

## **Effective regulation (Strategic priorities 1 and 3)**

### **Education**

Our Strategy puts education at the centre of our regulatory work. Ensuring that nurses and midwives are equipped for the future in the context of a rapidly changing care environment is critical to our role in protecting the public.

Education will be a major focus for us over the next four years, led by a newly appointed Director of Education, Standards and Policy supported by a new directorate.

We have already begun work on the skills and competencies nurses will need for the future. We will be looking at all aspects of our role in education and we will continue to engage closely with stakeholders as we take this work forward. In doing so, we need to take account of government changes and other initiatives such as future funding of nursing and midwifery education.

The Department of Health's plans for a new nursing associate role represent a highly significant development for the nursing profession. We will continue to engage closely with government and stakeholders as the proposals develop.

#### **In 2016–2017 we will:**

- Develop draft new standards setting out the skills and competencies required of the future nurse, ready for consultation which will complete in 2017–2018.
- Engage with stakeholders through the work we are doing to develop new standards.
- 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.

## Midwifery regulation

Changes are in train to strengthen public protection by distinguishing between midwifery regulation and supervision. In July 2015 the Secretary of State confirmed that legislation would be introduced at a suitable opportunity to remove the additional tier of regulation governing midwifery, including statutory supervision. Since that date we have been working with the Department of Health to agree the scope of the changes and with midwifery stakeholders to promote understanding of the reasons for, and implications of, the proposed changes. We have also been working closely with the four Chief Nursing Officers who are leading the development of a new model of clinical supervision, outside of professional regulation. Our Midwifery Panel has been put in place to support the transition from the current to the new arrangements, while the Midwifery Committee continues to fulfil its current statutory role.

### In 2016–2017 we will:

- Continue to support successful transition of midwifery supervision in all four countries of the UK.
- Develop and implement a comprehensive communication plan to ensure that stakeholders have a clear understanding of regulation post the legislative change.
- Update our own policies, systems and processes to ensure we are ready for the consequences of legislative change in midwifery regulation.

## Fitness to Practise and Registration

During 2015–2016, we introduced case examiners to make earlier and speedier decisions on cases referred to us and began working towards a target of resolving cases within 15 months. We have begun to see an improvement in the speed of case progression and in the delivery of more consistent and proportionate decisions.

We anticipate that important changes to our legislation to improve the fairness, efficiency and effectiveness of our fitness to practise functions will be finalised in 2016–2017. These changes will further improve our ability to reach proportionate outcomes quickly and will bring our powers in line with those of other regulators.

Revalidation is changing the way we engage with nurses and midwives and provides the public with assurance that nurses and midwives remain fit to practise throughout their careers.

We have successfully launched revalidation: all nurses and midwives on our register will revalidate over the next three years. We are committed to undertaking an evaluation of our model.

### In 2016–2017 we will:

- Complete the preparation of 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.

- Monitor the operational effectiveness of revalidation in its first full year of implementation and ensure continuous improvement to the process and our systems.
- Make it easier for nurses and midwives to pay their registration fee by rolling out the facility to make payments in quarterly instalments.
- Maintain and continue to improve our regulatory performance (as measured by corporate KPIs) throughout transformation.

## **Use of Intelligence (Strategic priority 2)**

The use of intelligence is at the centre of our ambitions for the future. Improving our insight, from our own data and from research, is key to becoming a dynamic regulator. We hope to gain new insights into what we do, helping us to become more effective, transparent and proportionate. However, we are still only in the early stages of our work in this area.

We have, however, taken some significant steps forward including the establishment of our UK-wide Employer Link Service to work in partnership with healthcare providers to improve patient safety and ensure higher standards of care.

### **In 2016–2017 we will:**

- 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.
- 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.

## Communication and Collaboration (Strategic priority 3)

We have already begun to transform the way we engage with nurses and midwives through NMC Online: over 88% are now signed up.

Successful launch of the new Code and revalidation, including innovative use of social media and a multi-media revalidation microsite, has mobilised the support and enthusiasm of the professions and other stakeholders. We will continue to build on this to strengthen our engagement with the professions.

During 2015–2016, we collaborated with the General Medical Council, to launch the first ever joint guidance for doctors, nurses and midwives on the professional duty of candour so that healthcare professionals fully understand their individual responsibilities to speak up, apologise and take action if things go wrong. We aim to identify further opportunities for collaboration with other regulators, particularly the General Medical Council, where this has the potential to enhance public protection.

Communication is at the heart of all the commitments made within this corporate plan.

### **In addition, in 2016–2017 we will:**

- 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.



## Corporate plan 2016–2017 delivery plan

This document presents a delivery plan to underpin the corporate plan, which the Council will use to monitor and track performance and hold the Executive to account for delivery of outcomes.

The table below presents each corporate plan commitment and its key deliverables for the financial year 2016–2017.

Priority 4	Theme	Corporate plan commitment	Key deliverables underpinning the commitments			
			Q1 2016-17 (Apr-Jun)	Q2 2016-17 (Jul-Sep)	Q3 2016-17 (Oct-Dec)	Q4 2016-17 (Jan-Mar)
Transforming the NMC		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.  <b>Responsible director:</b> Director, Business Delivery and Technology Services	Staff communication plan completed and presented to Transformation Steering Group for approval.	Draft business case shared with the Council (September).	Full business case, including roadmap, for Transformation programme completed and presented to the Council for approval.	
	Our organisation	By October 2016, have defined what the organisation shape, size and business processes should be, and have published our transformation roadmap.  <b>Responsible director:</b> Director, Business Delivery and Technology Services	Baseline Current Operating Model developed and presented to the Transformation Programme Board.  Design principles for the Target Operating Model developed and presented to Transformation Steering Group for approval.	Future organisational design developed and presented to the Transformation Steering Group (TSG) for approval.	Transformation roadmap published (October).	
	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.  <b>Responsible director:</b> Director, Resources	People Strategy objectives and milestones agreed by the Transformation Programme Board.	Review of reward mechanisms complete and actions agreed by the Performance and Resources Board (PRB).	People Strategy finalised, presented to the PRB for approval and launched.	
		Produce a detailed plan to drive the achievement of the People Strategy and deliver outputs in accordance with that plan once agreed.  <b>Responsible director:</b> Director, Resources	Employee engagement strategy objectives and milestones agreed by the Performance and Resources Board.  HR & OD policies and processes reviewed to ensure they are fit for purpose in enabling organisational change (recruitment, retention, redundancy, etc).	Resource Strategy 2017/20 approved by the PRB.		Resource Strategy 2017/18 and implementation plan agreed by the Council.



Priority 4	Theme	Corporate plan commitment	Key deliverables underpinning the commitments			
			Q1 2016-17 (Apr-Jun)	Q2 2016-17 (Jul-Sep)	Q3 2016-17 (Oct-Dec)	Q4 2016-17 (Jan-Mar)
		Complete a pilot management training programme to build management capability in our first level managers and evaluate its effectiveness and the potential for full roll out as a first step to building capability.  <b>Responsible director:</b> Director, Resources	Pilot management training programme procured.	Pilot management programme delivered.	Pilot evaluated and next steps for full roll out determined.	
	Our location	Develop a full accommodation business case setting out costed options to enable us to make decisions on future accommodation and location by March 2017.  <b>Responsible director:</b> Director, Resources	External partner to support accommodation business case procured.	Accommodation location options and recommendations developed and presented to Transformation Steering Group for approval.  Accommodation location options shared with the Council as the basis for detailed options analysis.	Draft Accommodation business case produced and agreed by the PRB and Transformation Steering Group (TSG).	Accommodation business case presented to the Council for approval.
		In parallel, produce a transition plan to implement the recommended option in the accommodation business case.  <b>Responsible director:</b> Director, Resources			Draft transition plan developed for the TSG.	Full transition plan developed and presented to Council for approval as part of the Accommodation business case.
	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.  <b>Responsible director:</b> Director, Resources	Template for monitoring and reporting of efficiencies developed and launched.		Midyear update provided to Council on progress against the 5% target.	

Priority 1	Theme	Corporate plan commitment	Key deliverables underpinning the commitments			
			Q1 2016-17 (Apr-Jun)	Q2 2016-17 (Jul-Sep)	Q3 2016-17 (Oct-Dec)	Q4 2016-17 (Jan-Mar)
Effective regulation	Education	Develop draft new standards setting out the skills and competencies required of the future nurse, ready for consultation which will complete in 2017–2018.  <b>Responsible director:</b> Director, Education, Standards & Policy	Year one programme plan completed including project plans for future nurse and education framework.	Options for future of SPQ standards developed to ensure alignment with future nurse work stream.	Impact assessment work including equality impact assessment (EQIA) for education programme, to also include impact on prescribing, SPQ and SLAiP standards, completed.	Draft future nurse proficiencies and consultation document completed and ready for consultation.  Draft education framework and consultation documents completed and ready for consultation.  Full programme business case for successive years of the education programme developed and approved.



Priority 1	Theme	Corporate plan commitment	Key deliverables underpinning the commitments			
			Q1 2016-17 (Apr-Jun)	Q2 2016-17 (Jul-Sep)	Q3 2016-17 (Oct-Dec)	Q4 2016-17 (Jan-Mar)
		Engage with stakeholders through the work we are doing to develop new standards.  <b>Responsible director:</b> Director, Education, Standards & Policy	Initial four country stakeholder engagement and communications plan developed for the full education programme, building upon the existing Future Nurse engagement activity.		Four country engagement events on draft prescribing standards and review of SMM completed.	Pre-consultation stakeholder engagement plan fully implemented.
		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.  <b>Responsible director:</b> Director, Education, Standards & Policy	Quality assurance (QA) tender document developed and issued.	Supplier to review QA of education appointed	Independent review of QA completed with options for future model.	Council decision on the future QA model, based on the outcomes from the independent review of QA.
	Midwifery regulation	Continue to support successful transition of midwifery supervision in all four countries of the UK.  <b>Responsible director:</b> Director, Education, Standards & Policy	Share draft transition document with Midwifery Committee (April) and then wider stakeholders for comment.  Share first draft of new regulatory framework with Midwifery Committee (April).  Inform four countries of direction of travel for the Preparation of Supervisors of Midwives (PoSoM) following Midwifery Committee meeting in April.	Engage stakeholders in draft new framework, including CNOs and transition boards.  Collaborate with transition boards on midwifery case data transfer.	Collaborate on communication as changes take effect.	Work with sector to monitor the change from professional and regulatory perspectives.
		Develop and implement a comprehensive communication plan to ensure that stakeholders have a clear understanding of regulation post the legislative change.  <b>Responsible director:</b> Director, Education, Standards & Policy	Communications and engagement plan co-produced with key stakeholders.  Midwife email programme implemented.  Information cascading system with stakeholders and employers implemented.	Midwifery-specific presence created on our website.	Preparation of Supervisors of Midwives (PoSoM) changes communicated to all relevant stakeholders.  Review corporate communications in order to map changes needed to reflect midwifery changes.  Midwife, patient and employer-facing online and offline resources created.	Communicate planned new framework for midwifery, including expected removal of Intention to Practise requirement, to stakeholders.
		Update our own policies, systems and processes to ensure we are ready for the consequences of legislative change in midwifery regulation.  <b>Responsible director:</b> Director, Education, Standards & Policy	Take legal advice on PoSoM options and present preferred option to Midwifery Committee (April).  Changes required to midwifery pre-registration standards identified and documented.	Approach to midwifery case data transfer agreed and finalised.  Update Midwifery Committee on consequential updates to pre-registration standards.  Proposed local supervising authority (LSA) QA framework amendments finalised.	Final decision on withdrawal of PoSoM approval.	Approach to midwifery case data implemented and data transferred.  Draft revised pre-registration standards publicised.  Final preparations for new midwifery regulation arrangements, and engagement, have taken place.  Internal business systems requirements developed and tested.



Priority 1	Theme	Corporate plan commitment	Key deliverables underpinning the commitments			
			Q1 2016-17 (Apr-Jun)	Q2 2016-17 (Jul-Sep)	Q3 2016-17 (Oct-Dec)	Q4 2016-17 (Jan-Mar)
	Fitness to Practise and Registration	<p>Complete the preparation of 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</p> <p><b>Responsible director:</b> Director, FtP</p>	Initial policy development completed.	<p>Engagement and listening events.</p> <p>FtP Rules finalised prior to consultation.</p> <p>Consultation document finalised.</p> <p>Equality Impact Assessment signed off.</p>	<p>Analysis of consultation response.</p> <p>Guidance development complete.</p>	<p>Consultation response published.</p> <p>FtP rules to be approved by Council subject to the DH and FtP consultations.</p>
		<p>Monitor the operational effectiveness of revalidation in its first full year of implementation and ensure continuous improvement to the process and our systems.</p> <p><b>Responsible director:</b> Director, Registration &amp; Revalidation</p>		Initial post implementation review.		Full post implementation review.
		<p>Make it easier for nurses and midwives to pay their registration fee by rolling out the facility to make payments in quarterly instalments.</p> <p><b>Responsible director:</b> Director, Registration &amp; Revalidation</p>	Payments by instalment facility for renewals implemented.	Payments by instalment facility for refunds implemented.		Payments by instalment facility for new registrants implemented.
		<p>Maintain and continue to improve our regulatory performance (as measured by corporate KPIs) throughout transformation.</p> <p><b>Responsible directors:</b> Directors, FtP, Registration &amp; Revalidation</p>			Midyear review of corporate KPIs completed and outcomes implemented.	



Priority 2	Corporate plan commitment	Key deliverables underpinning the commitments			
		Q1 2016-17 (Apr-Jun)	Q2 2016-17 (Jul-Sep)	Q3 2016-17 (Oct-Dec)	Q4 2016-17 (Jan-Mar)
Use of intelligence	Develop our strategic capability to enable us to articulate our data and intelligence requirements.  <b>Responsible director:</b> To be confirmed	Determine strategic ownership and accountability for building our data, intelligence and research requirements.		Overarching strategy for data, intelligence and research developed.	Delivery plan developed, setting out milestones particularly for the areas of data improvement, impact and evaluation.
	Determine what research we should invest in, and use the outcomes to inform our work.  <b>Responsible director:</b> Director, Education, Standards & Policy	<b>Data improvement</b> Initial scoping of future data study completed.  Undertake work for Data Improvement Board on the insight potential of employer coding.  <b>Evaluation</b> Revalidation evaluation supplier procured and milestones agreed  Initial scoping of overseas test of competence evaluation completed.	<b>Data improvement</b> Tender for future data study completed.  Final report of allegation coding study completed.  <b>Impact</b> Final report of BME FtP study completed.  <b>Evaluation</b> Initial scoping of ELS optimisation study completed.  <b>Evaluation</b> Overseas test of competence evaluation commenced.	<b>Data improvement</b> CMS changes to reflect coding framework implemented  <b>Impact</b> Begin work on ELS optimisation study.  <b>Evaluation</b> Interim report on overseas test of competence evaluation completed	<b>Impact</b> Work on ELS optimisation study and work with ELS on implications completed.
	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.  <b>Responsible director:</b> Director, FtP				Regulation advisors will have met with approximately 300 employers across all four countries, including all NHS trusts and HSC boards.  Tailored intelligence reports and online materials will be available to assist in improving the quality, timeliness and appropriateness of referrals from employers.

Priority 3	Corporate plan commitment	Key deliverables underpinning the commitments			
		Q1 2016-17 (Apr-Jun)	Q2 2016-17 (Jul-Sep)	Q3 2016-17 (Oct-Dec)	Q4 2016-17 (Jan-Mar)
Communication and collaboration	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.  <b>Responsible director:</b> Assistant Director, Communications	Audit of existing patient and public stakeholder engagement across the organisation completed.  First patient and public engagement hub launched in Northern Ireland.	Second and third patient and public engagement hubs launched.	Fourth patient and public engagement hub launched.  Joint patient and public engagement event with General Medical Council held.	Annual reporting, including analysis of NMC data and comparison with external patient insight developed and published



## **Performance and risk directorate information**

### **Contents of Annexe 3**

- 3a Registration and Revalidation performance and risk update
- 3b Registration dashboard
- 3c Fitness to Practise (FtP) performance and risk update
- 3d FtP dashboard
- 3e Education, Standards and Policy performance and risk update
- 3f Resources performance and risk update
- 3g Business Delivery and Technology Services performance and risk update
- 3h IT Improvement and Portfolio dashboard



## Registration and Revalidation performance and risk update

### Performance overview

This overview summarises recent operational developments and performance in the Registration and Revalidation directorate and includes commentary on the Registration Key Performance Indicators (KPIs) and dashboard.

### Revalidation

- 1 The introduction of revalidation for nurses and midwives has been a major success, with the majority of those due to renew their registration revalidating successfully.

### Applications

#### UK applications

- 2 The KPI 1a section below provides more detail about the UK initial applications processed during April.

#### International applications

- 3 294 applicants sat part 1 of the Test of Competence in April, with a pass rate of 82%. 258 applicants sat part 2 in April, with a pass rate of 62%.
- 4 The KPI 1b section below provides more detail about the assessment of international applications during April 2016.
- 5 In April, the Contact Centre received a total of 37,023 calls. Of these, we answered 34,774 (93.9%). We have achieved this during one of our annual peaks of activity, as well as during the first month of revalidation. We have achieved this result through improved resource planning and allocation. We also re-prioritised our incoming calls to ensure revalidation calls were answered as a priority.

### Risk update

- 6 There are no red directorate level risks on the Registration and Revalidation directorate risk register.

<b>KPI 1a - Percentage of UK initial registration applications completed within 10 days</b>								
<b>Strategic priority 1: Effective regulation</b>								
<b>Rationale</b>	Measures NMC assessment and processing time for UK initial registration applications.							
<b>Definition</b>	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.							
	<b>February 2016</b>		<b>March 2016</b>		<b>April 2016</b>		<b>Year to date average</b>	<b>Year end target</b>
	<b>No. of apps within KPI</b>	<b>As a %</b>	<b>No. of apps within KPI</b>	<b>As a %</b>	<b>No. of apps within KPI</b>	<b>As a %</b>		
Primary figures/ target	776	96.3%	1194	98.4%	1000	95.1%	95.1% (Green)	95% within 10 days
Secondary figures/ target	787	97.6%	1208	99.5%	1030	98%	98% (Amber)	99% within 30 days

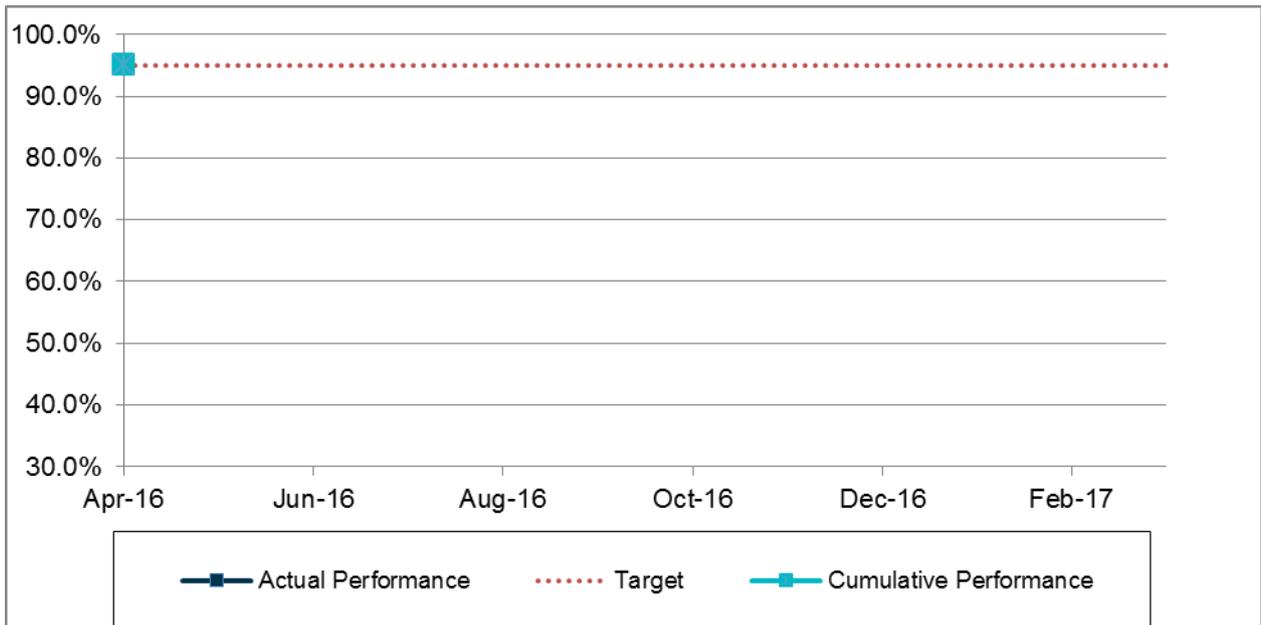
*Number:* Number of applications completed within the KPI target  
*As a %:* That number expressed as a proportion of the total for the month  
*Year to date average:* The cumulative average from April 2016  
*RAG:* Year to date average vs. year end target

**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.

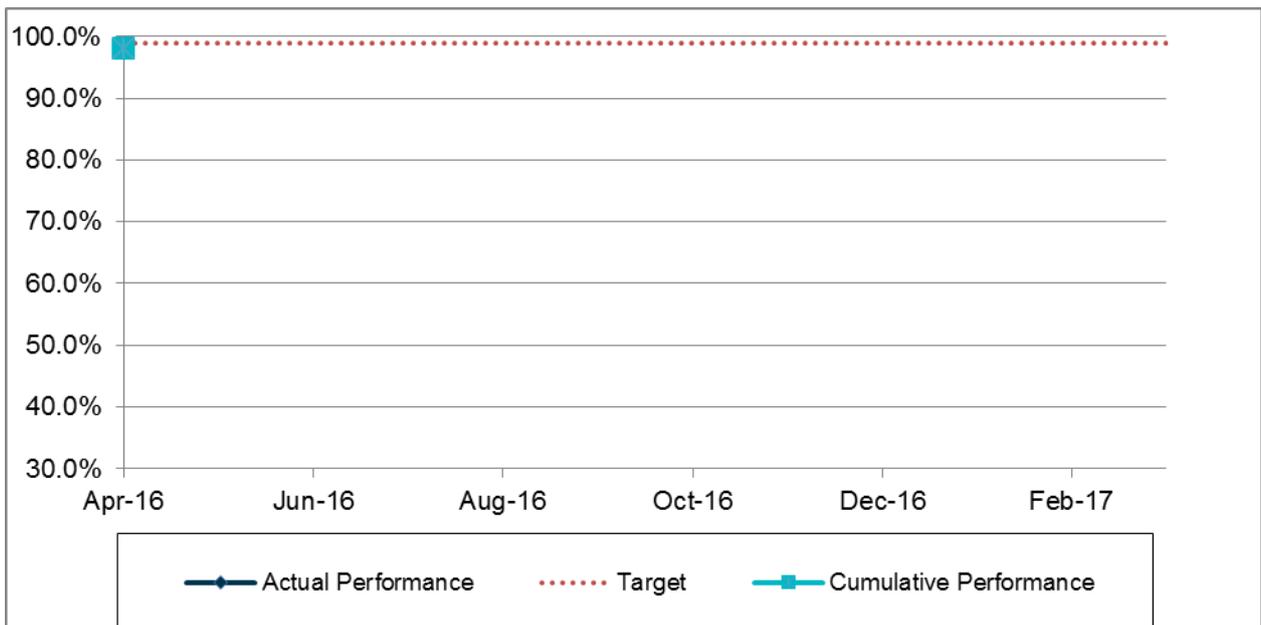
**Red/Amber/Green rating (secondary target):**  
 Green = figure matches or is higher than the target figure of 99%.  
 Amber = figure is between 94 and 98.9%.  
 Red = figure is 93.9% or lower.

### Graphical information and commentary:

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



#### KPI 1a - Secondary target (99% within 30 days)



2% of initial registrations took more than 30 days. These are cases where we required further information from applicants.

## 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.

February 2016		March 2016		April 2016		Year to date average	Year end target
Number	As a %	Number	As a %	Number	As a %		
1706	64.8%	1538	63.7%	1430	60.6%	60.6% (Red)	90%

*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

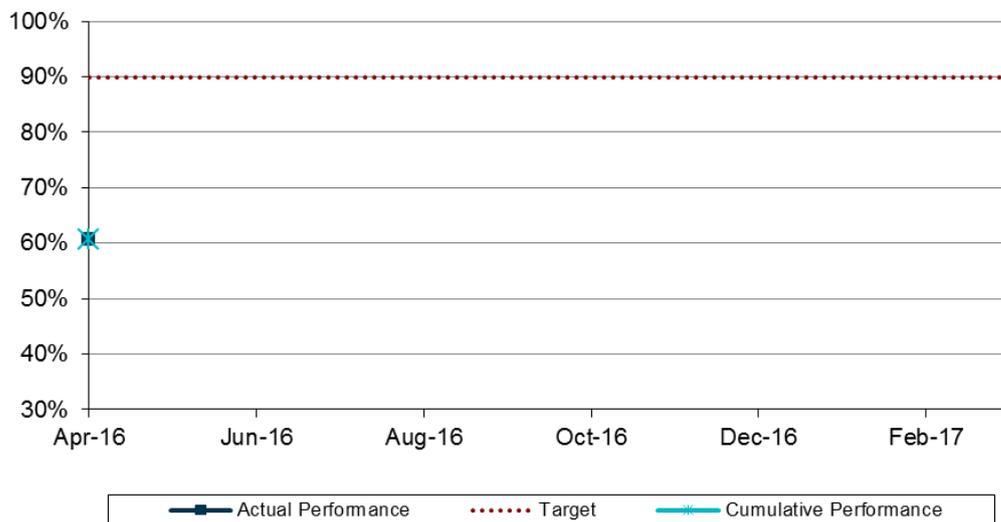
**Red/Amber/Green rating:**

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:



Overseas applications: 290 applications processed with 68 days = 100% of 290 assessments presented.

EU applications: 1140 applications processed within 68 days = 55.1% of 2068 assessments presented.

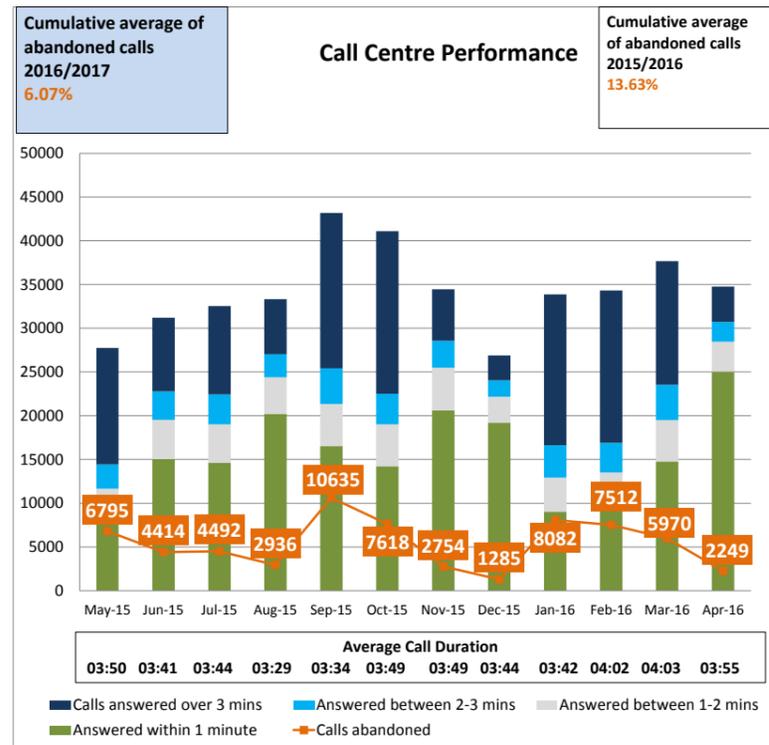
Performance for April is rated red, as a result of the exceptionally high number of EU applications which we are currently dealing with. The introduction of EU language controls in January 2016 had prompted an influx of applications from EU applicants attempting to apply

before the controls took effect, and although we had brought in additional resource in anticipation of this, the increase exceeded our expectations. KPI performance for January was significantly affected and over February to April we continued to work through the older assessments left from that influx, which depressed the KPI figures for those months.

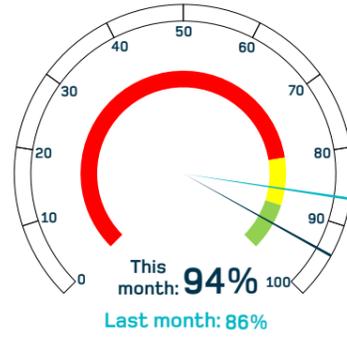
We are successfully reducing the queue and at present there are no files awaiting an assessment outside of 90 days. We are now in a position to return to above KPI-performance in the next month.

It should be noted that we are reporting for the first time in the new financial year and that the red rating only reflects April performance rather than a cumulative longer term one (rated amber in the KPI report at Item 11). The April figure of 60.6% is a slight dip from the February and March monthly figures.

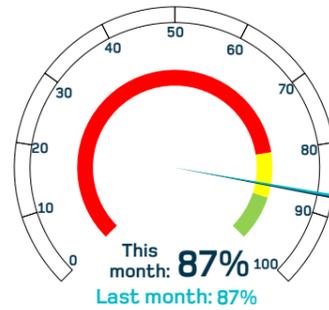




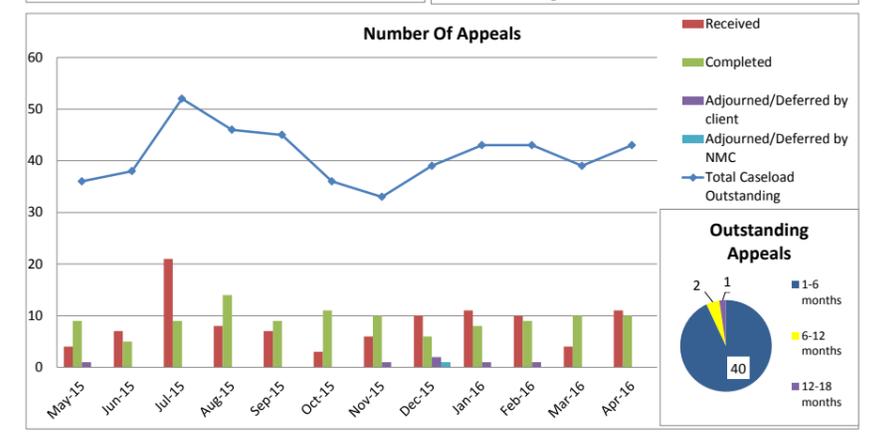
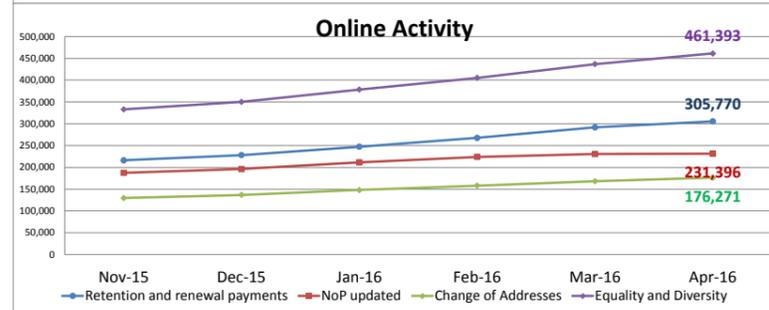
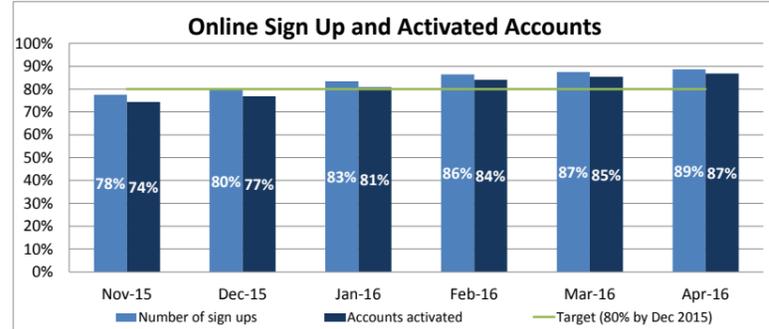
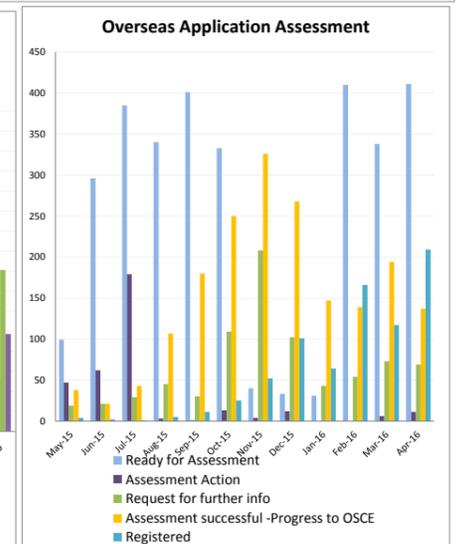
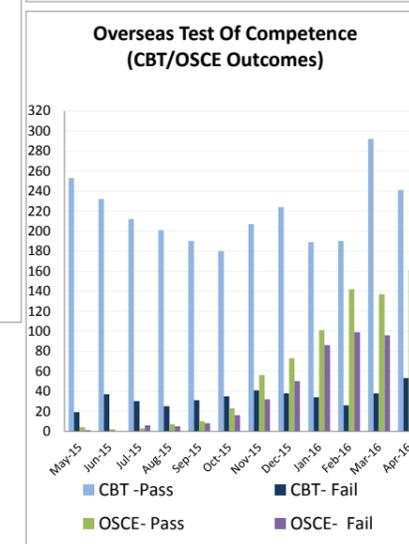
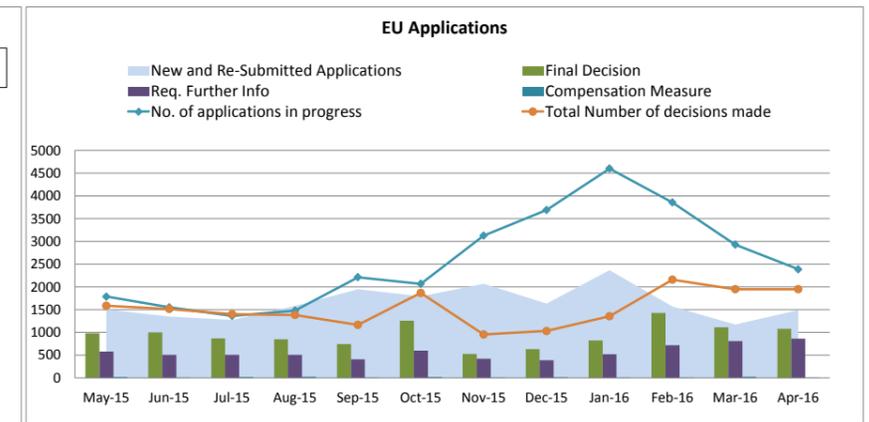
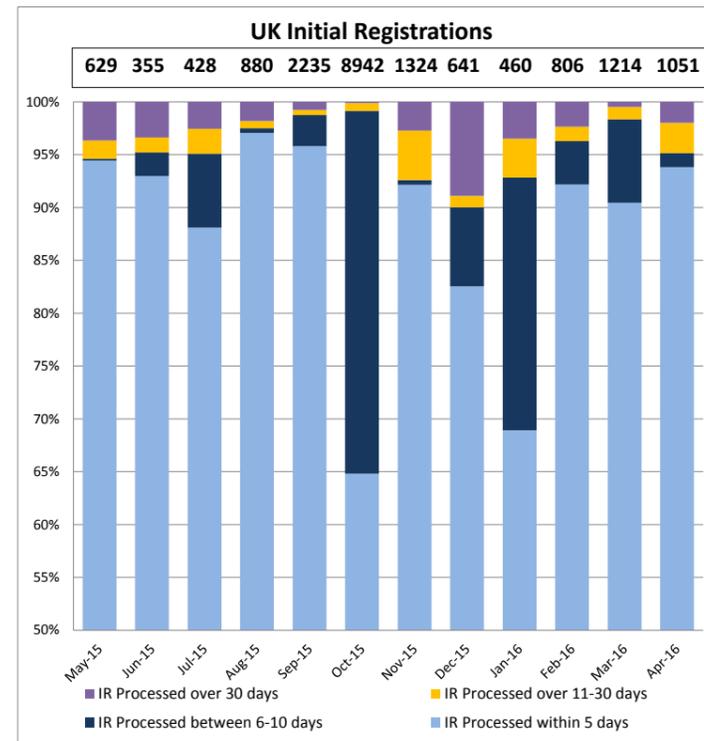
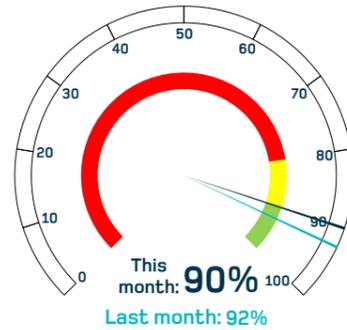
### Customer service - Calls answered



### Customer service - Rate your overall experience with Contact Centre



### Customer service - Did the Contact Centre resolve your query?





## **Fitness to Practise performance and risk update**

### **Performance overview**

This overview summarises key developments and performance in the Fitness to Practise (FtP) directorate and includes the FtP Key Performance Indicators (KPIs).

- 1 FtP performance was largely as expected and there were no material deviations from our activity plan. The overall caseload reduced by about fifty cases with 480 cases opened and 535 closed during the month. Early stage closures at screening exceeded our 60% assumption and tracked slightly below the 55% we have planned for at Case Examiners. Progression of cases through the process was in line with our plan.

### **Risk update**

- 2 Directorate risk FtP6: The risk that incomplete or unreliable data compromises decision making, reporting and planning has been rated as red on the FtP risk register. The reason for increasing the post mitigation risk score is that reporting from the case management system (CMS) has not been developed sufficiently to take account of new work stream functionality introduced in December 2015. This leaves a situation where data has to be manually collated and manipulated to produce operational and corporate reports. Time delays and errors are being experienced and are worse now than prior to the system upgrade.

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

### Strategic priority 1: Effective regulation

<b>Rationale</b>	A measurement of how quickly we protect the public in the most serious cases by applying restrictions to a nurse or midwife's practice.
<b>Definition</b>	<p>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.</p> <p>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.</p> <p>Cases which do not have an order imposed are not counted towards this measure.</p>

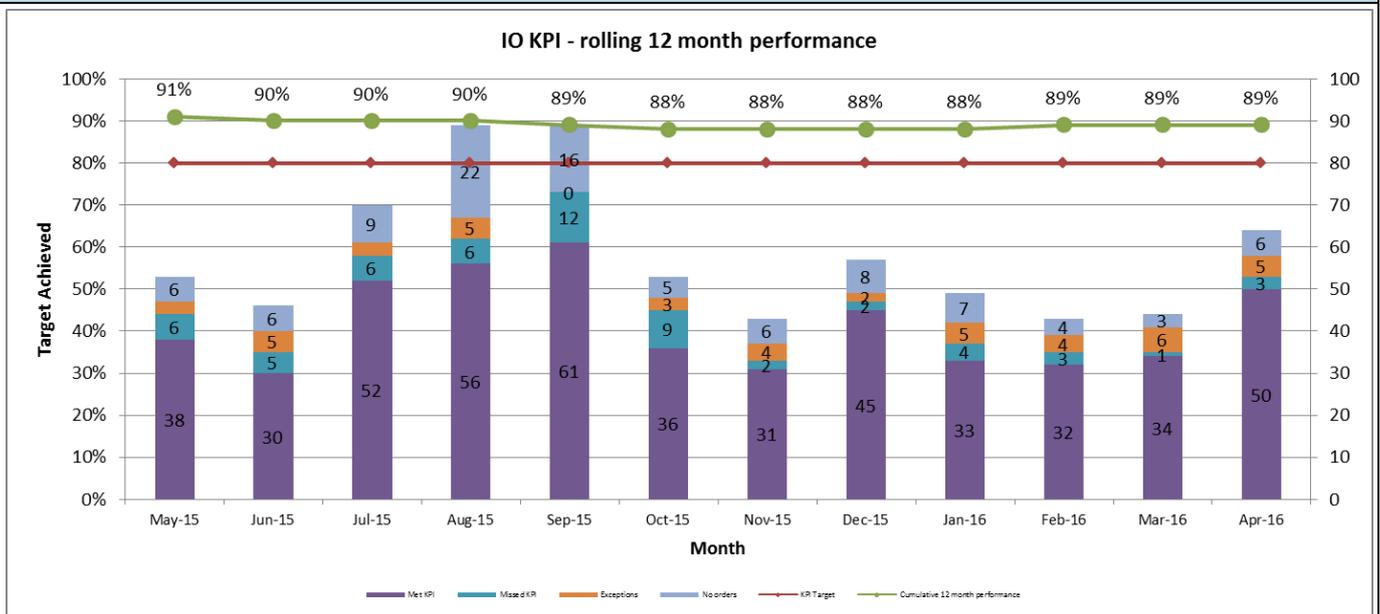
February 2016	March 2016 Average for 2015–16	April 2016	Year end average target
89%	89%	89% (Green)	80%

Each monthly figure is based on numbers for a rolling 12 month period.  
RAG rating: April figure 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 over the rolling twelve month period has remained consistent. There was no specific reason for the number of interim orders imposed in April being higher than usual.

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

### Strategic priority 1: Effective regulation

**Rationale** Measures timeliness of case progression and decision making.

**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.

February 2016	March 2016 Average for 2015–16	April 2016	Year end average target
78%	78%	78% (Amber)	80%

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

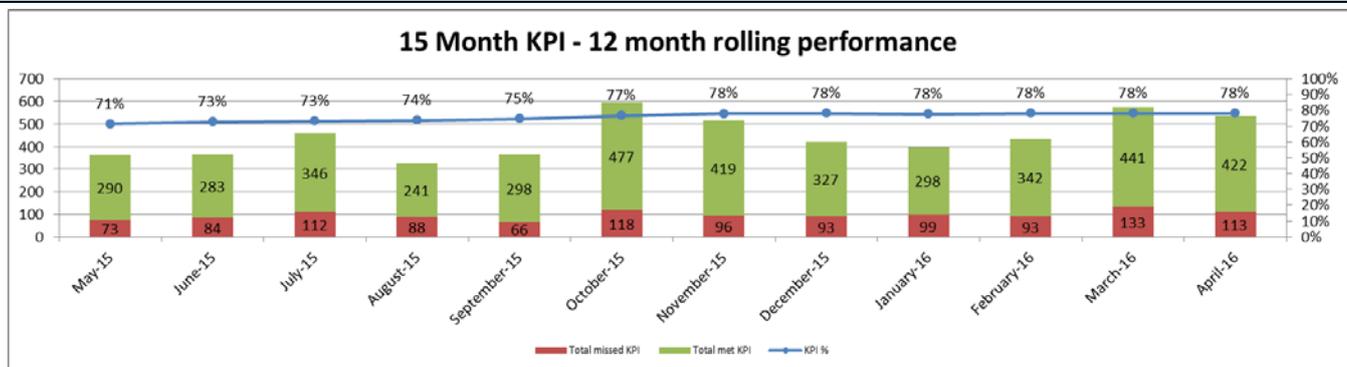
#### Red/Amber/Green rating

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:

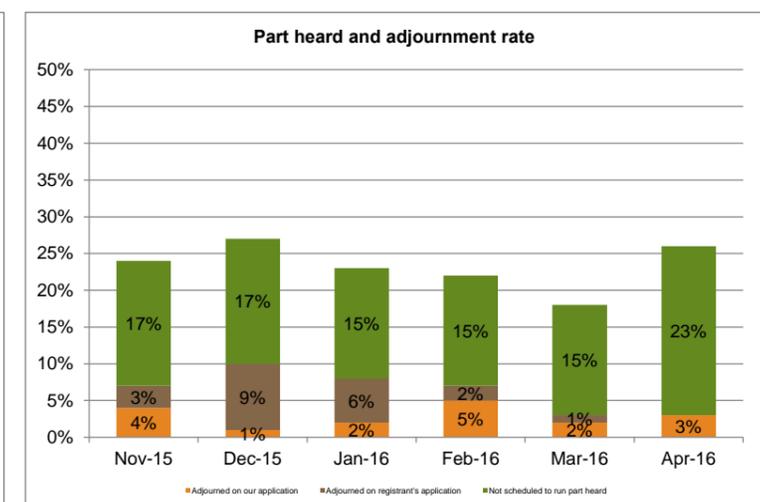
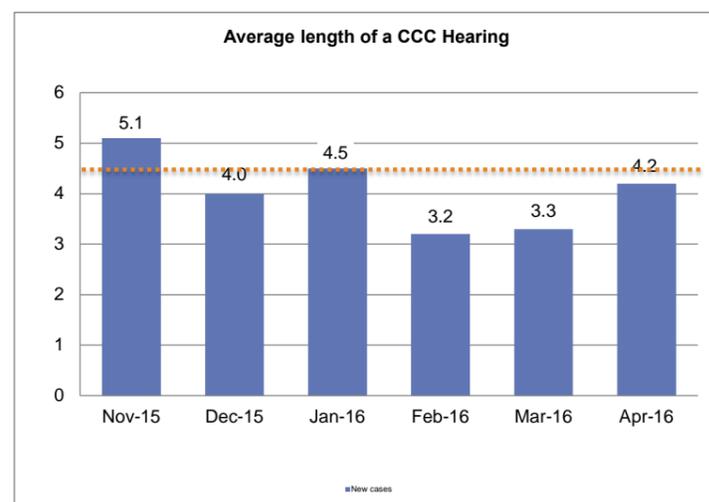
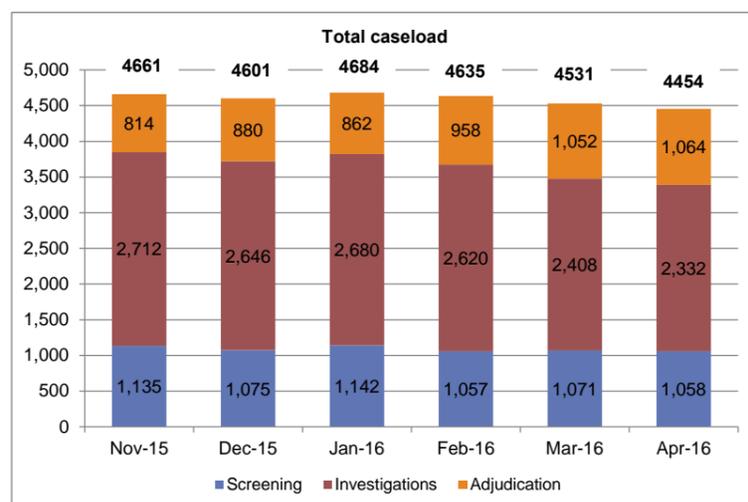
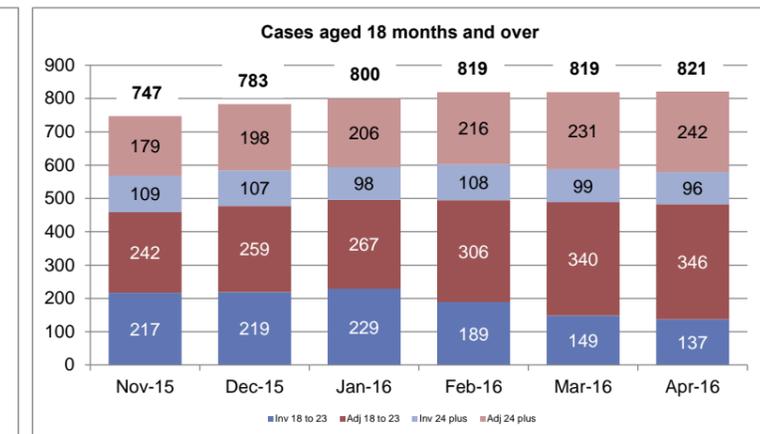
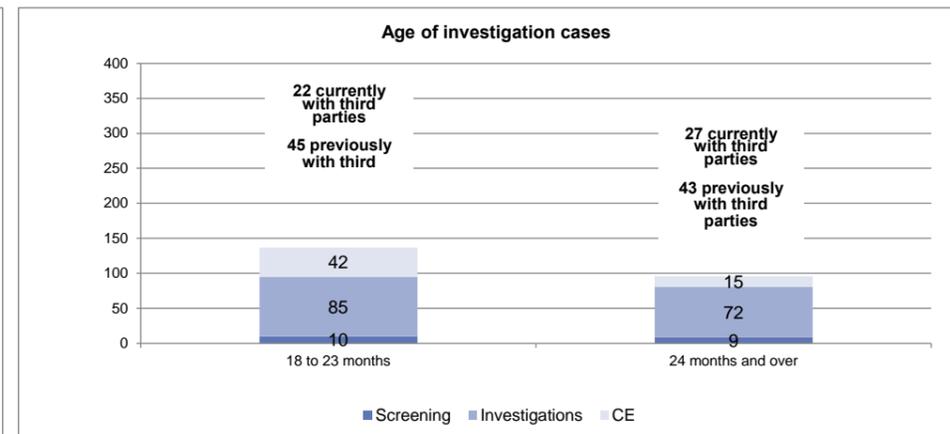
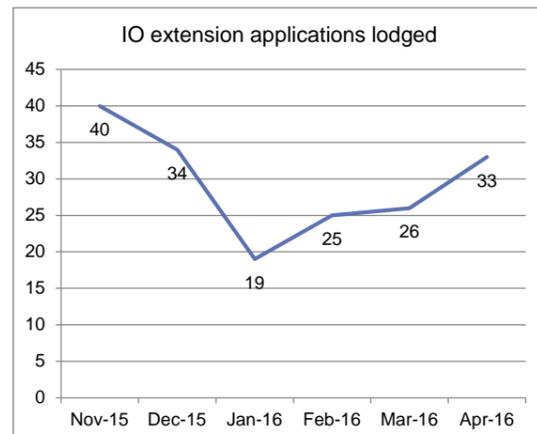
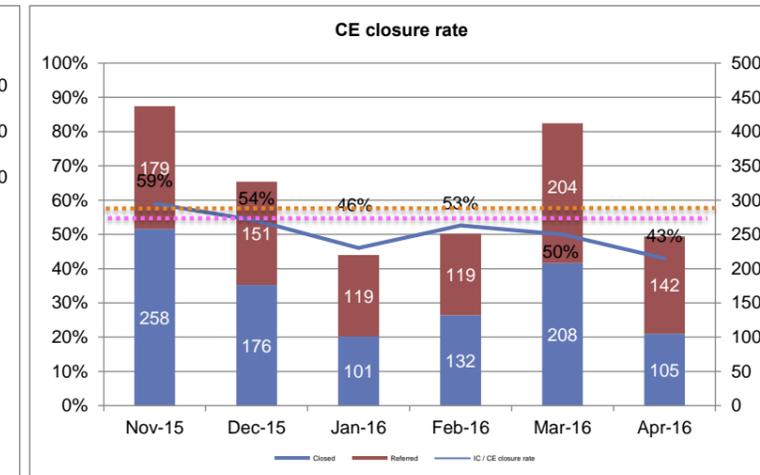
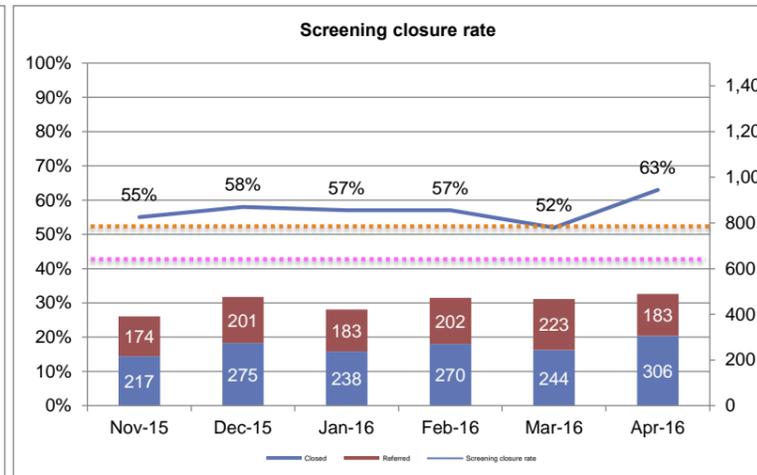
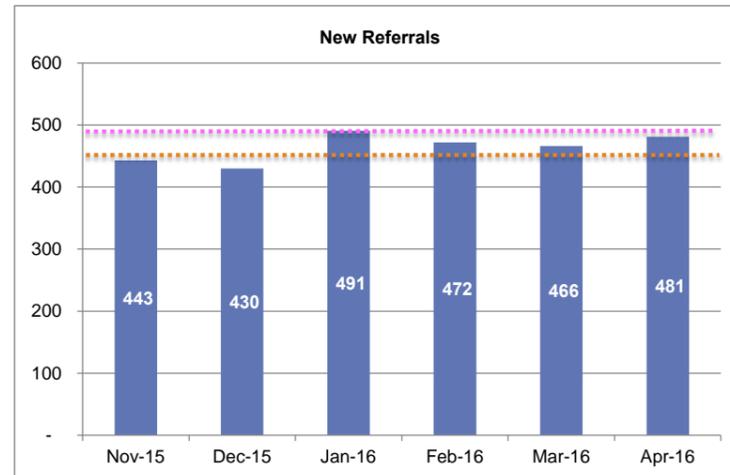


Cumulative performance over the last twelve months remained steady at 78%. This is in line with our forecast and we still anticipate that there will be a dip over the coming months before performance stabilises at around 80% in the third quarter.



## FtP Performance for November 2015 to April 2016

12 month average  
 2015/16 planning assumption





## Education, Standards and Policy performance and risk update

### Performance overview

This overview summarises recent operational developments in the area of education, standards and policy.

#### Education programme

- 1 Work has commenced across all areas of the education programme, with a significant focus on identifying timelines and governance at the programme level. Work on the education framework has primarily focused on defining the project scope, deliverables and timelines.
- 2 The independent review of education QA is currently progressing through the tendering process. We will be seeking an extension to our current QA contract which expires on 31 August 2016 to ensure business continuity while the independent review considers what our future QA model will be.
- 3 Work is also moving forwards on our comprehensive education programme stakeholder engagement and communications plan.

### Risk update

- 4 There are no red directorate level risks on the Education, Standards and Policy directorate risk register.



## Resources performance and risk update

### Performance overview

This overview summarises recent operational developments and performance in the Resources directorate.

### Finance and Procurement improvement

- 1 We continue to make progress with the finance and procurement improvement plans.
- 2 Three senior roles have been recruited to: an Assistant Director of Finance and Audit and interim Assistant Director of Procurement and Commercial are in post. The Director of Resources joins at the end of May.
- 3 A Finance Improvement Manager and interim Head of Finance Improvement, Financial Planning and Analysis are also now in post.

### Risk update

There are no red directorate risks on the Resources directorate risk register.

## 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.

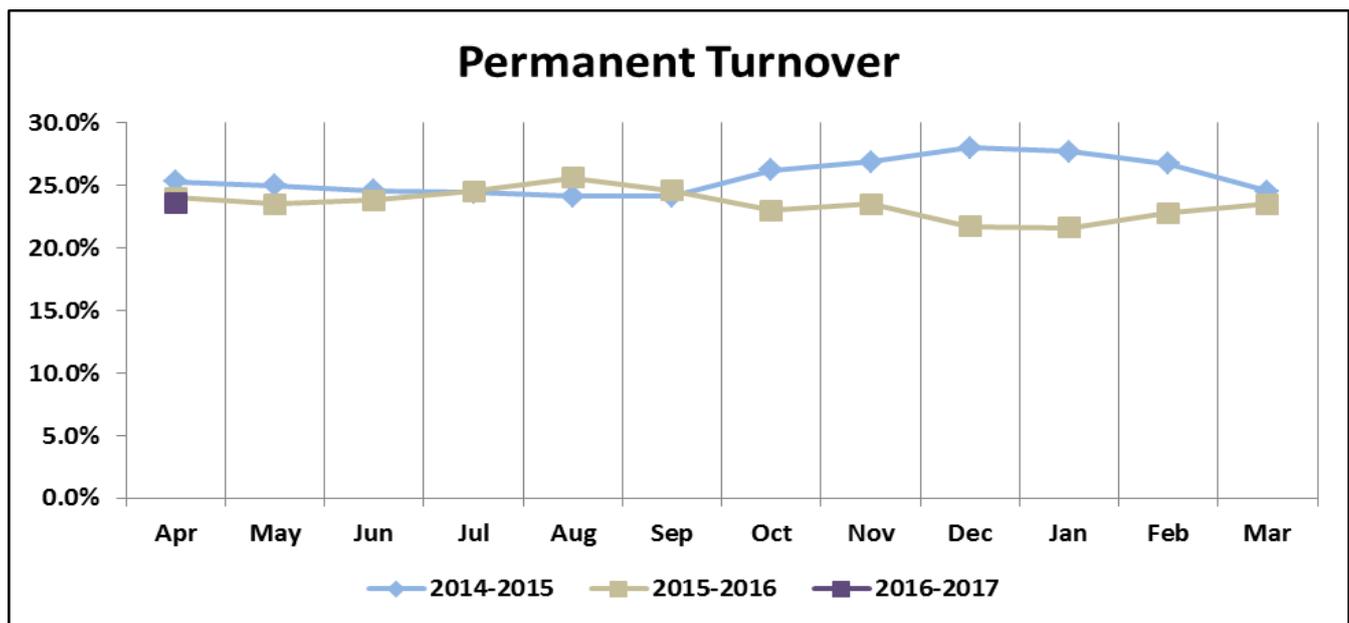
**Definition** This is the proportion of employees leaving in the previous 12 months expressed as a rolling average, but excluding end of fixed term contracts.

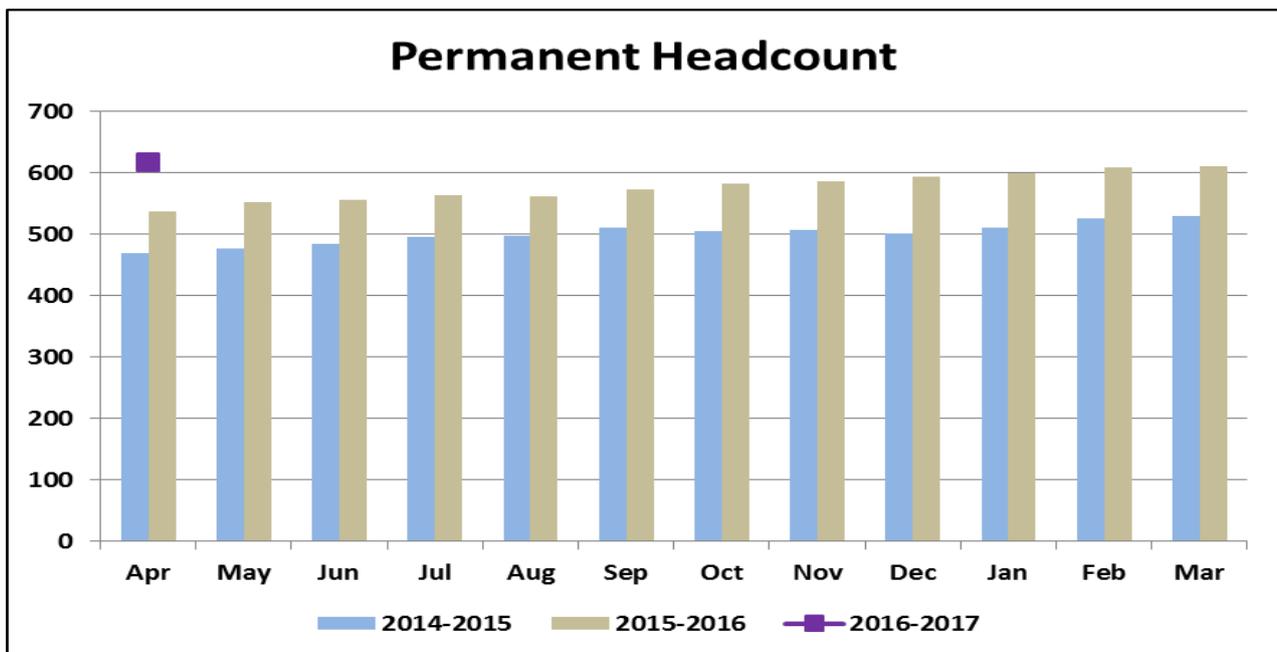
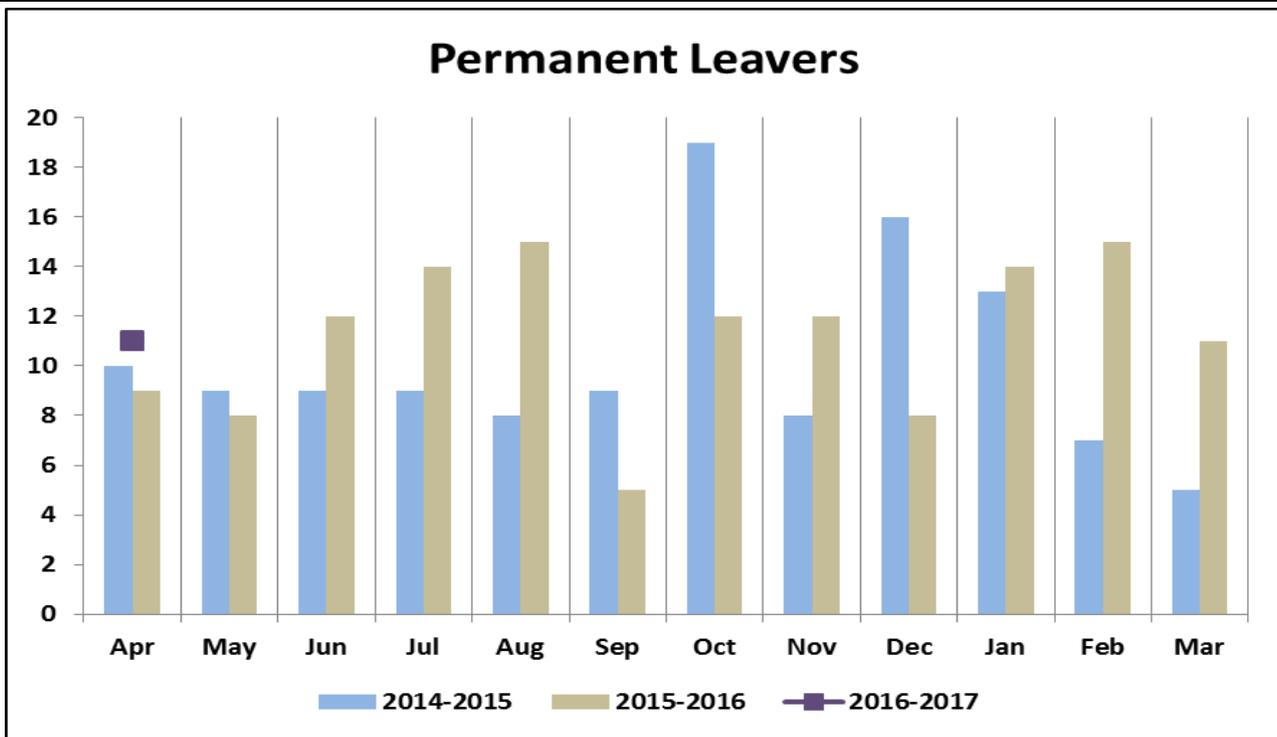
$$\frac{\text{Sum of permanent leavers in past 12 months (X)}}{\text{Average number of permanent staff in post in last 12 months (Y)}}$$

January 2016	February 2016	March 2016	April 2016
21.6%	22.8%	23.5%	23.6%

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:





**Commentary:**

The permanent headcount continues to increase, rising by six employees in April. The permanent headcount at the end of April was 617.

Turnover in April remained virtually unchanged compared to March increasing 0.1% to 23.6% from 23.5%. There were 11 permanent leavers in April and all of these were resignations including one by mutual agreement. There were six leavers in FtP and two of the leavers had less than 12 months service. There were five leavers from across Education, Standards and Policy, Business Delivery and Technology Services and OCCE. Of these leavers, two had less than 12 months service.



## **Business Delivery and Technology Services performance and risk update**

### **Performance overview**

This overview summarises recent developments and performance in the Business Delivery and Technology Services (BDTS) directorate.

### **IT Improvement**

- 1 The IT Improvement Programme has made good progress. Further information is provided in the IT Improvement and Portfolio dashboard at **Annexe 3h**.

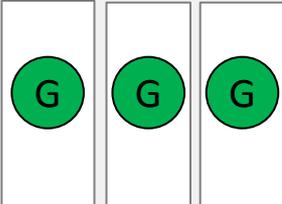
### **Risk update**

- 2 There are two red risks which have recently been transferred to the BDTS directorate risk register and which require review by the risk owner to ensure they are relevant and accurate as currently framed and appropriately scored. These are *Information management and governance* and *Data protection compliance (records retention)*. Once reviewed they will be reassessed to confirm whether inclusion in the corporate risk register is required.



## Executive Summary

Progress Risk Control



**The IT improvement programme has made good progress and is due for closure:** Second phase internal audit has been completed with a "green" clean bill of health. Moore Stephens confirmed that programme has been successful in delivering the outputs it was established to produce and demonstrated significant improvements since the first audit.

**Service management work stream work is ongoing and will be subsumed into business as usual:** Change management and problem management modules of work stream have made good progress. Significant issues with the footprints software has impacted delivery of this work stream for the past 4 weeks. The vendors are engaged but there is currently no confirmed estimate for resolution.

**Penetration test remediation work is ongoing and will be managed via business as usual:** 60% of the critical and high risk issues have now been closed. Remediation activities to be managed via weekly calls with suppliers by BAU teams to closure or risk acceptance subject to senior stakeholder approval.

A successful tender process has been completed for the datacentre transition project and planning is under way with the supplier OCSL. A dedicated PM resource has been recruited for this project

## Output Plan for Next Reporting Period

The IT improvement programme closure report has been submitted for Council review. Outstanding remediation work is being tracked and progressed via Business As Usual. Remaining work on Service Management work stream is being progressed via BAU.

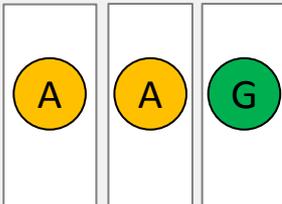
## IT Portfolio Summary

## Workstream Dashboard - Summary

WS 1: Portfolio Process		Completed
WS 2a: Service Management		MI process, customer portal and questionnaire roll out are in progress. BAU teams to progress.
WS 2b: Infrastructure Resilience		Completed
WS 2c: Commercial		Completed
WS3: DR		Completed
WS4: Strategy and Architecture		Completed
WS 5: Financial Management		Completed
WS 6: Comms & Engagement		Completed
WS 7: Business Transformation		Completed
WS 8: Information Security		60% of Critical / High vulnerabilities remediated. Remaining actions managed by BAU teams.

## Executive Summary

Progress Risk Control



- The first release of Phased payments project is now scheduled for Go Live on 6 Jun subject to final project board confirmation at the scheduled formal decision point.
- The enhancements to revalidation readmission, MRPQ and revalidation have been successfully released 22-24 April.
- Post go live issues with major project releases have been minimal and very pro-actively managed.
- A Corporate delivery plan for FY 16/17 is in place and initial priority is being given to six priority items shown in the panel to the right. Further work to assess whether additional capacity to support more change activity is required and can be procured.
- We are procuring a resource management tool to support better resource deployment and costs tracking across a range of projects..
- Contract for new Data Centre has been signed and we are now working with the new supplier (OCSL) on the implementation plan.
- Additional potential work could result from high profile activities currently under consultation or discussion and this is being monitored.

## Output Plan for Next Reporting Period

- Procure PPM tool and begin rollout.
- Deliver first release of Phased Payments and continuation of enhancements to revalidation and MRPQ.
- Complete business case and programme definition for Future Professional programme.
- Monitor Section 60 consultation process and prepare for implementation.
- Deliver CMS 4.1 remediation work and 4.2 release.
- Baseline plan for Data Centre transition.
- Ensure portfolio and transformation programme touch points are identified.

## Project Dashboard - Summary

Revalidation	
Phased Payments	
MRPQ	
Education Programme	
Section 60	
Datacentre Transition	



## Corporate risk summary

Ref	Date of entry	Corporate risks	Risk rating	Movement <i>Since last Council</i>	Status <i>Recent developments, planned mitigations</i>
CR26	April 2016	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.	<b>A</b>		This risk will be mitigated by the delivery of our Education Strategic Plan 2016–2020. It is likely to remain amber for some time.
CR27	April 2016	We must ensure that only those who meet our requirements can enter or remain on our register.	<b>A</b>		Process improvement, including continued automation of processes, is being taken forward in 2016–2017 to mitigate this risk. A data integrity review is also underway.
CR28	April 2016	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.	<b>A</b>		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.
CR29	April 2016	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	<b>A</b>		We will appoint a designated strategic intelligence lead to drive forward our work on the use of internal and external data and intelligence on a cross-organisational basis.

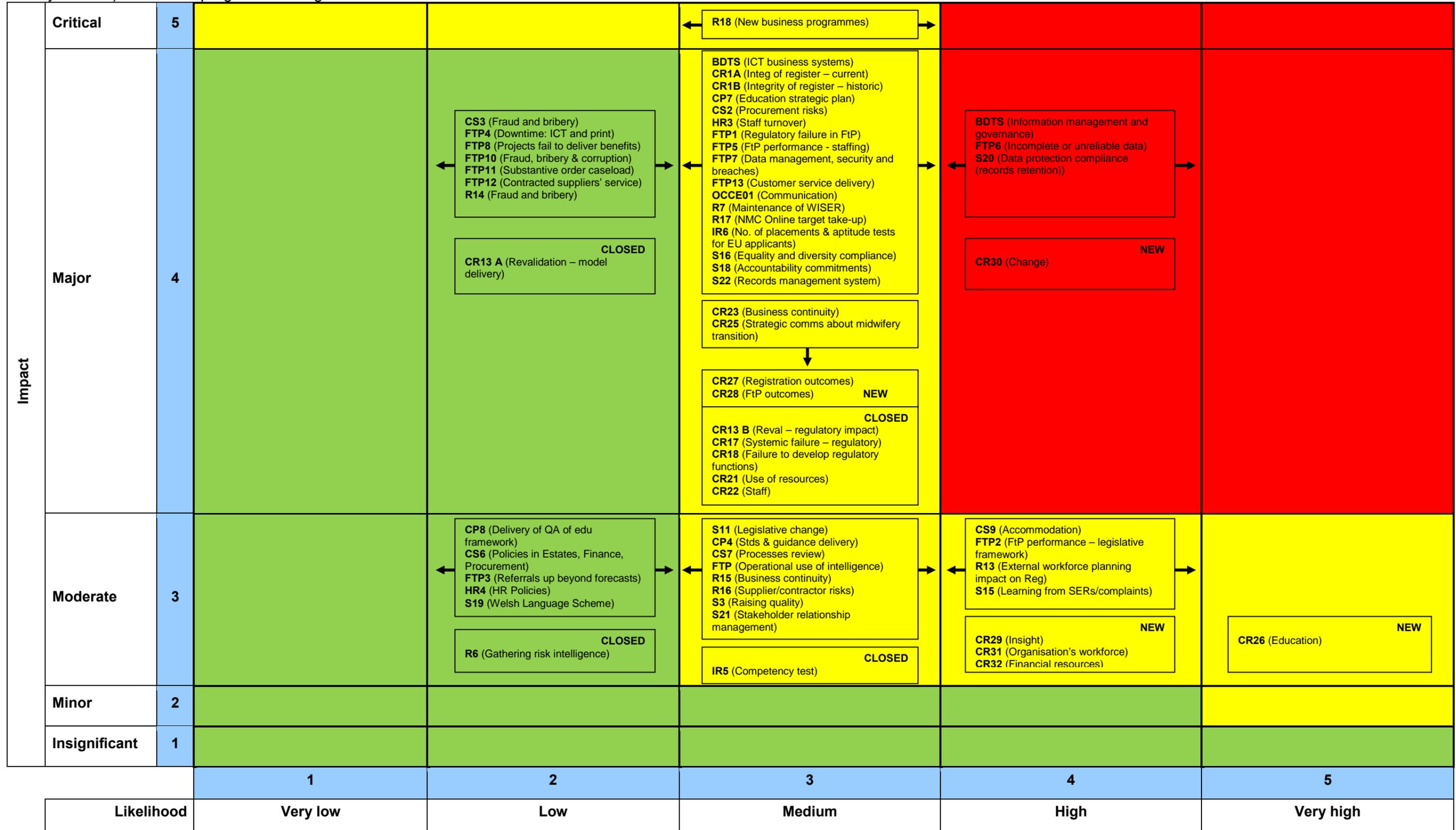
		that impact our regulatory work.			
CR25	Feb 2016	Midwifery transition and strategic communication - we must engage and communicate effectively with the sector about the changes.	A		Risk score reduced as part of review and revision of the corporate risk register. Recent mitigations have included writing to all midwives on our register about the DH consultation, and the finalisation of a detailed communications plan covering all stakeholders. We are 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.
CR30	April 2016	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.	R		Work is progressing on defining how the NMC will operate as a dynamic regulator and the development of a Transformation programme roadmap. 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 the major change to achieve our Strategy.
CR31	April 2016	We must ensure that we have the right organisational structure, culture and capabilities in place to deliver the corporate strategy and achieve transformational change.	A		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, with a focus on Transformation.

CR32	April 2016	We must manage our financial resources in the most efficient and sustainable way and communicate our approach in a transparent and articulate manner.	A		We are working to deliver an in-year 5% stretch target. A financial strategy is being developed for consideration by the Council in July 2016. Our Transformation programme is being put in place to deliver longer term efficiencies.
CR23	July 2015	We must ensure we are prepared in the event of actions giving rise to a loss of business continuity.	A		Risk score reduced as part of review and revision of the corporate risk register. Key planned mitigations for Q2 and Q3 are completion of a business continuity policy, framework, training and plan.



**Risk heat map of all corporate and directorate risks as at 6 May 2016**

This map shows post-mitigation score changes for corporate and directorate risks between 9 March 2016 (preparation of papers for 23 March Council) and 6 May 2016 (preparation of papers for 26 May Council). Work is in progress to realign directorate risks with the new directorate structure and to ensure risks remain relevant.



**Arrows indicate the direction of travel:**  
 ↑ Risk score has increased since 9 March 2016  
 ↓ Risk score has decreased since 9 March 2016  
 ↔ Risk score has stayed the same since 9 March 2016

**Risk references:**  
 CR: Corporate risk  
 BDTS: Business Delivery & Tech Services  
 FTP: Fitness to Practise risk  
 IR: Registration risk (International Reg)  
 R: Registration risk  
 S: Strategic risk

CS: Estates, Finance & Procurement risk  
 CP: Continued Practice risk  
 HR: HR and OD risk  
 OCCE: OCCE risk

**Risk scores:** 1-8 (Green) 9-15\* (Yellow) 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



## Council

### Chief Operating Officer's report 2015–2016

**Action:** For discussion.

**Issue:** Reports on performance and risk management for the financial year 2015–2016.

**Core regulatory function:** All regulatory functions.

**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:** No decision is required. The Council is asked to:

- Discuss the Quarter 4 and end of year assessment of progress against the corporate plan for the year 2015–2016 (paragraph 7).
- Discuss the progress against our Key Performance Indicators (KPIs) for March 2016 and the end of year summary of corporate KPI figures for 2015–2016 (paragraph 15).
- Discuss the summary of the movement of corporate risks during the year (paragraph 21).

**Annexes:** The following annexes are attached to this paper:

- Annexe 1: Quarter 4 and end of year assessment against the corporate plan for the year 2015–2016.
- Annexe 2: Progress against our KPIs for March 2016 and an end of year summary of corporate KPI figures for 2015–2016.
- Annexe 3: Registration performance dashboard 2015–2016.

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

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**Context:** 1 This paper provides an overview of performance and risk management for the financial year 2015–2016.

**Discussion: Quarter 4 and end of year assessment against the corporate plan for 2015–2016**

- 2 **Annexe 1** reports on our progress in Quarter 4 and presents a summary of performance for the year against our corporate plan 2015–2016. It also provides an end of year assessment based on a red/amber/green rating system.
- 3 Our corporate plan originally made 22 commitments for 2015–2016. In November 2015 the Council reviewed progress against the commitments and agreed to reframe some of the commitments to reflect a more realistic picture of what could be achieved by 31 March 2016. One commitment, to establish a student forum and carry out a student survey, was removed as it was agreed that important work to engage with students should be taken forward as part of our wider communication and engagement plan. Therefore we are reporting against 21 commitments as at 31 March 2016.
- 4 Our assessment of the 21 commitments for 2015–2016 is that:
  - 4.1 We delivered 10 of our commitments (green).
  - 4.2 We delivered some of the planned activity for seven of our commitments (amber).
  - 4.3 We did not complete significant aspects of planned activity for four of our commitments and significant work has to carry forward to 2016–2017 (red).
- 5 The red-rated commitments are:
  - 5.1 Deliver a programme of quality management reviews across all our regulatory directorates. Quality objectives will be incorporated into staff objectives and we will review the overall impact of our quality programme in early 2016.
  - 5.2 Strengthen our approach to managing regulatory risk intelligence about settings where nurses and midwives practise. We will do this by establishing new systems and processes alongside the employer link service for collating, evaluating and acting on intelligence about risk from different sources
  - 5.3 Deliver a programme of research and analysis activities that provides insight for effective regulation – for example work to improve insights from fitness to practise data.

- 5.4 Carry out an assessment and mapping of our data and begin a programme of data cleansing as essential groundwork for our future data and intelligence gathering, reporting and dissemination.
- 6 We will progress work to address these red-rated commitments in 2016–2017 as follows:
  - 6.1 We are developing a revised approach to quality assurance.
  - 6.2 We will develop an overarching strategy for data, intelligence and research to drive a coherent approach to our work in this area.
- 7 Recommendation: The Council is invited to discuss the Quarter 4 and end of year assessment of progress against the corporate plan for the year 2015–2016.**

### Key Performance Indicators

- 8 **Annexe 2** provides information on March 2016 progress against our Key Performance Indicators (KPIs) as well as a summary of progress across the 12 month period.
- 9 We partially met KPI 1a (UK registration).
  - 9.1 Primary target met (95% in 10 days): despite a dip in performance as a result of the September/October peak volumes, our performance against the primary target remained strong overall.
  - 9.2 Secondary target not met (99% in 30 days): we experienced a dip in performance over November and December whilst we managed a number of more complex UK applications received during the peak volume months of September and October. This dip affected our performance overall and we just missed achieving the secondary target. We have strengthened our resource planning in response.
- 10 We did not meet our target for KPI 1b (EU/overseas registrations). Our performance in Q4 was adversely affected by a larger than expected influx of EU applications, in turn driven by the introduction of language controls. The backlog of these applications should be completed before May 2016, with performance for May expected to be around the target level.
- 11 We achieved our target for KPI 2 (interim orders). Our performance in imposing interim orders within 28 days remained steady over the year, fluctuating between 92% and 88%.
- 12 We achieved our aim of maintaining our available free reserves

between £10 million and £25 million.

- 13 We did not have targets for KPIs 3 (FtP 15 month performance) and 5 (staff turnover rate). Our performance for concluding FtP cases within 15 months improved steadily over the year. The staff turnover rate fluctuated between 21% and 26% over the year, with a 1% overall decrease between the points of March 2015 and March 2016.
- 14 A dashboard showing supplementary Registration information is at **Annexe 3**.
- 15 **Recommendation: The Council is invited to discuss the progress against our Key Performance Indicators (KPIs) for March 2016 and the end of year summary of corporate KPI figures for 2015–2016.**

## Risk

- 16 The corporate risk register was refreshed half way through the financial year. In October 2015 the Council adopted the refreshed register as a working document which remained in place for the remainder of the financial year. An overview of key risk movement during the year is presented below.
- 17 At the beginning of the financial year, we had three red risks on the corporate risk register. Of these, CR13B *Revalidation – system impact and readiness* was reduced to amber in September 2015 when the risk was reframed to focus on *regulatory impact*. CR6 *Information security* was closed in November 2015 as a result of the risk register refresh exercise, and replaced by CR24 *Information management and governance* which remained red-rated for the remainder of the financial year. CR12 *ICT business systems* was reduced to amber in November 2015 and remained amber for the remainder of the financial year.
- 18 A new red risk CR25 *Midwifery strategic communications: communicating about the transition* was escalated to the register in February 2016, following discussion by the Midwifery Committee in February.
- 19 Following the mid-year refresh exercise the following corporate risks remained amber-rated for the remainder of the financial year with no score changes:
  - 19.1 CR17 *Systemic failure of one of our regulatory functions*
  - 19.2 CR18 *Failure to develop our regulatory functions*
  - 19.3 CR19 *Operational use of intelligence*
  - 19.4 CR20 *Communication*

19.5 CR21 *Use of resources and sustainability*

19.6 CR22 *Staff - capacity and capability now and in the future*

19.7 CR23 *Business interruption* (escalated from directorate level in July 2015)

20 Risk CR13A *Revalidation - programme delivery* was green-rated until September 2015 when it was reframed around *model delivery* as part of the refresh exercise and increased to amber, until January 2016 when it reduced to green.

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

**Public protection implications:**

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

**Resource implications:**

23 The Financial monitoring report elsewhere on the Council's agenda includes an out-turn report for the year 2015–2016.

**Equality and diversity implications:**

24 The Quarter 4 and end of year summary against our corporate plan 2015–2016 includes a report against our commitment in that plan to promote equality, diversity and inclusion in carrying out our functions as a regulator, a service provider and as an employer.

**Stakeholder engagement:**

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

**Risk implications:**

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

**Legal implications:**

27 No direct legal implications.

## Quarter 4 and end of year progress assessment against the Corporate plan 2015–2016

This report states (a) progress made in quarter 4, 1 January to 31 March 2016, and; (b) whether we have completed the work that we said we would do in 2015–2016 as set out in the Corporate plan 2015–2016.

### Overview of performance for the year 2015–2016 by strategic priority

	Red	Amber	Green
<b>Strategic priority 1:</b> Effective regulation	1	2	5
<b>Strategic priority 2:</b> Use of intelligence	2	0	0
<b>Strategic priority 3:</b> Communication and collaboration	0	1	3
<b>Strategic priority 4:</b> An effective organisation	1	4	2
<b>Activity RAG totals (21 in total)</b>	<b>4</b>	<b>7</b>	<b>10</b>

### Key to the table headings

<b>Commitment for 2015–2016</b>	This is the work we planned to undertake as stated in the Corporate plan 2015–2016.	
<b>Q4 update</b>	States performance during quarter 4 and progress / achievements made.	
<b>Review of the year</b>	States highlights, achievements and setbacks in relation to the commitment and whether work contributed towards meeting any external recommendations. States any work to be carried over into the new year.	
<b>Red/amber/green (RAG) rating for the year</b>	<b>R</b>	Corporate plan commitment was not achieved.
	<b>A</b>	Parts of this Corporate plan commitment were not achieved, possibly due to realignment of activities with a changing focus, factors not wholly within our control or other tolerable and agreed reasons.
	<b>G</b>	Corporate plan commitment was achieved, including outcomes.
<b>For reference: PSA 2014–15</b>	States our performance during 2014–2015 as assessed by the PSA against the Standards of Good Regulation. This is here to give wider context to our own assessment of our performance.	

## Strategic priority 1: Effective regulation

We must deliver our core statutory regulatory functions consistently well in order to protect the public and secure public confidence. We will continue to improve our core functions, focusing on speed, customer service and the quality of our decisions. In addition we will need to respond to new requirements and legislative change.

	Commitment for 2015–2016	Q4 update	Review of the year	RAG for the year	PSA 2014-15
1	Work in partnership with the four UK governments to launch an effective, transparent and proportionate model of revalidation in late 2015.	<p>There was consistent strategic engagement with the four countries and senior leads to support preparations for the implementation of revalidation on 1 April 2016.</p> <p>Registrations staff have been recruited and trained to meet demand.</p> <p>The online revalidation application system was successfully launched on 15 January 2016. By 31 March 2016, 95% of registrants due to revalidate in April had NMC Online accounts and revalidation applications were on track.</p>	<p>We have successfully launched revalidation. All nurses and midwives on our register will revalidate over the next three years.</p> <p>Implementation of a communications plan, strategic level engagement and support across the four countries led to sufficient four-country readiness to inform the Council's decision in October 2015 to introduce revalidation.</p> <p>A full independent evaluation has been commissioned and the scope has been developed with input from the four countries.</p>	G	Edu & training 2, Reval (not met)
2	Make the necessary changes to our processes to implement the new requirements of the EU Directive on Mutual Recognition of Professional Qualifications. This will include introducing language controls.	<p>New language control processes launched on 18 January 2016. Processes and guidance have been adjusted across the FtP case management areas to ensure that allegations of language impairment are directed appropriately.</p> <p>The ability to issue FtP alerts and deal with European Professional Cards is in place and will be ongoing.</p>	<p>We carried out an extensive programme of work to deliver the changes required to implement new requirements of the EU Directive on Mutual Recognition of Professional Qualifications (MRPQ).</p> <p>Further engagement work regarding minimum EU training standards and the common training framework will continue throughout 2016-17.</p> <p>Guidance setting out appropriate direction for cases involving language impairment allegations has been introduced for all decision makers in FtP.</p>	G	

3	<p>Embed and evaluate the new case examiner function, implement the new powers to review 'no case to answer' decisions, and invest in strengthening our screening and investigation functions to secure consistent quality of regulatory decisions across all our fitness to practise processes.</p>	<p>Case Examiner development and refresher training is underway and is incorporating learning from feedback circles and an evaluation of the power to review process which has recently concluded.</p> <p>The dedicated Screening Legal team has been successfully embedded and will further strengthen front end decision making.</p>	<p>The Case Examiner function has been successfully embedded into the FtP process. Case examiners made around 3,300 decisions during the year with no case to answer decisions accounting for 56% of them (planning assumption was 51%). We have been informally monitoring and evaluating the impact. Reviews in Q2 and Q3 show clear and robust reasoning being applied. It is too early to undertake any formal evaluation but we will consider how and when to assess the outcomes.</p> <p>The power to review process has also been successfully implemented. To date there have been 79 applications for review and ten of those have resulted in an Assistant Registrar concluding that a fresh decision is required in the public interest.</p> <p>The screening function has been strengthened with more senior decision making capacity and lawyer resource. Results are evident in the increase in case closure decisions being made at this stage.</p>	<p><b>G</b></p>	<p>FtP 5 – Process (inconsistently met)</p>
					<p>FtP 7 – cust service (not met)</p>
					<p>FtP 8 – Decisions (not met)</p>
4	<p>Establish an employer link service which facilitates information sharing, increases understanding of our processes and helps employers decide which fitness to practise concerns warrant referral to us and which are better handled locally.</p>	<p>Implementation of the service was completed in February and business as usual commenced from April.</p>	<p>The ELS has been successfully launched and since April 2016 has been business as usual. All NHS trusts and Health and Social Care trusts or boards have been introduced to the service.</p> <p>We recognise that ELS is in its infancy and it will take time for information sharing to fully develop to the extent that it impacts on employers' decisions and referrals.</p> <p>A full team will be in post by June 2016 and a review of the first phase will take place in the new financial year.</p>	<p><b>G</b></p>	<p>FtP 1, referrals (met)</p>
					<p>FtP 2, info sharing (met)</p>

5	Develop the necessary policy positions for specific aspects of the register in preparation for a possible regulation bill. We will carry out initial scoping and research for a longer term review of the role, structure and content of the register to ensure it supports public protection in a changing healthcare and practice landscape.	<p>Role of the Register work has been refocused to take account and link into arising matters such as nursing associates, future nurses and nursing apprenticeships.</p> <p>Scoping has been undertaken through several focus groups to rationalise the options for the structure of the register.</p>	<p>Due to changes in the external context (no Bill) not all of the work envisaged when this commitment was made has been completed. For this reason this commitment remains amber but can be regarded as complete.</p> <p>All the relevant outstanding work will be taken forward in 2016-17, including the development of policy positions on information on the register and annotations, aligned to our education agenda.</p>	<b>A</b>	
6	Publish the NMC's strategic plan on nursing and midwifery education for the future.	Our education strategic plan was agreed by the Council at its meeting in March 2016.	<p>Our education strategic plan was approved at the Council meeting in March 2016 and identified the development of standards of proficiency for the future nurse, an independent review of our QA of education, the education framework and a communications and engagement plan as the key priorities for 2016-17.</p> <p>This commitment is rated amber, as our education strategic plan focuses on nursing and does not yet set out timescales for the review of pre-registration midwifery standards.</p> <p>Work on the future standards of proficiency for midwifery is now anticipated to commence in Q1 of the 2017-18 financial year.</p>	<b>A</b>	
7	Undertake policy and legislation development work towards removing midwifery supervision from our legislation.	<p>We supported the DH in preparing its Section 60 consultation. This has included:</p> <ul style="list-style-type: none"> <li>• Review of draft consultation materials.</li> <li>• Engagement at national stakeholder forums.</li> <li>• Engagement with our stakeholders.</li> </ul>	<p>All of the policy and legislation work associated with the Section 60 has been carried out.</p> <p>Our focus is now on engaging and communicating effectively with the midwifery community, stakeholders and service users about the proposed changes and supporting a smooth transition.</p>	<b>G</b>	

		We have also undertaken a range of work on consequential changes we will be required to make as a result of DH led changes.			
8	Deliver a programme of quality management reviews across all our regulatory directorates. Quality objectives will be incorporated into staff objectives and we will review the overall impact of our quality programme in early 2016.	<p>We conducted a survey across regulatory functions to assess the effectiveness of quality assurance QA reviews.</p> <p>We produced a QA annual report detailing common themes and details of actions taken to address these.</p>	<p>This commitment is rated red because the Council asked that we review our approach. This work is underway.</p> <p>Nine of eleven QA reviews were completed in year.</p> <p>The requirement to incorporate quality objectives into staff individual performance and development plan (IPDP) objectives was launched in April 2015. An internal audit review found a reasonably embedded practice of including quality in IPDP objectives.</p>		R

### Strategic priority 2: Use of intelligence

**By better using evidence from data and research we will gain insights into what we do, helping us to be more effective, transparent and proportionate. As a first step, we need to ensure that our systems support the improvement of the collection and use of both our own data and intelligence from other sources.**

	Commitment for 2015–2016	Q4 update	Review of the year	RAG for the year	PSA 2014-15
9	Strengthen our approach to managing regulatory risk intelligence about settings where nurses and midwives practise. We will do this by establishing new systems and processes alongside the employer link service for collating, evaluating and acting on intelligence about risk from different sources.	We conducted a cross-directorate workshop for directors and assistant directors, the outcomes of which are being used to scope the function of the proposed Risk Intelligence Unit.	<p>The red rating reflects our recognition that although we have made some initial progress, we are still at very early stages and have considerable further work to do, particularly on a four country-wide basis.</p> <p>We have begun routinely sharing information with the Care Quality Commission (CQC).</p> <p>Our case management system has been developed to enable non case-related intelligence to be stored centrally and linked to specific settings.</p>	R	

			<p>There is a limited risk intelligence function in operation using the structured data and intelligence the organisation currently holds. We are able to report on basic aspects of FtP referrals such as where they have come from. The function has already begun to operate as a central corporate unit by collating, evaluating and acting on intelligence by making referrals to other organisations such as professional regulators, system regulators and barring agencies.</p>		
10	<p>Deliver a programme of research and analysis activities that provides insight for effective regulation – for example work to improve insights from fitness to practise data.</p>	<p>We awarded the contract for the longitudinal evaluation of revalidation.</p> <p>We undertook internal data analysis activities in relation to revalidation and developing public reporting.</p> <p>We drafted a specification for the evaluation of the test of competence.</p> <p>Good progress has been made with the projects on coding fitness to practise allegations and black and minority ethnic (BME) registrants in fitness to practise. The outcomes will provide us with greater insights.</p> <p>We have been developing research projects to assist the employer link service in further understanding and responding to employer needs.</p> <p>A framework has been developed to help inform future research prioritisation.</p> <p>We participated in the PSA's annual research conference.</p>	<p>This commitment is rated red, because we have yet to develop an overarching strategy for data, intelligence and research, from which a research programme would flow.</p> <p>In Quarter 4 a framework was developed to help inform research prioritisation during 2016-17.</p> <p>A number of ad hoc research projects were delivered.</p> <p>Our evaluation of revalidation will continue for the next three business years and our two FtP related projects will report early in 2016-17. The BME FtP report may lead to further work in this area.</p>	<b>R</b>	

### Strategic priority 3: Communication and collaboration

**We will continue to improve the quality of our relationships to support our overarching purpose of public protection. To support this we will develop an overarching communications and engagement plan. Public, professional and employer awareness will be priorities. We will seek out opportunities to work in partnership with others to achieve shared goals.**

**Update:** We have developed a communications and engagement plan that clearly sets out our key communications challenges and which forms the basis of our Communications business plan for 2016-17.

	Commitment for 2015–2016	Q4 update	Review of the year	RAG for the year	PSA 2014-15
11	Promote the Code through an ongoing campaign aimed at nurses, midwives and employers. We will produce and disseminate materials for patients and service users so that they understand what they should expect from nurses and midwives.	There has been ongoing promotion of the updated Code through NMC newsletters, the NMC website and through speaking engagements across the UK.	There has been an integrated approach to communicating about the revised Code with our key audiences. We ensured every nurse and midwife on the Register received a copy of the revised Code and produced specific publications for employers and patients and the public. We promoted the revised Code at a series of external events and conferences; communicated about it directly through our four bespoke newsletters for external audiences and embedded ongoing communication into revalidation communications. Continued promotion of the revised Code will be embedded in revalidation communications during 2016-17.	<b>G</b>	Guid & Stds 4, public info (met)
12	Develop and publish employer facing resources on the implications and responsibilities of employing registered nurses and midwives.	We updated our core publication for Employers - <i>Advice and information for employers of nurses and midwives</i> .  We ran a series of revalidation seminars for employers across England to help them understand the new process.	There has been a concerted communications effort to provide timely and relevant resources for employers on a range of subjects. We produced an Employers Guide to Revalidation, ran a series of revalidation seminars across England and worked in partnership with a wide range of employers and employers' membership groups to cascade information about the new process. We published an employers' guide to the updated Code and produced promotional materials including posters, as well as a monthly newsletter for employers. We will continue to update and review our resources for employers during 2016-17.	<b>G</b>	Guid & Stds 4, public info (met)

13	Engage effectively with registered nurses and midwives and our stakeholders to ensure the smooth implementation of revalidation.	<p>In Q4 we continued to engage with nurses and midwives and other stakeholders to provide support in the run up to revalidation going live.</p> <p>We provided additional guidance and forms in response to feedback.</p> <p>We carried out further communications and engagement activities in accordance with the revalidation communications plan, including new case studies, films and a new microsite.</p> <p>There have been regional workshops for employers in primary care and independent care sectors delivered by the NMC and further workshops for nurses and midwives.</p>	<p>We have undertaken extensive engagement activities across settings and across the four countries throughout the year.</p> <p>A comprehensive communications plan was developed with input from stakeholders across the UK and dedicated resource was used to support work with stakeholders and provide an effective and direct communication channel to support collaboration across the UK.</p> <p>Key activities included:</p> <ul style="list-style-type: none"> <li>• Production of user-friendly revalidation guidance and forms for use by registrants, employers, and confirmers involved in the revalidation process.</li> <li>• Digital communications programme launched to support individual nurses and midwives with tailored emails.</li> <li>• Launch of a new revalidation microsite including case studies, films and helpful tips.</li> <li>• Training workshops for registrants and small employers delivered by external supplier (MIAD), and by the NMC.</li> </ul>	<b>G</b>	Edu & Training 2, Reval (not met)
14	Develop sound relationships with other regulators – including system regulators, and train our staff to implement information sharing protocols consistently and well. We will launch joint guidance on candour with the General Medical Council.	<p>Work was undertaken in Q4 on our memoranda of understanding (MoUs) with Healthcare Improvement Scotland and the Care Inspectorate.</p> <p>We participated in joint meetings of the regulators with DH and with the Scottish Government.</p> <p>We have developed our relationships with the Disclosure and Barring Service, Disclosure Scotland and the Care Council for Wales through recent visits. We have discussed sharing information and aligning processes.</p>	<p>This commitment is rated amber because we have further work to do to develop our relationships with other regulators across the four UK countries.</p> <p>Joint guidance on candour with the General Medical Council was successfully published in June 2015.</p> <p>A joint working group with the CQC has been established to improve ways of working and facilitate information sharing. Quarterly meetings have begun.</p>	<b>A</b>	

### Strategic priority 4: An effective organisation

We will further develop our systems, resources and culture to support our journey to becoming an intelligent, collaborative forward looking regulator.

	Commitment for 2015–2016	Q4 update	Review of the year	RAG for the year	PSA 2014-15
15	Increase our focus on service to our customers and stakeholders by adopting the Cabinet Office's Customer Service Excellence® standard across the organisation. We will commission a programme of staff training and an initial assessment in July 2015, before developing an action plan to address any areas for improvement.	In Q3 and Q4 emphasis has been placed on directorate responsibility for making improvements. Customer service champions have facilitated the development of customer service action plans and directorates are implementing these as part of day-to-day business.	<p>This year we undertook a corporate project to embed the Cabinet Office's Customer Service Excellence standard. A team of customer service champions representing various areas of the business was established and they received training. We underwent an initial assessment against the Standard and the resulting report made recommendations for improvement. Directorates are implementing action plans to make improvements.</p> <p>This commitment is rated amber because we are not yet able to evidence to Council the impact of the improvements we have made.</p>	A	Reg 2 (met)
			FtP 7 cust service (not met)		
16	Implement a programme of ICT improvement to support our core functions more efficiently and to provide a sound basis on which to build more transformational change.	The IT Improvement Programme has completed successfully. A closure report is being issued for consideration by the Council in May 2016.	The IT Improvement Programme has been successfully delivered as supported by a positive internal audit review.	G	FtP 10, Info security (not met)
17	Carry out an assessment and mapping of our data and begin a programme of data cleansing as essential groundwork for our future data and intelligence gathering, reporting and dissemination.	<p>We have successfully mapped out all our data sources. We have had quality audits of address and email data and have initiated a first round of data cleansing.</p> <p>The Data and Business Intelligence function is working well and we have</p>	<p>Whilst progress has been made, this commitment is rated red to reflect the fact that it represents groundwork for the development of our overarching strategy for data, intelligence and research, which we will progress in 2016–2017.</p> <p>Assessment and mapping is complete and we have started to provide consistent data and intelligence in</p>	R	

		embarked on an extensive suite of data reporting and business intelligence for FtP and Registrations.	support of BAU and priority projects.  Next steps: <ul style="list-style-type: none"> <li>• Further work on consolidating and reducing the amount of ad-hoc reporting required.</li> <li>• Moving to a controlled self-serve model for some data sets.</li> </ul>		
18	Promote equality, diversity and inclusion in carrying out our functions as a regulator, a service provider and as an employer. This will include improving the collection and use of diversity data about our registrants, commissioning research, and ensuring we maintain accessibility to our services for people with disabilities.	<p>We recruited a new Equality and Diversity Policy Manager, who joined us on 4 April 2016.</p> <p>We identified E&amp;D accountable leads in each of the directorates and this group met for the first time to scope the work ahead.</p> <p>We responded to the Welsh Language Commissioner's concerns about whether we had complied with our Welsh Language Scheme in our development of the new Code.</p> <p>We participated in a DH round table on trans issues with other national health stakeholders.</p>	<p>This commitment is rated amber because although we achieved some significant steps we recognise that we still have more progress to make in this area and we will be taking this work forward in 2016-17.</p> <p>We developed our policy on reasonable adjustments. An implementation and monitoring plan is being developed in Q1 and Q2 to support the policy.</p> <p>NMC Online has helped encourage registrants to complete E&amp;D monitoring returns and by April 2016 this was 49%. This will help with improving data analysis of registrants in future projects and research.</p> <p>We reviewed our equalities impact assessment guidance for staff. The reviewed guidance and forms have been used for the draft midwifery supervision EQIA.</p>	A	
19	Provide a facility for nurses and midwives to make registration fee payments in instalments.	<p>Our finance systems now have the capability to manage and record payment by quarterly instalments.</p> <p>Development and programme work continues with a planned go-live date in Q1 2016-17.</p>	<p>The amber rating reflects that the facility will not be in place until Q1 2016-17.</p> <p>A go-live date of functionality for all renewals is planned for Q1 of 2016-17 and work is on track for this.</p>	A	

20	<p>Invest in our workforce to ensure it is engaged, high-performing and able to meet the future needs of the organisation. We will do this by: undertaking a review of our workforce structure and capabilities and by putting in place a programme of learning and development. This work will inform the development of a People Strategy in 2016–2017.</p>	<p>A Learning and Development programme has been implemented, providing a range of interventions to support the development of capability in all areas.</p>	<p>The Organisation Review undertaken by KPMG was completed and options were discussed by the Council in December 2015 in relation to transformation and the scope of the transformation programme.</p> <p>This work will be taken forward in 2016 with the development of a People Strategy, and more detailed review of roles/skills and structures.</p> <p>A Learning and Development evaluation shows that the programme has been well received and has achieved impact. There will be further development of the programme in 2016 to support transformation and the management of change.</p>	<b>G</b>	
21	<p>Continue to monitor and report on the existing plan for efficiencies whilst establishing a full programme of efficiencies and savings for delivery in 2016–2017 and onwards.</p>	<p>We continued to monitor and report against the existing efficiencies plan, with updates presented to the Council as part of the financial monitoring process. The reporting process has been successfully ratified by KPMG who concurred that £45 million is forecast to be achieved by the end of 2016-17.</p> <p>A further 5% target over and above the budget has been agreed by the Council for 2016-2017 and we will report progress to the Council as these are identified and delivered.</p>	<p>Part of the commitment was achieved: we have monitored and reported on the existing efficiencies.</p> <p>A number of efficiencies have been identified for 2016-17 and will be reported to the Council throughout the year.</p> <p>The identification and delivery of further efficiencies to deliver the 5% target continues into 2016-17 and these will also be reported to the Council. As such, a full programme of efficiencies and savings has not yet been fully established, hence this commitment is rated amber.</p>	<b>A</b>	



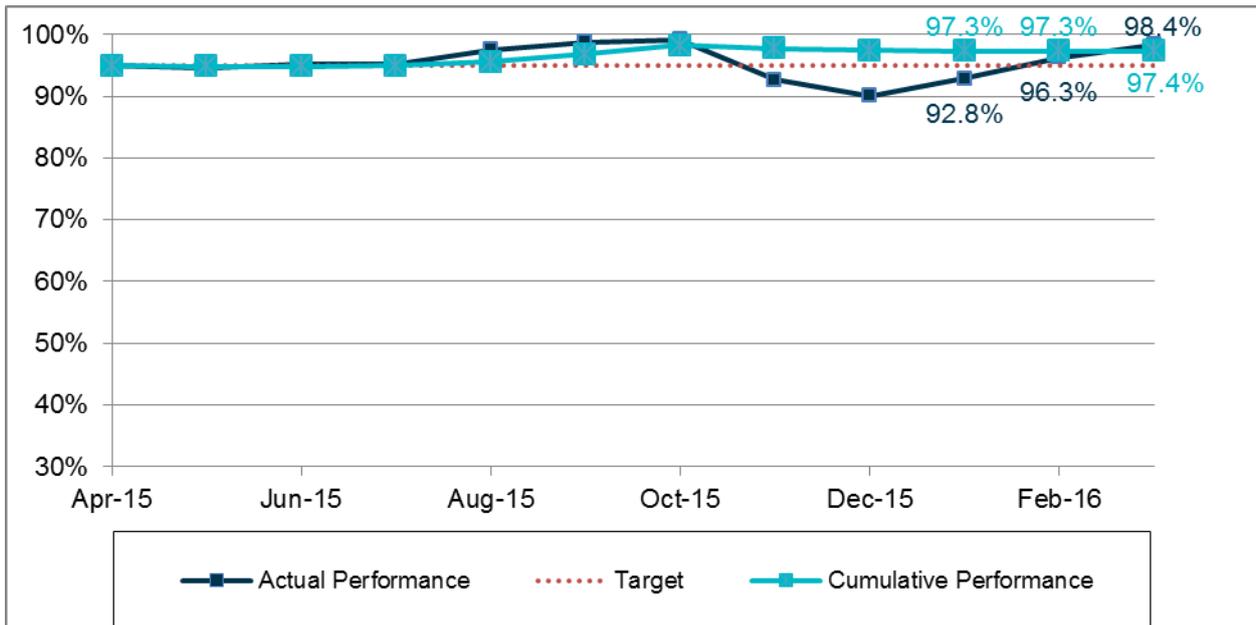
## Corporate key performance indicators 2015–2016

This report focuses on two aspects for each KPI: the figures for March 2016 and an outline of performance for the whole year.

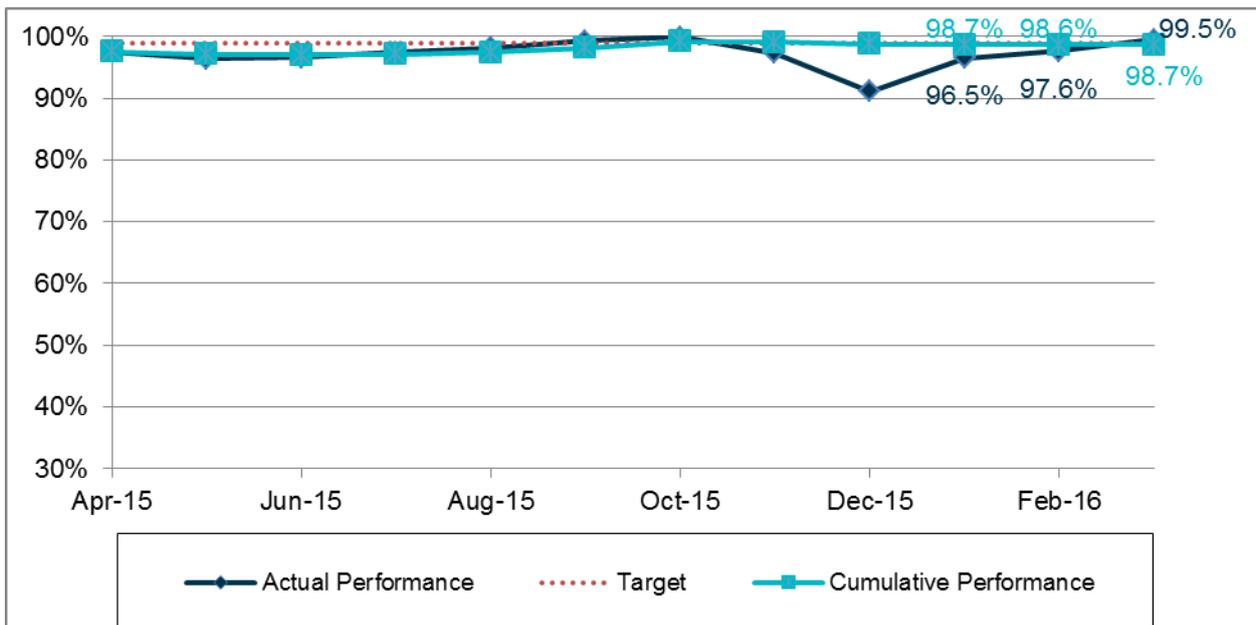
<b>KPI 1a - Percentage of UK initial registration applications completed within a set time</b>								
<b>Strategic priority 1: Effective regulation</b>								
<b>Rationale</b>	The KPI measures NMC assessment time for UK initial applications.							
<b>Definition</b>	This KPI will measure the time elapsed between receipt by the NMC of a new complete UK application and when the applicant joins the register or is notified of refusal.							
	January 2016		February 2016		March 2016		Year average	Year end target
	No. of apps within KPI	As a %	No. of apps within KPI	As a %	No. of apps within KPI	As a %		
Primary figures/target	427	92.8%	776	96.3%	1194	98.4%	97.4% (Green)	95% within 10 days
Secondary figures/target	444	96.5%	787	97.6%	1208	99.5%	98.7% (Amber)	99% within 30 days
<p><i>Number:</i> Number of applications completed within the KPI target  <i>As a %:</i> That number expressed as a proportion of the total for the month  <i>Year average:</i> The cumulative average for April 2015 – March 2016  <i>RAG:</i> Year average vs. year end average target</p> <p><b>Red/Amber/Green rating (primary target):</b>            Green = figure matches or is higher than the target figure of 95%.            Amber = figure is between 90 and 94%.            Red = figure is 89% or lower.</p> <p><b>Red/Amber/Green rating (secondary target):</b>            Green = figure matches or is higher than the target figure of 99%.            Amber = figure is between 94 and 98%.            Red = figure is 93% or lower.</p>								

**Graphical information and commentary:**

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



**KPI 1a - Secondary target (99% within 30 days)**



**March 2016**

We processed a total of 1,214 UK initial registrations of which 98.4% were completed within 10 days.

A total of 99.5% of applications were completed within the secondary target of 30 days. In 0.5% of cases (6 cases) it took over 30 days to obtain and process the required information.

We delivered these numbers while carrying out a Revalidation training programme across the team.

**Annual commentary**

In total, we processed 19,114 UK initial registrations, of which 97.4% were completed within 10 days and 98.7% within 30 days.

Year-on-year comparison:

	2015/16	2014/15
<b>Completed</b>	19,114	20,356
<b>&lt;10 days</b>	97.4%	98.4%
<b>10-30 days</b>	98.7%	99.8%

We also completed:

210,576 periodic renewals

5,370 standard readmissions

1,690 Return to Practice readmissions

704 prep audits

We now have a strong and experienced management team in place in UK Registration, which has already seen an improvement in resource planning and delivery, an increase in scrutiny of operational activity and a programme of process mapping and improvement.

The primary KPI challenge was the recovery after the October peak. We are confident that, with our improved resource planning, we are in a much better place to respond to these known peaks in demand.

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

### Strategic priority 1: Effective regulation

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

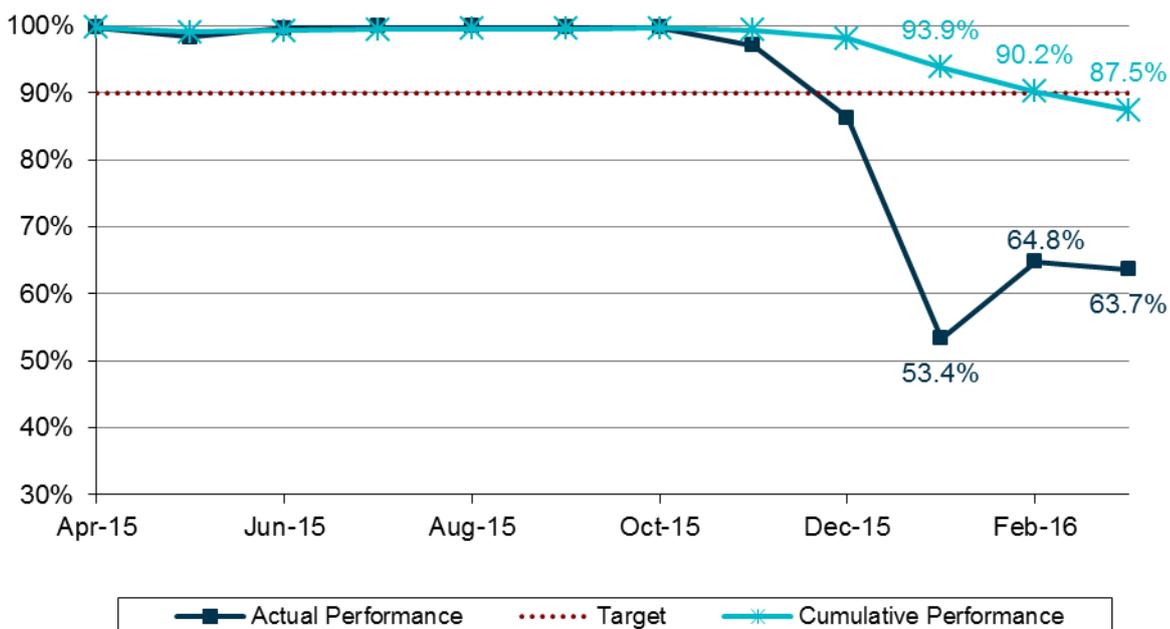
January 2016		February 2016		March 2016		Year average	Year end target
Number	As a %	Number	As a %	Number	As a %		
929	53.4%	1706	64.8%	1538	63.7%	87.5% (Amber)	90%

*Number:* Number of assessments within the KPI target  
*As a %:* That number expressed as a proportion of the total assessments for the month  
*Year average:* The cumulative average for April 2015 – March 2016  
*RAG:* Year average vs. year end average target

**Red/Amber/Green rating:**  
 Green = figure matches or is higher than the target figure of 90%.  
 Amber = figure is between 85 and 89%.  
 Red = figure is 84% or lower.

### Graphical information and commentary:

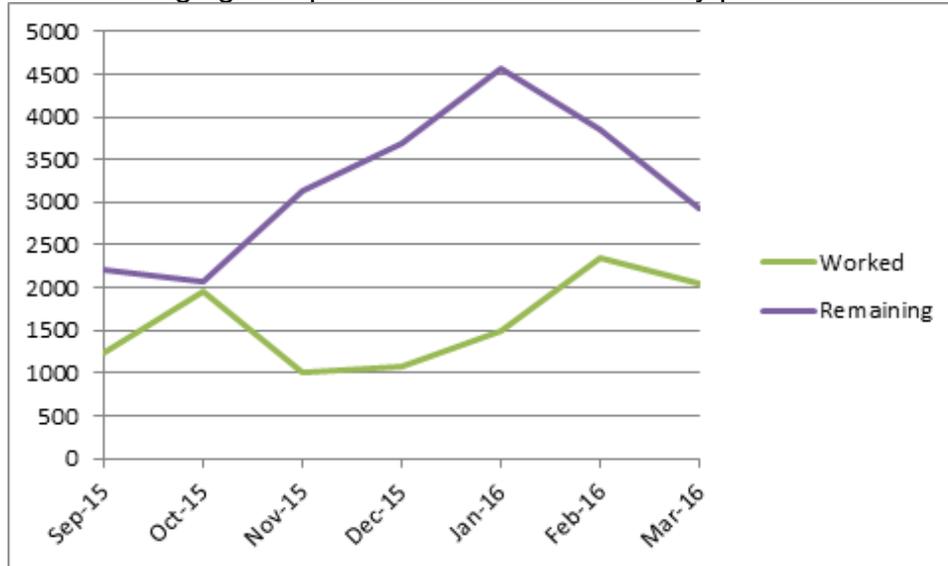
**KPI 1b (90% within 70 days)**



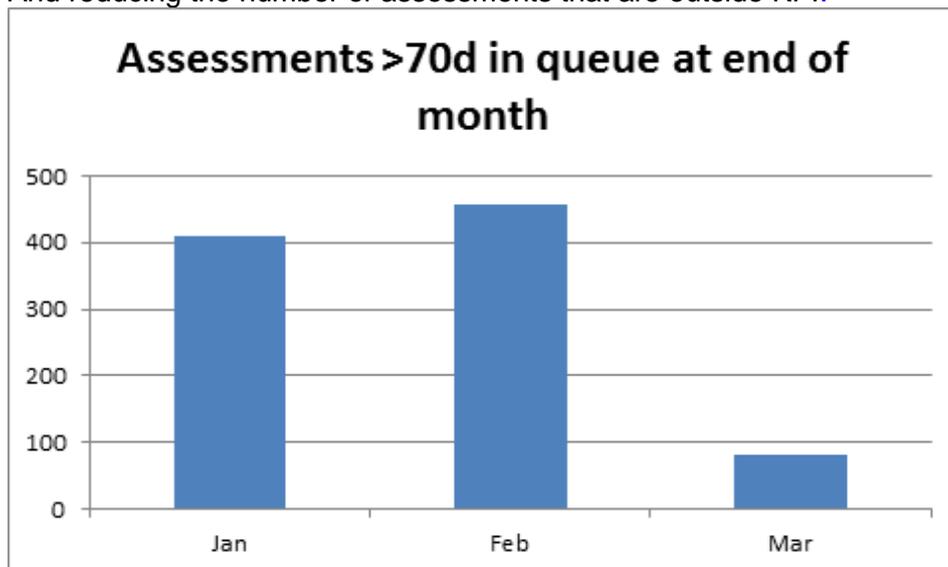
### March 2016

We carried out 2,413 international registration assessments, with 63.7% completed within 70 days. This number is a reflection of the fact that we continue to work through the older assessments left from the large influx leading up to the launch of MRPQ language controls.

We are bringing the queue down from its January peak:



And reducing the number of assessments that are outside KPI.



We expect to have the number of assessments outside the KPI back down to zero by the end of April – working these through will continue to depress the KPI percentage, which we predict will be around 70% for April, but back up above target from May.

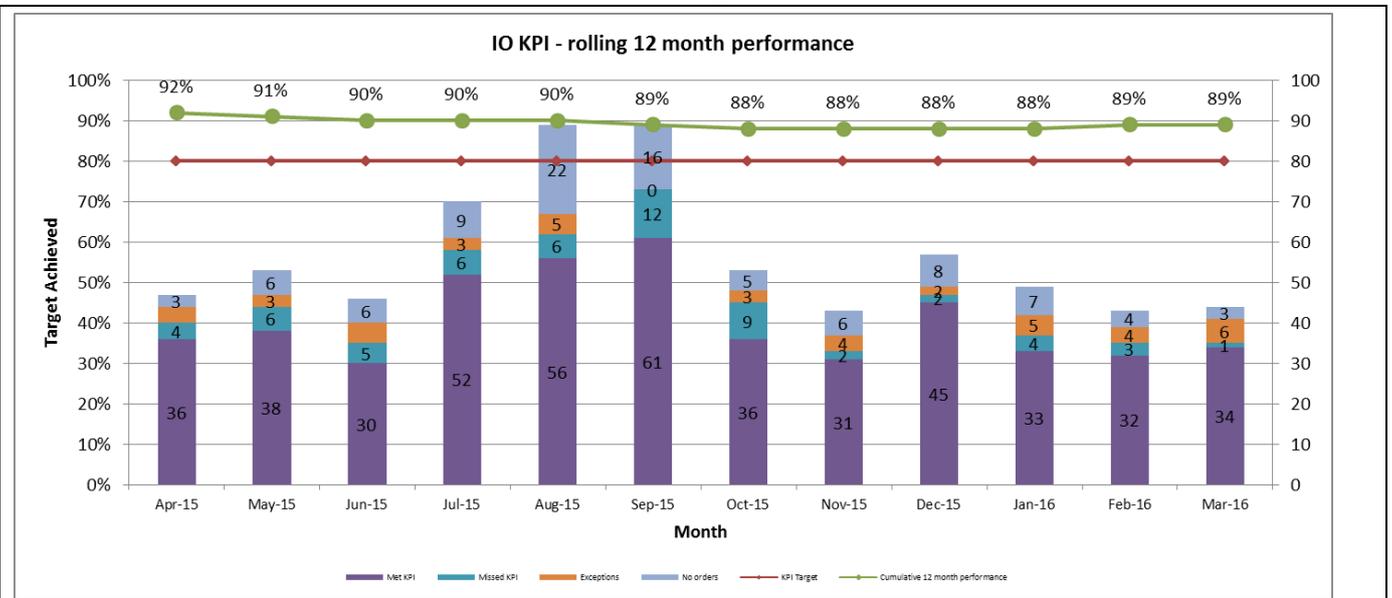
### Annual commentary

Across EU and Overseas areas, we completed 87.5% of assessments within 70 days.

During the year the number of EU applications increased steadily across the months, as was the case the year before, with an exceptional increase in January 2016, prompted by the introduction of language controls. We brought in additional resource ahead of this date, but the increase (almost doubling in the first three weeks of January) was in excess of our expectations.

In October 2015, nurses were added to the shortage occupation list and in preparation for any increase in this area of work the efforts of the assessment officers were directed to overseas (non-EU) assessments. Since October 2015 overseas assessments continue to be actioned within 30 days.

<b>KPI 2 – Percentage of interim orders (IO) imposed within 28 days of opening the case</b>				
<b>Strategic priority 1: Effective regulation</b>				
<b>Rationale</b>	A measurement of how quickly we protect the public in the most serious cases by applying restrictions to a nurse or midwife's practice.			
<b>Definition</b>	<p>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.</p> <p>Definition of the start and end points of the measure - The period starts on the day that a case is logged on the case management system and the day that an interim order is imposed is the end of the measurement period.</p> <p>Cases which do not have an order imposed are not counted towards this measure.</p>			
<b>Historical figure (also March 2015)</b> Average for 2014–15	<b>January 2016</b>	<b>February 2016</b>	<b>March 2016 (Cumulative)</b>	<b>Year end cumulative average target</b>
92%	88%	89%	89% (Green)	80%
<p><i>Each monthly figure is based on numbers for a rolling 12 month period, thus presenting a longer term trend.</i>  <i>RAG rating: March/year average figure vs Year end average target.</i></p> <p><b>Red/Amber/Green rating</b>  Based on 10% variance threshold:  Green = figure matches or is higher than the target figure  Amber = figure is between 70-79%  Red = figure is 69% or lower</p>				
<b>Graphical information and commentary:</b>				



40 new IOs were imposed in March and performance stayed consistent at 89%. There was a 7% no order rate and three cases missed the KPI of 28 days.

Performance against the KPI was consistent through the year. The number of IO applications increased between July and September while we trialed a new approach to reviewing applications. The intention was to create more capacity for better early decision making at the screening stage by utilising legal resource in other parts of the directorate. A review of the results led us to quickly change our approach and bring those decisions along with more resource back in to the screening function. The number of applications reverted to more usual levels from October.

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

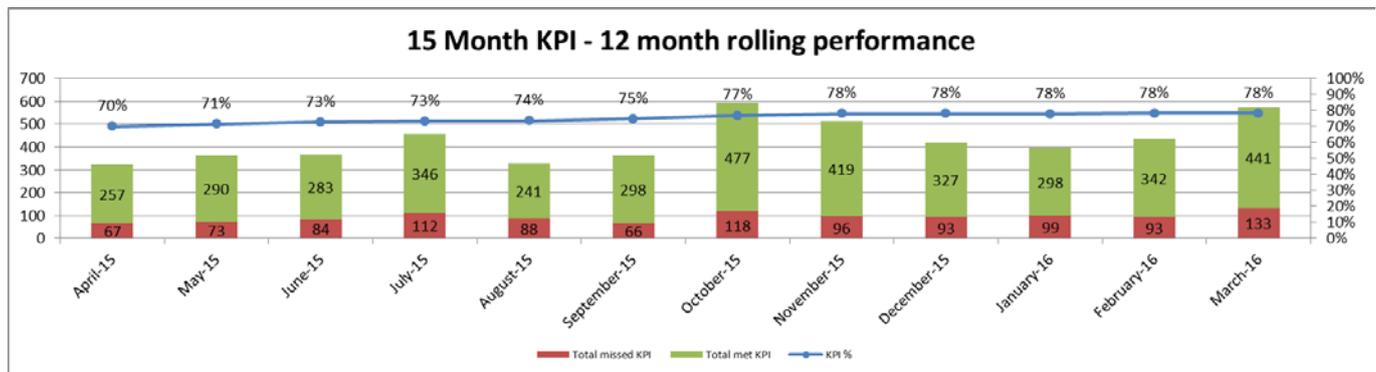
### Strategic priority 1: Effective regulation

<b>Rationale</b>	Measures timeliness of the end to end FtP process.
<b>Definition</b>	<p>This is the proportion of FtP cases which are concluded within 15 months of being opened.</p> <p>By concluded, the case has either been:</p> <ol style="list-style-type: none"> <li>1. Investigated at Screening and closed</li> <li>2. Closed no case to answer by Investigating Committee or case examiners</li> <li>3. Closed by voluntary removal</li> <li>4. Concluded at an adjudication hearing or meeting</li> <li>5. Cases where a registrant has lapsed or cannot be identified are <i>not</i> included.</li> </ol>

Historical figure (March 2015) Average for 2014–15	January 2016	February 2016	March 2016 (cumulative average)	Expected minimum performance*
69%	78%	78%	78%	65%

\*Performance is expected to match or be higher than 65% each month. This is not a formal target and there is no RAG rating.

### Graphical information and commentary:



Performance has increased steadily throughout the year with a consistent performance of 78% for the last quarter.

October and November saw a spike in case closures. The following three months averaged around 400 closures while we concentrated on progressing older cases. Numbers increased again in March as case examiner and adjudication activity both picked up. We anticipate that the higher closure rates at screening and case examiners, as well as a forecast increase in adjudication events, will keep decision numbers high and performance consistent.

## KPI 4 – Available free reserves

### Strategic priority 4: An effective organisation

**Rationale** The NMC's budget and financial strategy is 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 KPI measures our performance against this target.

**Definition** The level of available free reserves at month end compared with budgeted available free reserves at that month end.

2014–15 year end (March 2015)	January 2016	February 2016	Year end (March 2016)	Year end target (March 2016)
£11.8m	£21.4m	£22.8m	£22.7m * (Green)	£14.5m **

Available free reserves are derived by taking into account revenue expenditure, capital expenditure, movements in working capital and the pension deficit.

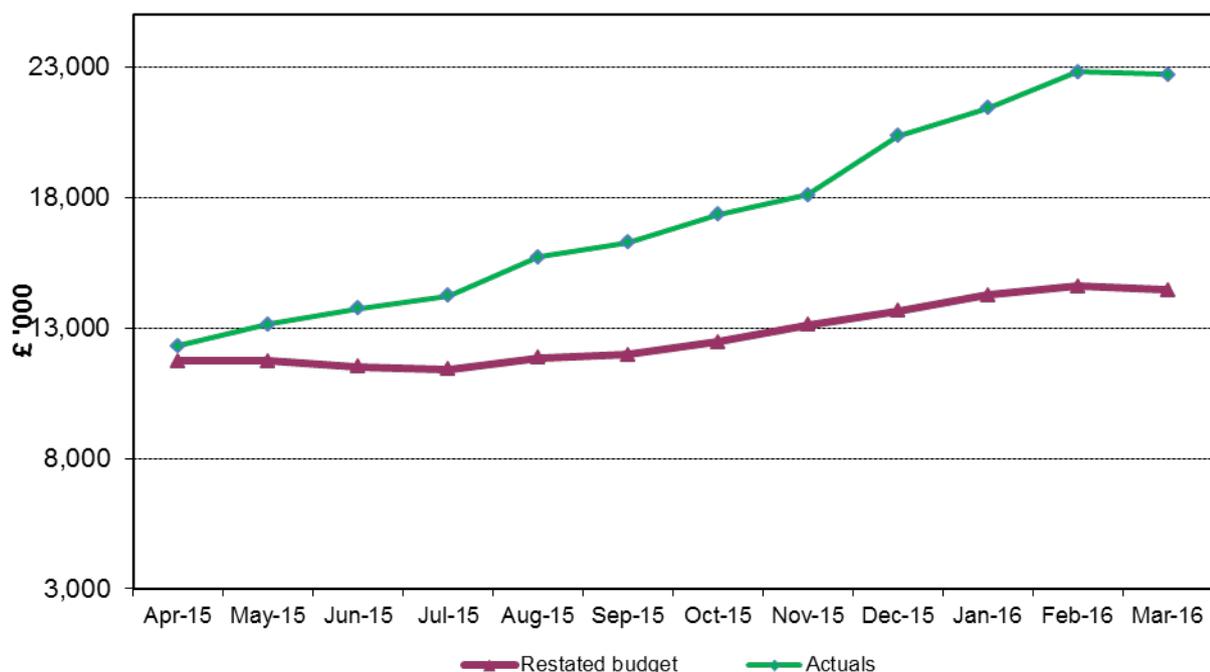
*RAG rating:* Year end forecast vs Year end target

\* Subject to any audit adjustments.

\*\* Reported on a consistent basis using current pension deficit calculation. Going forward the NMC may choose to adopt the new pension accounting treatment that would reduce March 2016 reserves to £17.9 million. Further detail is given in the Financial Monitoring report on 31 March 2016.

### Graphical information and commentary:

2015-2016 actuals and approved budget available free reserves



At £22.7 million, available free reserves remained broadly flat in March 2016.

Available free reserves increased by £11.3 million over the financial year ending March 2016. This is as a result of the surplus generated over the year, a net reduction in the capital base, and a net increase in deferred revenue, debtors and creditors.

## 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.

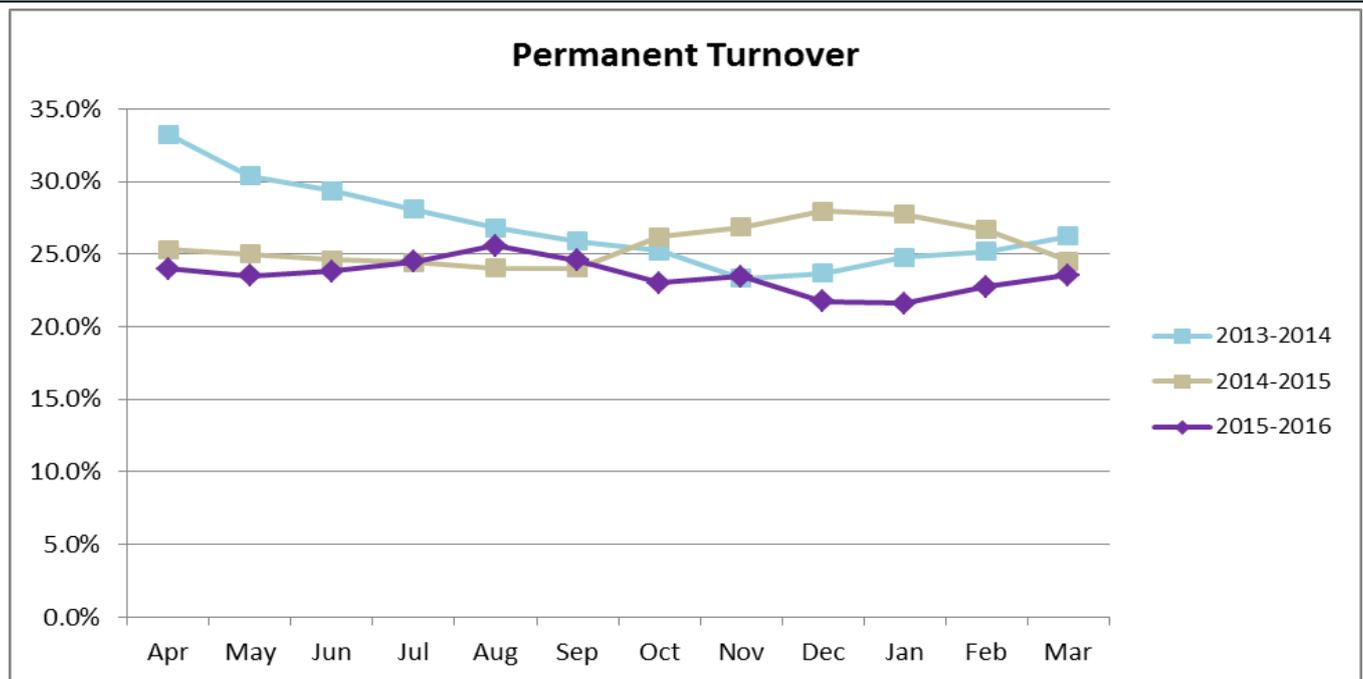
**Definition** 
$$\frac{\text{Sum of permanent leavers in past 12 months (X)}}{\text{Average number of permanent staff in post in last 12 months (Y)}}$$

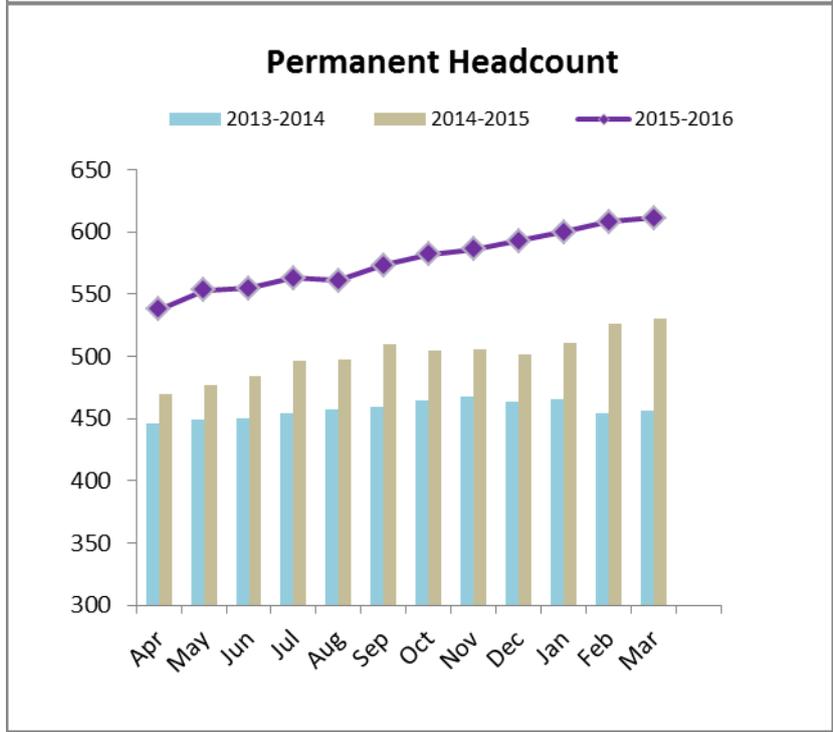
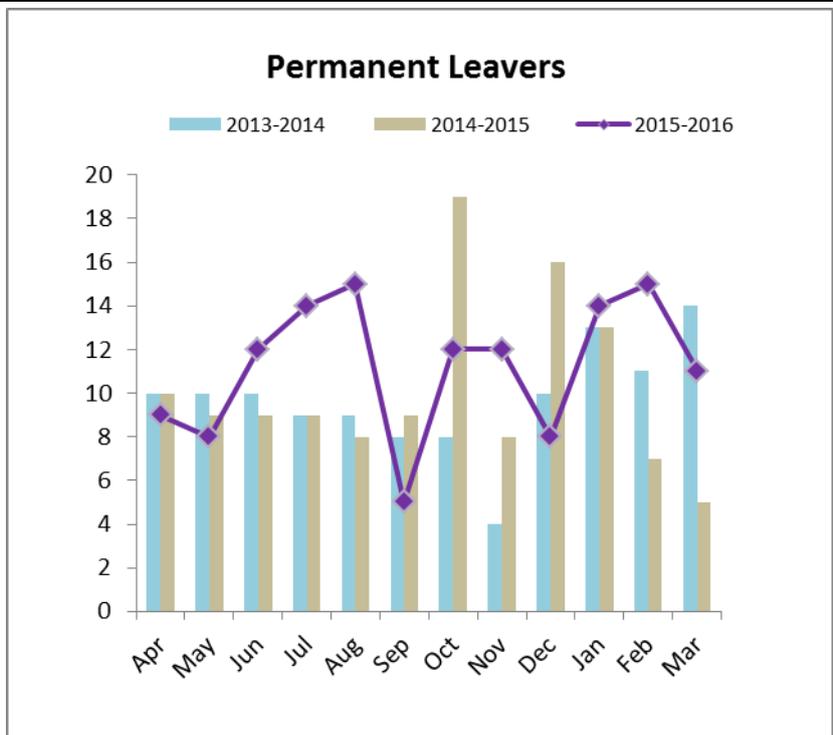
2014–15 year end spot figure (March 2015)	December 2015	January 2016	February 2016	March 2016
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24.5%	21.7%	21.6%	22.8%	23.5%
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No target has been set for 2015–16 and no forecast reported. It would be difficult to set a meaningful target due to unpredictability over the size of the permanent workforce over the year, due to a high period of growth. Instead, performance will be monitored and will include reference to longer historic trends.

### Graphical information and commentary:





The permanent headcount rose by three employees in March 2016 to 611 at the end of March 2016. Headcount at the end of March 2015 was 530, representing a 15% increase in permanent staff over the 12 month period.

At the end of March 2015, turnover was 24.5%. This represents a 1% decrease over the 12 month period. Over the whole period the rates have fluctuated between 21%-26%. It should be noted however, that the actual number of leavers in a month may reduce even though annual turnover may increase. This is because annual turnover is calculated as a percentage of the average headcount over the 12 month period.

Of 11 permanent leavers in March, three employees left within 12 months, two of whom felt the roles were 'unsuitable'. One was employed in an administrative role but left within their first week, citing too much administration and a difficult commute to work. Another had been with the NMC for around 18 months as a temp then left shortly after being made permanent. Two employees left through planned exit (redundancy). Other reasons for leaving were career progression, changes in personal circumstances, work life balance and visa issues. In summary, turnover analysis for March identified no serious issues or causes for concern and included exits that were either expected, planned or not disadvantageous to the NMC.

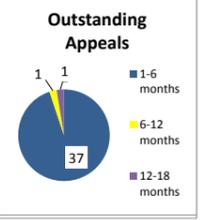
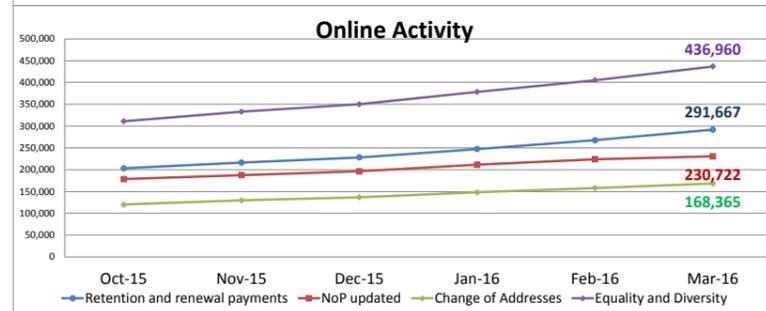
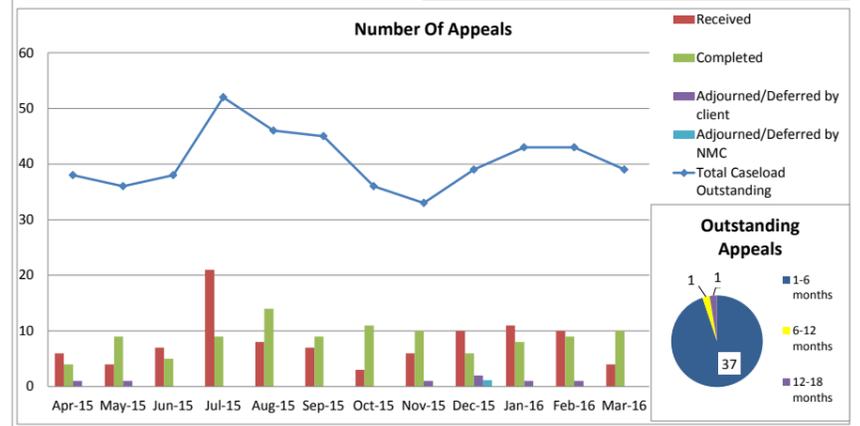
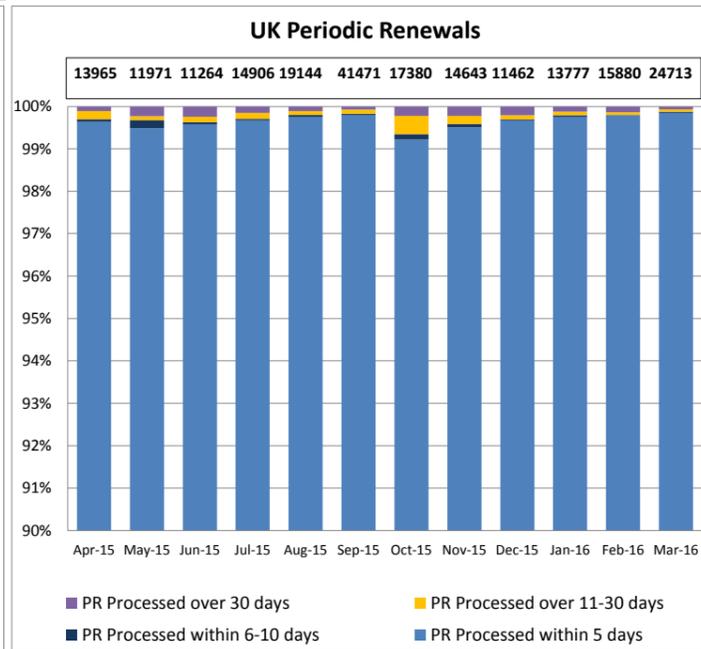
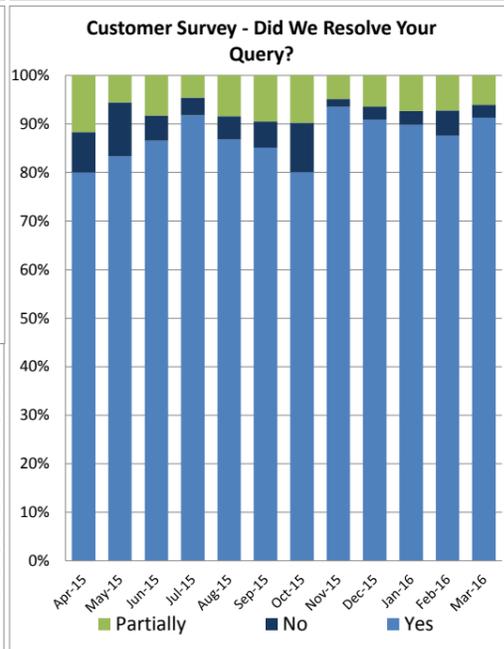
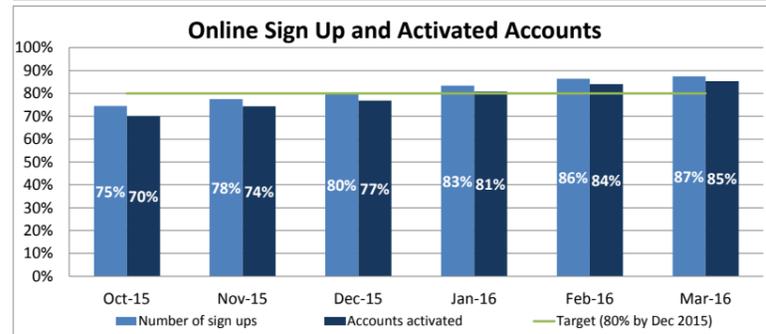
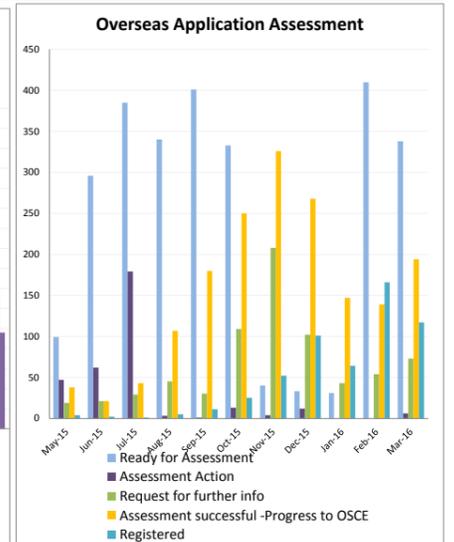
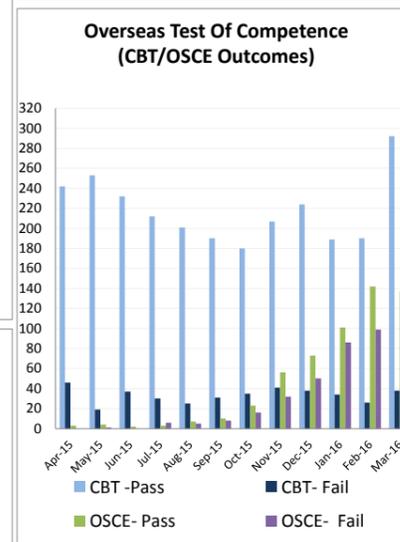
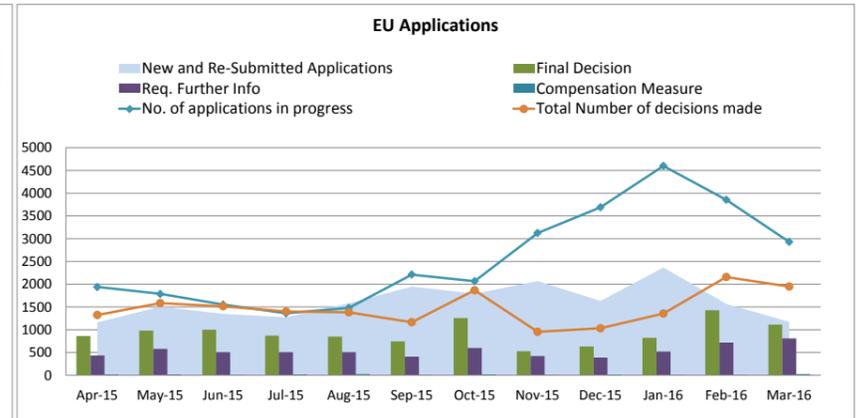
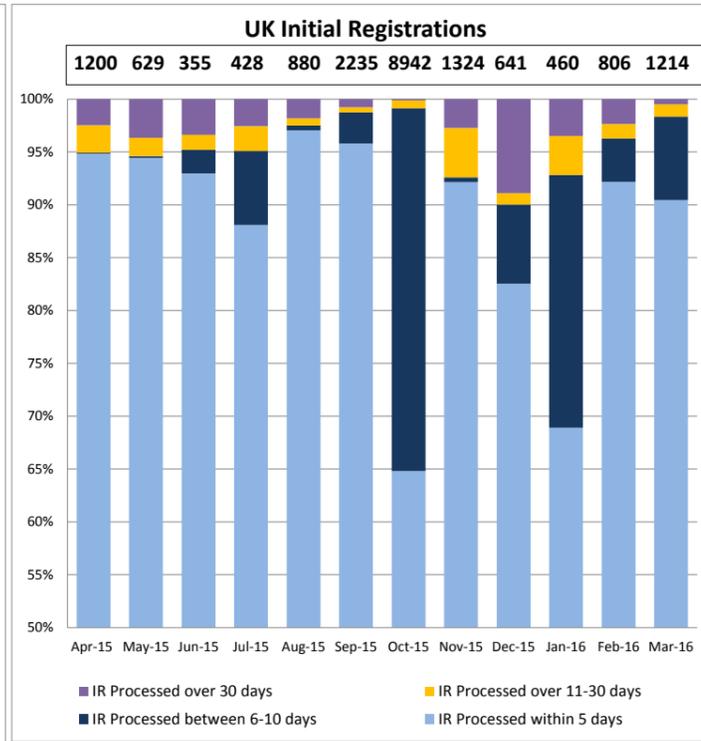
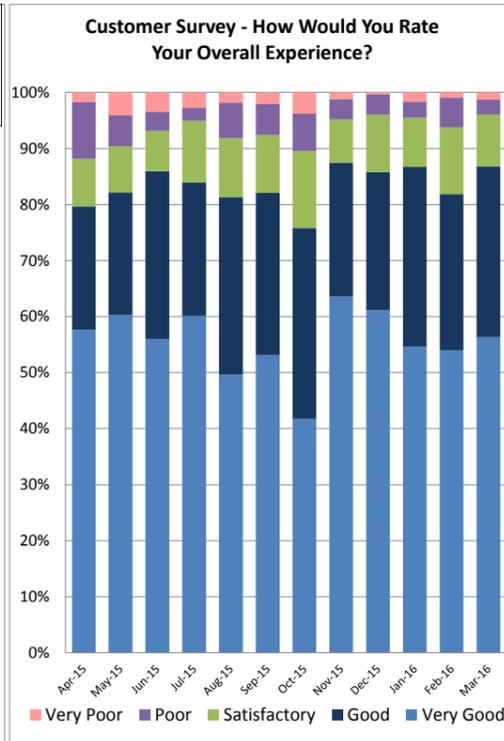
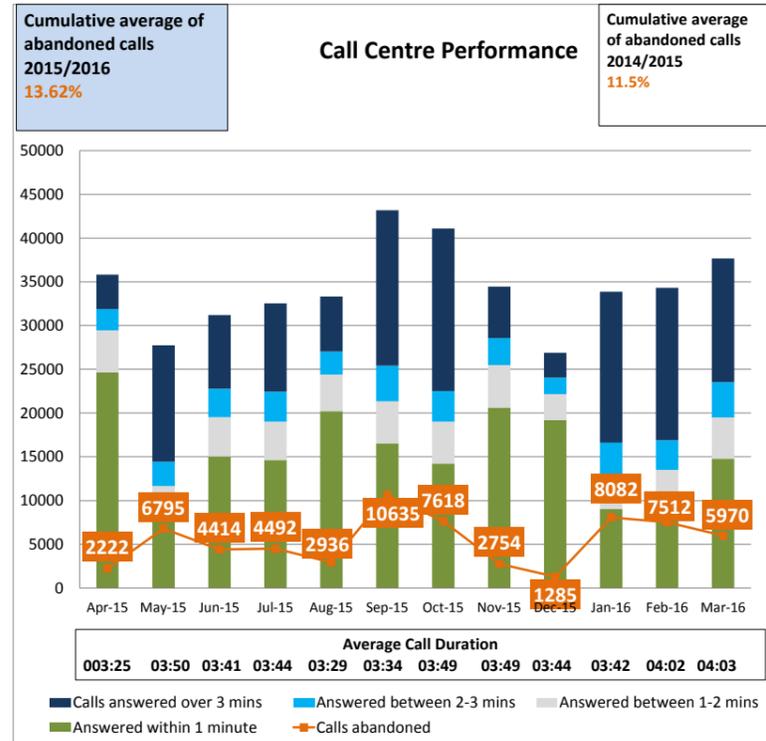
## Corporate KPI figures for 2015–2016

KPI	2015												2016			Avg for the year	Target
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar					
1a	% of UK reg applications completed within <b>10</b> days	95%	94%	95.2%	95.1%	97.5%	98.7%	99.1%	92.6%	90%	92.8%	96.3%	98.4%	97.4%	95%		
1a	% of UK reg applications completed within <b>30</b> days	97.5%	96.3%	96.6%	97.4%	98.2%	99.2%	99.9%	97.3%	91.1%	96.5%	97.6%	99.5%	98.7%	99%		
1b	% of EU/OS reg applications assessed within 70 days	99.8%	98.2%	99.7%	100%	100%	99.8%	99.8%	97.1%	86.3%	53.4%	64.8%	63.7%	87.5%	90%		
2	% of interim orders imposed within 28 days of opening the case	92%	91%	90%	90%	90%	89%	89%	88%	88%	88%	89%	89%	89%	80%		
3	Proportion of FtP cases concluded within 15 months of being opened	70%	71%	73%	73%	74%	75%	77%	78%	78%	78%	78%	78%	78%	n/a		
4	Available free reserves	£12.6m	£13.5m	£14.1m	£14.6m	£16.0m	£16.3m	£17.3m	£18.1m	£20.3m	£21.4m	£22.8m	£22.7m*	£22.7m**	£14.5m		
5	Staff turnover	24%	23.5%	23.8%	24.5%	25.6%	24.6%	23%	23.5%	21.7%	21.6%	22.8%	23.5%	23.5%	n/a		

\* subject to any audit adjustments

\*\* spot figure, not an average







## Council

### Financial monitoring report to 31 March 2016

<b>Action:</b>	For information.
<b>Issue:</b>	Provides financial performance information for current and future reporting periods.
<b>Core regulatory function:</b>	Supporting functions.
<b>Strategic priorities:</b>	Strategic priority 4: An effective organisation.
<b>Decision required:</b>	None.
<b>Annexes:</b>	The following annexes are attached to this paper: <ul style="list-style-type: none"><li>• Annexe 1: March financial results.</li><li>• Annexe 2: Waterfall chart showing full year results at March 2016.</li><li>• Annexe 3: Efficiency programme 2014-2017 (FtP).</li></ul>
<b>Further information:</b>	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: Graeme Holt Phone: 020 7681 5633 <a href="mailto:Graeme.Holt@nmc-uk.org">Graeme.Holt@nmc-uk.org</a>  Director: Richard Finlayson Phone: 020 7681 5153 <a href="mailto:Richard.Finlayson@nmc-uk.org">Richard.Finlayson@nmc-uk.org</a>

- Context:**
- 1 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 full year to 31 March 2016.
  - 2 The year-end audit of the statutory accounts is currently underway and all figures in the report are subject to audit.
  - 3 Over the past four years the NMC has been moving from a position of financial insecurity to one of stability. Although good progress has been made, that process is not yet fully complete. The accounts reflect this.
  - 4 Full financial stability will allow us to fulfil our responsibilities as a dynamic regulator in accordance with the NMC Strategy, while at the same time giving excellent value for the fees that our registrants pay.

**Discussion: Financial Out-turn for 2015-2016 (Annexe 1)**

- 5 Full year financial out-turn was a surplus of £3.9 million. This is broadly in line with the January forecast that was reported to Council at the meeting on 23 March 2016.
- 6 As previously reported we did not need to draw on the £4.5 million contingency provided for in the budget for unforeseen or unexpected events.
- 7 Capital expenditure is broadly in line with the January forecast at £2.7 million. This is £1.9 million less than budget as IT infrastructure improvements originally budgeted as capital have been procured as revenue expenditure services.

**Cash Flow (Annexe 1)**

- 8 The NMC generated £8.0 million of cash during the year and closing cash at bank at 31 March 2016 is £84.7 million. It is anticipated that this will reduce by £8.5 million in 2016-2017 through the introduction of phased payments.
- 9 Investment income generated in the year is £0.6 million. This represents a return of 0.78% of average funds held throughout the year. This is higher than the Bank of England base rate of 0.5% since the majority of funds are held in 12 month deposits paying a higher rate of interest. Proposals for a revised investment policy are being developed for review by the Council in July.

**Year-end accounting adjustments**

- 10 As previously reported to the Council, mandatory changes to

accounting standards for charities are being introduced this year (FRS 102).

- 11 The main impact for financial reporting purposes is the way in which the value of the defined benefit pension scheme is calculated and the requirement that the net value (or liability) be shown on the balance sheet. Previously, this liability was not required to appear on the balance sheet.
- 12 The defined benefit pension scheme value for the statutory accounts has been prepared using the methodology prescribed in the new accounting standard. This results in a net liability for the scheme of £12.6 million at 31 March 2016. This is £4.8m higher than the current basis for calculating the liability which is the tri-annual actuarial valuation used by the Pension Fund Trustees for determining employer contributions to the scheme.
- 13 The adoption of the new accounting guidance also results in an increased in-year revenue cost of £0.4 million to reflect the net notional interest charge on the liability. This has already been reflected in the out-turn figure in paragraph 5 above.
- 14 A review of options relating to the defined benefit pension scheme is being developed as part of the Financial Strategy and will be brought to the Council in September.

#### **Available Free Reserves**

- 15 The Council's reserves policy is to maintain available free reserves of between £10 million and £25 million.
- 16 Available free reserves (AFR) are reserves available after taking into account any restricted funds and the pension scheme liability.
- 17 Available free reserves have always been calculated by reference to the tri-annual actuarial valuation used to set employer contributions. AFR calculated on the current basis is £22.7 million at 31 March 2016.
- 18 The Audit Committee's view is that a consistent approach should be taken in future in reflecting the pension liability in both financial monitoring reports and the statutory annual accounts. Changing to the new accounting valuation of the pension liability would reduce the level of AFR to £17.9m at 31 March 2016. The Council will wish to consider this further as part of the developing Financial Strategy, due to be further reviewed in July 2015.
- 19 Given the variation in valuations of the pension liability and the impact this has on the calculation of the AFR, a target for the Finance KPI (KPI 4) for 2016-2017 has not been set at this stage. The target will be set once the approach to be adopted has been

decided.

### **Efficiencies**

- 20 A final report on the previous efficiency programme, as requested by the Council is provided at Annexe 3.
- 21 The Council also requested clear information on the efficiencies proposed for 2016-2017. We understand the importance the Council attaches to ensuring that there is absolute clarity about the efficiencies to be delivered, so that these can be monitored robustly. Work is underway to produce the information requested but is not yet sufficiently advanced to meet the Council's expectations. This is a priority and will be provided for the July meeting.
- 22 This will also ensure that there has been an opportunity for the newly appointed Directors to review the efficiencies identified for their areas and confirm that these are deliverable.

#### **Public protection implications:**

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

#### **Resource implications:**

- 24 Not applicable.

#### **Equality and diversity implications:**

- 25 None.

#### **Stakeholder engagement:**

- 26 None.

#### **Risk implications:**

- 27 Risks in relation to forecasting and financial resourcing are set out in directorate and corporate risk registers.

#### **Legal implications:**

- 28 None.

## Annexe 1: March 2016 Financial Results

2015/2016	Full Year				
	Actual & Forecast	Budget	vs budget	% vs budget	
<b>Total Income:</b>	<b>80,264</b>	<b>79,538</b>	<b>726</b>	<b>1%</b>	
Office of the Chair & Chief Executive	880	618	(263)	(30%)	Includes additional capacity and expertise through the appointment of the Chief Operating Officer and specialist nursing & midwifery advisors
Strategy	4,574	5,809	1,235	27%	Favourable variance primarily due to unfilled vacancies in the PMO and lower third party spend on research and enquiries
Registration	4,435	4,285	(151)	(3%)	
Continued Practice	4,170	5,031	861	21%	Reduced spend on third party standards development and compliance work combined with reduced demand for Education and ELS led assurance events
TBS	5,637	5,811	174	3%	Favourable variance primarily due to reduced consultancy costs and savings recognised following the negotiation of extension of a 3rd party contract.
Estates, Finance & Procurement	7,206	8,001	795	11%	Includes additional spend on interim leadership and financial strategy activity offset by release of dilapidations on Old Bailey and provisions held on rent following a detailed review.
HR&OD	3,448	3,057	(391)	(11%)	Includes interim leadership and the organisational review activity
FTP	37,794	39,801	2,007	5%	Primarily driven by reduced salary related costs
<b>Total directorate revenue spend</b>	<b>68,145</b>	<b>72,411</b>	<b>4,267</b>	<b>6%</b>	
Projects	2,642	807	(1,834)	(69%)	Includes Test of Competence (Phase 2) and unbudgeted future nurse competencies. Increase is driven by a reallocation of projects from capital spend into revenue
Depreciation	3,390	3,315	(75)	(2%)	
NMC Corporate/General	945	57	(888)	(94%)	Includes a provision for 2015/16 unused holidays (Financial Reporting Standards 102) and unbudgeted redundancy costs
PSA Fee	1,228	1,133	(95)	(8%)	
Total revenue spend (excl contingency)	76,349	77,724	1,375	2%	
Contingency	0	4,463	4,463	0%	
<b>Revenue Spend</b>	<b>76,349</b>	<b>82,187</b>	<b>5,838</b>	<b>8%</b>	
<b>Surplus / (Deficit)</b>	<b>3,916</b>	<b>(2,649)</b>	<b>6,565</b>	<b>&gt;100%</b>	
<b>Capital</b>	<b>2,731</b>	<b>4,651</b>	<b>1,920</b>	<b>70%</b>	Includes capital expenditure relating to Revalidation, Phased Payments and MRPQ EU directive. Favourability is driven by a reallocation of projects from capital spend into revenue
<b>Cash at bank</b>	<b>84,707</b>	<b>78,434</b>	<b>6,273</b>	<b>8%</b>	
<b>Available free reserves (excluding pension deficit &amp; restricted funds)</b>	<b>22,738</b>	<b>14,469</b>	<b>8,270</b>	<b>57%</b>	Available free reserves would be £17.9 million at 31 March 2016 should the NMC may choose to adopt the new pension accounting treatment.



## Annexe 1: March 2016 Financial Results

### BREAKDOWN OF REVENUE SPEND BY COST CATEGORY

2015/2016	Full Year			
	Actual & Forecast	Budget	vs budget	% vs budget
<b>Income</b>	<b>80,264</b>	<b>79,538</b>	<b>726</b>	<b>1%</b>
Staff costs (permanent)	26,979	31,223	4,244	16%
Temporary & contractor costs	5,477	1,817	(3,660)	(67%)
Other staff costs	3,734	3,281	(453)	(12%)
Professional & Legal fees	15,763	15,261	(502)	(3%)
Panellists costs	9,448	9,124	(325)	(3%)
Witness & Others	721	1,091	370	51%
Members costs	270	360	90	33%
Building costs	3,130	4,337	1,208	39%
Depreciation	3,390	3,315	(75)	(2%)
Event & Communications Costs	977	675	(302)	(31%)
Office admin and systems costs	4,317	4,747	430	10%
Print & postage	1,148	1,215	67	6%
Quality Assurance Costs	995	1,278	283	28%
<b>Revenue Spend (excl contingency)</b>	<b>76,349</b>	<b>77,724</b>	<b>1,375</b>	<b>2%</b>
Surplus/(Deficit) (excl contingency)	3,915	1,814	(2,101)	(54%)
Contingency	0	4,463	4,463	0%
<b>Surplus/(Deficit) (incl contingency)</b>	<b>3,916</b>	<b>(2,649)</b>	<b>6,564</b>	<b>&gt;100%</b>

Favourable variance in permanent staff is mainly due to vacancies in FtP and senior management vacancies in other areas. Contractors are being used to offset the FtP vacancies and interims are filling permanent senior leadership roles.

These items are resources together and the overspend in contractor costs is managed to be within the level of underspend on permanent headcount

Driven by finance strategy, organisational review and FtP activity

Driven by increased hearing activity in FtP

Benefit flowing from prior year

Due to releasing the Old Bailey dilapidation and review of provisions held on rent and rates.

Accelerated Revalidation communications

Additional costs to be incurred through the provision of disaster recovery as a service offset by reduction in costs following successful renegotiation of the A365 Contract

Reduced demand for education standards approval.

### CASH FLOW STATEMENT

2015/2016	Full Year			
	Actual & Forecast	Budget	vs budget	% vs budget
Opening cash	76,662	77,662		
Net (outgoing)/incoming resources	3,916	(2,649)	6,565	>100%
Actuarial gain on defined benefit scheme	4202			
<b>Net Inflow/(Outflow) of Funds</b>	<b>8,118</b>	<b>(2,649)</b>	<b>10,767</b>	<b>&gt;100%</b>
Capital Expenditure	(2,731)	(4,651)	1,920	41%
Add back Depreciation and write off	3,527	3,315	(212)	(6%)
(Increase)/decrease in debtors	(1,437)		(1,437)	0%
Increase/(decrease) in creditors	569		569	0%
<b>Net cash inflow/(outflow)</b>	<b>8,047</b>	<b>(3,985)</b>	<b>12,032</b>	<b>&gt;100%</b>
Closing cash	84,707	73,677	11,030	15%

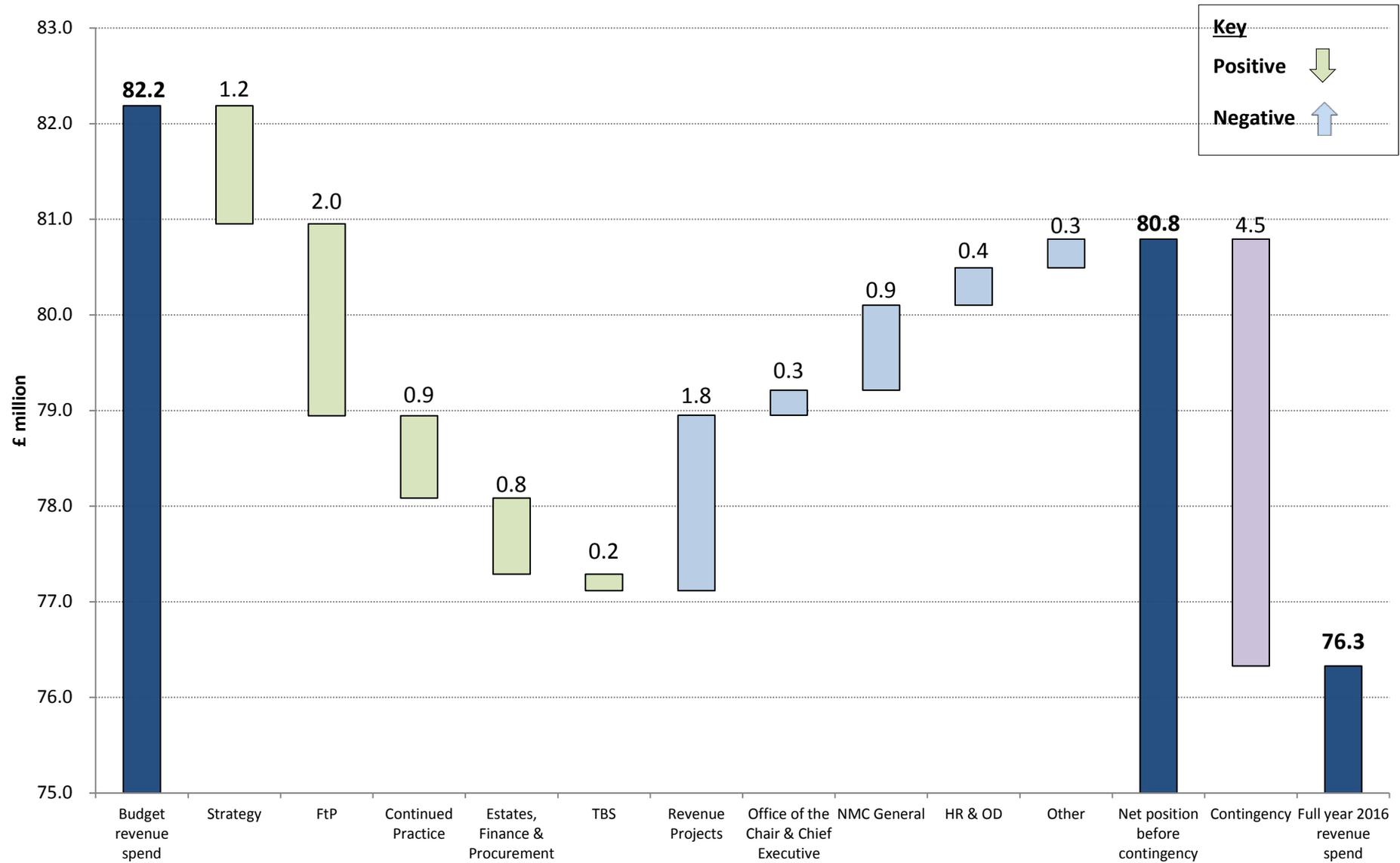
Increased incoming resources reflecting the delayed ramp up in directorate spend and the release of the contingency which is no longer anticipated to be required.

Includes capital expenditure relating to Revalidation, Phased Payments and MRPQ EU directive. Favourability is driven by a reallocation of projects from capital spend into revenue

Net inflow of cash is higher than budget primarily due to reduced spend (both revenue spend and capital expenditure)



## Annexe 2: Full Year financial results at March 2016





## **Efficiency programme 2014-2017 (FtP)**

### **Performance summary**

Between October 2012 and March 2014 the NMC introduced improvements impacting its Fitness to Practise (FtP) process. This included major change to the way the NMC operates, for example taking investigations in-house. An ambitious target of £55 million in savings was set for the three year period ending March 2017.

The NMC has achieved £20 million over the first two years and expects to achieve a further £16 million in 2016-17. This will give a total of £36 million of efficiencies against the three year target

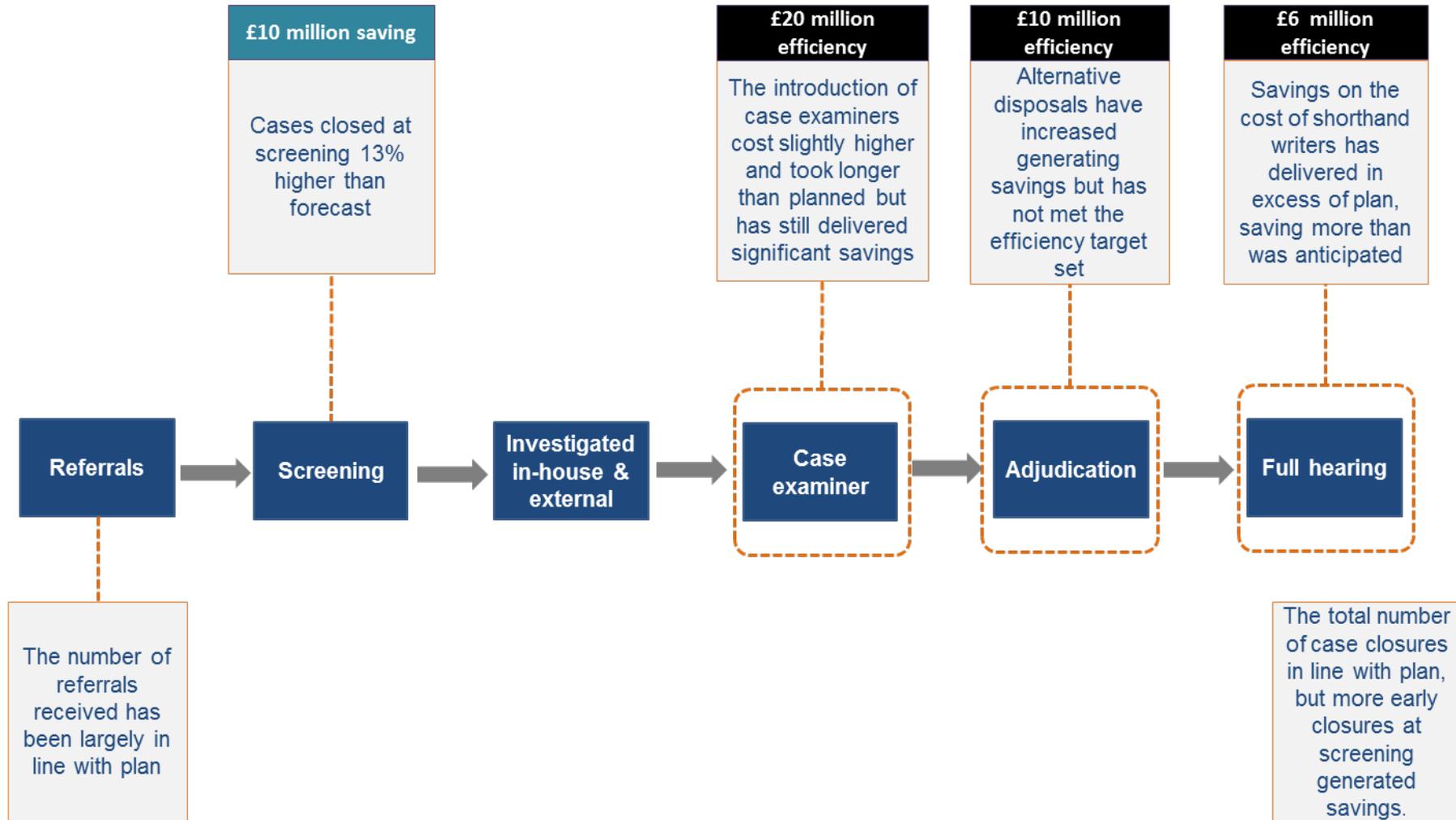
Specific efficiencies were identified and tracked, however wider savings made through case closure earlier in the process were not tracked or included in this programme. One consequence of better earlier decisions was that the downstream case volumes on which savings could be applied were reduced.

In view of the shortfall in achieving the target level of efficiencies, we asked KPMG to review the savings made alongside the work they were undertaking on the financial strategy.

This review has examined the assumptions, the actions taken and the saving planned and achieved. KPMG have been able to quantify the additional savings that have resulted from that more efficient decision making earlier in the process. Indications from this work are that the costs avoided through increased closure of cases at screening are likely to be £10 million over the three year programme.

Including this additional saving to the programme efficiencies above gives an overall total of £46 million, which represent 84% of the original £55 million target. The remaining 16% are not expected to be met due to a higher than forecast investment required in the new investigations team and a longer than anticipated time to get case examiners fully established.

# Efficiencies achieved/anticipated (FtP)



## Council

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

<b>Action:</b>	For information.
<b>Issue:</b>	Reports action taken by the Chair of the Council since 23 March 2016 under delegated powers in accordance with Standing Orders.
<b>Core regulatory function:</b>	Supporting functions.
<b>Strategic priority:</b>	Strategic priority 4: An effective organisation.
<b>Decision required:</b>	None.
<b>Annexe:</b>	The following annexe is attached to this report: <ul style="list-style-type: none"><li>• Annexe 1: Chair's action – Approval of Reappointment of a Legal assessor for the period to 31 December 2016.</li></ul>
<b>Further information:</b>	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](mailto:fionnuala.gill@nmc-uk.org)

<b>Chair's action</b>	1	The appointment of Legal Assessors is a matter for the Council under Article 34, Nursing and Midwifery Council Order 2001.
	2	On the recommendation of the Appointments Board, the Chair has approved the reappointment of a legal assessor for the period 1 July to 31 December 2016.
	3	As previously discussed by the Council, as part of a review of the scheme of delegation, we are considering how decisions on appointments and reappointments should be made in future.
	4	Further details of the action are set out at <b>annexe 1</b> .
<b>Public protection implications:</b>	5	None arising directly from this report.
<b>Resource implications:</b>	6	None arising directly from this report.
<b>Equality and diversity implications:</b>	7	None.
<b>Stakeholder engagement:</b>	8	None.
<b>Risk implications:</b>	9	None.
<b>Legal implications:</b>	10	None.

Item 14: Annexe 1  
NMC/16/44  
26 May 2016

### 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.

<b>Requested by:</b>  Lorraine Ladlow Assistant Director, Adjudication, Fitness to Practise	<b>Date:</b>  27 April 2016
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#### Reappointment of Legal Assessor to 31 December 2016

Following consideration of eligibility of for re-appointment and information regarding performance, the Appointments Board recommends that the Council reappoint Karen Rea as a legal assessor for a period of six months from 1 July 2016 to 31 December 2016 (supporting paper attached).

Signed Janet Finch (Chair)

Date 16.05.16.



## Council

### Midwifery Committee report

**Action:** For information.

**Issue:** This paper provides Council with an overview of the work of the Midwifery Committee since the last report in March 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](mailto:Jennifer.Turner@nmc-uk.org)

Chair: Dr Anne Wright

- Context:**
1. Since the last report to Council, the Midwifery Committee met on 27 April 2016. The topics below formed the majority of the discussion at this meeting.

**Midwifery regulation change: Information document on midwifery regulation**

2. A major focus for the Committee this year is to monitor the progress of those elements of the proposed regulatory change which relate to midwifery. The Committee continues to monitor the risks associated with this change.
3. The Committee reviewed a draft document intended as guidance for midwives on the proposed regulatory framework. The guidance was produced in response to midwives' feedback about the value of having a single point of reference on regulatory matters for the profession.
4. The Committee considered the guidance to be positively focused, well written and easily understandable.
5. 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, the safeguarding of which is of particular concern to the Committee and the wider midwifery community.
6. The Committee put forth a number of suggestions for the enhancement of the guidance, including further information for student midwives such as student fitness to practise, procedures, information about midwifery exemptions on prescribing, and the inclusion of high level references to other relevant legislative requirements outside the NMC's framework. It was noted that information on supervision would be included in a future iteration of the guidance, once the nature of supervision was determined in the four countries.

**Review Midwifery Committee Terms of Reference**

7. In confidential session, the Committee took a preliminary look at its functions under the current Midwifery Committee Terms of Reference in anticipation that these functions would cease in the current form if the proposed removal of the requirement for a statutory committee goes ahead. Most of the Terms of Reference clearly related to regulatory functions under the current regime, and would automatically cease once the legislation was enacted.
8. However, the Committee agreed that there was a broader consideration, aside from the individual components that made up

the Terms of Reference, which was that a method for the Council to receive information and advice relevant to midwifery regulation, including the voice of the profession, needed to be embedded in the future. The Committee noted, for example, the value of the involvement of observers who currently attend the Committee and are able to contribute to the discussion.

9. The adequacy of the current communication channels and the overall value added by the Committee will be assessed and discussed again at a future meeting. The Committee would offer advice as appropriate to the Council on how this value might be retained in the absence of the statutory Committee.
10. The Committee noted that it would be prudent to develop a strategy for monitoring the legislative change and to address problems that may arise immediately following the change.
11. The Committee intends to provide Council with suggestions for ways in which Council could access information from the midwifery community. This may assist Council when making the decision on what arrangements it wants to put in place. The paper will include a timeline for the transition to the new regulatory framework which extends into the changeover to the new model of supervision and the review of midwifery education standards.

#### **Midwifery regulation change: Transition paper**

12. To further support the transition of the sector over to the anticipated new legislative framework, the NMC Executive had drafted a proposed transition document, which was reviewed by the Committee. Transition Boards in each of the four UK countries are now in operation. The transition document is intended for use by the Transition Boards and is designed to prompt midwifery sector partners to think about the activities and functions that are anticipated to change as part of the regulatory review.
13. The Council had previously noted its moral responsibility to support the smooth transition of activities during the regulatory change. The draft transition document is an initial tool to contribute towards this goal.
14. The Committee expressed particular concern in two areas. The first was the desire for a mechanism to accurately identify midwives once the submission of an intention to practise was no longer required. The Committee stressed the importance of receiving assurance that a replacement for the collection of this valuable data had been considered. For its own regulatory purpose the NMC will rely on data collected every three years from revalidation. It was for sector partners to consider whether they needed annual data about practicing midwives. The Committee asked for the transition

document to include a prompt for sector partners to consider whether they needed annual data about practising midwives and how it would be collected.

15. The other area of particular concern was how public protection would be assured for clients working with independent midwives. The NMC was confident that revalidation would place appropriate requirements on independent midwives. The Committee noted that the sector has the option to regulate independent practice, as it does with other aspects of health and social care, should further assurance be required. The Committee will continue to monitor this issue.
16. The Committee considered that the various prompts for action addressed to the sector and employers in the document were apposite and well-framed. However, additional assurance would be gained if the transition boards provided a formal response to the transition document indicating the actions that had been put in place. The Committee asked the NMC to encourage the Transition Boards to respond.
17. Given the unique nature and long history of supervision in the midwifery profession, the Committee also asked the NMC to explore whether some historical data on midwifery supervision could be provided to the National Archives.

#### **Midwifery regulation change: Risk Register**

18. As the Council is aware, a risk register covering three major areas (strategic communications risk, legislative risk, and operational risk) is in place and is being monitored by the Committee.
19. The Committee noted the progress since its February meeting. A number of planned actions had been undertaken and were now mitigations in place. The rating of the communications risk remains at red in recognition of the high impact this particular risk presents to the project.

#### **Next steps with the Preparation of Supervisors of Midwives Programmes**

20. The NMC currently sets the standards and provides accreditation for institutions to deliver the Preparation of Supervisors of Midwives (PoSoM) programmes. As part of the proposed legislative change, it is anticipated that this activity will cease, and the NMC will eventually need to withdraw approval for institutions to provide this programme. The Committee discussed the potential timing of this change, and the options available to transition to the new arrangements.
21. The general consensus in the education and midwifery community is that the PoSoM programme is considered valuable learning, even if

the statutory element of supervision was removed. Institutions would not like to see the courses completely discontinued and some were preparing to create a new version of the PoSoM programme for the post-legislative change landscape.

22. Given this, the Committee expressed a preference for the NMC not to withdraw approval for providers to offer PoSoM programmes, but to let providers know that the NMC would not stand in the way of sensible modifications to programmes that moved away from the statutory role and anticipated the role of supervision after the change.
23. Regardless of the next steps, the NMC would not be making any formal announcement about PoSoM programmes until the Department of Health responded to the outcome of the Section 60 consultation. The NMC will consult with PoSoM programme providers and allow them to make representations.

#### **Update on the maternity reviews in England and Scotland**

24. The Committee is receiving regular updates on the outcome of the maternity reviews in England and Scotland. The NMC has been in contact with the Royal College of Obstetricians and Gynaecologists regarding the recommendation from the English review about inter-professional education and training. The Scottish review is yet to be published.

#### **Quality Assurance of Local Supervising Authorities**

25. The Committee was updated on the agreed plan and advised that Council had adopted the recommended approach to the quality assurance of local supervising authorities. The Committee also noted the termination of statutory supervision in Jersey and Guernsey islands and the Isle of Man. All three islands are working to implement non-statutory models of supervision.

#### **Update on EU Directive 2005/36/EC on the recognition of professional qualifications**

26. The Committee was advised of the changes affecting midwifery arising from the EU Directive. Planned work on Annexe V, relating to the minimum training standards for midwives, does not have a timeframe but is expected to begin in 2017. The Committee will continue to receive updates at future meetings.

#### **Revalidation update**

27. The Committee continues to receive regular updates on the revalidation programme.

28. It was noted that detailed quarterly reports on revalidation would be produced starting from the end of June 2016.

### **Midwifery Panel update**

29. The Committee and the Midwifery Panel each keeps the other abreast of their respective activities. The Committee was advised that, at its most recent meeting, the Panel discussed how to most effectively encourage the Chief Nursing Officers in the four countries to attend future meetings of the Panel. The Panel continues to look at the future landscape post the proposed legislative change.

### **Member appraisals 2015-2016**

30. The Committee noted that the annual member appraisal process had begun.

### **Communications workshop**

31. At its February meeting, the Committee reviewed an initial communications plan which had been drafted by the NMC communications team. Although the Committee agreed that the draft plan provided an important starting point, it did not go far enough to address the essence of the concerns across the midwifery community. The Committee asked for the plan to be enhanced, and suggested that the model of communication used during the revalidation programme be used as the basis for this plan.
32. Given that communications around the proposed legislative change are so significant, the NMC chose to engage an external partner to lead on this work. A new draft communications plan, created by the external partner, was discussed by the Committee at the April meeting.
33. The Committee provided feedback and suggestions on two key areas in the plan; the key messages for midwives, and key questions that the communication plan should answer.
34. The key messages were agreed as follows: midwifery is, and will continue to be, a distinct profession; the NMC and Council values advice and wants to receive it; midwives will be kept up to date throughout the regulatory change process; the new system will remain effective and safe for midwives, pregnant women and new mothers; the NMC will continue to be the regulator for midwives and will continue to perform all the duties which that entails; the changes will deliver a clearer, simpler system and will allow the NMC to constantly seek to improve midwifery care through effective regulation.
35. The Committee agreed that the key questions must include answers

to how the midwifery voice will be heard by the Council in the future; how the switch over to the new legislation will take effect; whether there will be a contingency or buffer period; and how the effectiveness of the new model will be evaluated. A separate bank of questions for each group of stakeholders is being maintained and will be answered.

36. The Committee noted that phase one of the plan begins immediately.

**Public protection implications:**

37. No public protection implications.

**Resource implications:**

38. No resource implications.

**Equality and diversity implications:**

39. No direct equality and diversity implications.

**Stakeholder engagement:**

40. None.

**Risk implications:**

41. None.

**Legal implications:**

42. None identified.



## Council

### Audit Committee Report

<b>Action:</b>	For information.
<b>Issue:</b>	Reports on the work of the Audit Committee.
<b>Core regulatory function:</b>	Supporting functions.
<b>Strategic priority:</b>	Strategic priority 4: An effective organisation.
<b>Decision required:</b>	No decision is required.
<b>Annexes:</b>	There are no annexes attached to this paper.
<b>Further information:</b>	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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**Discussion** 1 Reports on the work of the Audit Committee. The Committee met on 26 April 2016.

***Internal audit***

- 2 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 contribution 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.
- 3 The Committee approved a revised work programme for 2016-2017 and set clear expectations around planning work on key areas, such as finance and procurement, to ensure the Committee can review the position in October. The programme includes an allowance for contingency and the Committee has invited the Executive to consider using a portion of this to review complaints processes.

***Draft internal audit opinion and draft annual governance statement 2015-2016***

- 4 The Committee reviewed the draft internal audit annual opinion and was advised that internal audit's 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 during the year and insufficiently rapid progress being made on the finance and procurement improvement programmes. 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. The Committee considered the draft opinion a fair reflection of the current position.
- 5 The Committee also considered a draft of the annual governance statement for inclusion in the statutory annual report and accounts. The Committee considered that the draft needed to reflect the significant changes during the year and reflect more closely the internal audit opinion in relation to the degree of progress. Some suggestions and additions were proposed by the Committee.

**Risk management update and annual review of effectiveness**

- 6 The Committee considered an update on risk management, together with the annual review of the effectiveness of risk management. The Committee endorsed the report, which represents good practice and stressed the importance of using the risk register as a tool to manage risks at directorate level.

### **Whistleblowing annual report 2015-2016, revised policy and guidelines**

- 7 The Committee noted the annual report and requested that in future this include historical trend information for comparative purposes.
- 8 The Committee welcomed a refreshed whistleblowing policy and staff guidelines and endorsed plans for staff training and an audit of the effectiveness of the whistleblowing arrangements.

### **Complaints annual report 2015-2016**

- 9 The Committee reviewed an annual report on complaints and made some suggestions for issues which the Executive may wish to consider to ensure that the organisation derives maximum learning from complaints.

### **Appointment of external auditors**

- 10 The Committee reviewed the proposed process, specification and award criteria for the retender of external audit services for consideration by the Council elsewhere on the agenda.

#### **Public protection implications:**

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

#### **Resource implications:**

- 12 No resource implications arising directly from this report.

#### **Equality and diversity implications:**

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

#### **Stakeholder engagement:**

- 14 None.

#### **Risk implications:**

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

#### **Legal implications:**

- 16 None identified.