

## Meeting of the Council

To be held from 10:30am on Wednesday 24 May 2017, Cardiff

### Agenda

Dame Janet Finch  
Chair

Fionnuala Gill  
Secretary

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|--------------------------------|---|-----------|--------------|
| <b>1</b>                       | <b>Welcome and Chair's opening remarks</b>  | NMC/17/36 | <b>10:30</b> |
| <b>2</b>                       | <b>Apologies for absence</b>  | NMC/17/37 |              |
| <b>3</b>                       | <b>Declarations of interest</b>   | NMC/17/38 |              |
| <b>4</b>                       | <b>Minutes of the previous meeting</b>  | NMC/17/39 |              |
|                                | Chair   |           |              |
| <b>5</b>                       | <b>Summary of actions</b>   | NMC/17/40 |              |
|                                | Secretary   |           |              |
| <b>6</b>                       | <b>Chief Executive's report</b>   | NMC/17/41 | 10:40        |
|                                | Chief Executive and Registrar   |           |              |
| <b>7</b>                       | <b>Future nurse standards and education framework: consultation</b> (separate pack) | NMC/17/42 | 10:50        |
|                                | Director of Education, Standards and Policy   |           |              |
| <b>8</b>                       | <b>Nursing associates update</b>  | NMC/17/43 | 12:20        |
|                                | Chief Executive and Registrar   |           |              |
| <br><b>Corporate reporting</b> |   |           |              |
| <b>9</b>                       | <b>Midwifery Update</b>   | NMC/17/44 | 12:35        |
|                                | Chief Executive and Registrar   |           |              |

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|-----------|---|-----------|-------|
| <b>10</b> | <b>The first year of revalidation</b>     | NMC/17/45 | 12:50 |
|           | Director of Registration and Revalidation |           |       |

### **LUNCH (13:00-13:45)**

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|-----------|---|-----------|-------|
| <b>11</b> | <b>Performance report 2016-2017</b>                     | NMC/17/46 | 13:45 |
|           | Director of Resources                                   |           |       |
| <b>12</b> | <b>PSA Action Plan: Progress report</b>                 | NMC/17/47 | 14:00 |
|           | Director of Registration and Revalidation               |           |       |
| <b>13</b> | <b>Financial monitoring report</b>                      | NMC/17/48 | 14:10 |
|           | Director of Resources                                   |           |       |
| <b>14</b> | <b>Council Standing Orders and Scheme of Delegation</b> | NMC/17/49 | 14:20 |
|           | Secretary   |           |       |

### **Matters for information**

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

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|-----------|--|---------------|-------|
| <b>15</b> | <b>Audit Committee Report</b>                      | NMC/17/50     |       |
|           | Chair of Audit Committee                           |               |       |
| <b>16</b> | <b>Chair's action taken since the last meeting</b> | NMC/17/51     |       |
|           | Chair of the Council                               |               |       |
| <b>17</b> | <b>Questions from observers</b>                    | NMC/17/52     | 14:30 |
|           | Chair of the Council                               | <b>(Oral)</b> |       |

### **Refreshments (14:45 – 15:00) and close**

Meeting of the Council  
Held in the Council Chamber at 23 Portland Place, London W1B 1PZ on 29 March 2017

## Minutes

### Present

#### Members:

Dame Janet Finch	Chair
Karen Cox	Member
Maura Devlin	Member
Maureen Morgan	Member
Derek Pretty	Member
Robert Parry	Member
Stephen Thornton	Member
Lorna Tinsley	Member
Ruth Walker	Member

#### In attendance:

Marta Phillips	Independent Chair of the Audit Committee
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#### NMC Officers:

Jackie Smith	Chief Executive and Registrar
Adam Broome	Director of Resources
Emma Broadbent	Director of Registration and Revalidation
Judith Toland	Director of Transformation
Geraldine Walters	Director of Education, Standards and Policy
Sarah Page	Director of Fitness to Practise
Fionnuala Gill	Secretary to the Council
Pernilla White	Governance and Committee Manager

## Minutes

### **NMC/17/17 Welcome and Chair's opening remarks**

1. The Chair welcomed all attendees to the meeting, including Marta Phillips, Independent Chair of the Audit Committee, observers and staff members present, and outlined the order of business for the day.

### **NMC/17/18 Apologies for absence**

1. Apologies were received from Anne Wright.

### **NMC/17/19 Declarations of interest**

1. NMC/17/24: Nursing associates: All registrant members and Geraldine Walters, Director of Education, Standards and Policy declared an interest. This was not considered prejudicial as the individuals were not affected any more than other registrants.
2. NMC/17/35: Draft Budget 2017–2020: All registrant members and Geraldine Walters, Director of Education, Standards and Policy declared an interest in the annual review of fees. This was not considered prejudicial as the individuals were not affected any more than other registrants.
3. NMC/17/26: Review of Council member policies: All Council members, the Chief Executive and Registrar and Secretary declared an interest. This was not considered prejudicial as the Order places a responsibility on the Council to ensure effective policies are in place.

### **NMC/17/20 Minutes of the previous meeting**

1. The minutes were agreed as an accurate record, subject to the following amendments:
  - a) NMC/17/04: Nursing associate: paragraph 3c. Addition of the following: '*the proposed registered nursing associate role*'.
  - b) NMC/17/04: Nursing associate: paragraph 3h. Addition of the following: '*in addition to other routes*'.

### **NMC/17/21 Summary of actions**

1. The Council noted progress on actions from the previous meetings.
2. Arising from NMC/17/07 - Apprenticeships: A briefing on apprenticeship arrangements in the four countries was requested for the Council's meeting in May 2017.

**Action:** Prepare a briefing on apprenticeship arrangements in the four countries  
**For:** Director of Education, Standards and Policy  
**By:** 24 May 2017

**NMC/17/22 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. In discussion, the following points were noted:
  - a) The evidence given by the Chief Executive and Registrar to the Health Select Committee on 28 February 2017 focussed on the impact of Brexit on health and social care and in particular on implications for the workforce and public protection.
  - b) The Chief Executive and Registrar had met with the four UK Chief Nursing Officers in Dublin on 31 January 2017.
  - c) The Chief Executive and Registrar met with the Director of Care of an Erskine nursing home, as well as meeting with the Chief Nursing Officer, during her time in Edinburgh on 2 March 2017.
  - d) The PSA symposium, attended by the Director of Fitness to Practise and Anne Wright, also focused on the UK exit from the EU and had provided a useful opportunity for discussion of the challenges for regulators to consider in the short and medium term.
  - e) The NMC would mark International Nurses Day on 12 May 2017 by attendance at the Westminster Abbey commemoration service to celebrate the life of Florence Nightingale and by supporting the launch of the CNO's work on professionalism.

**NMC/17/23 Section 60: FTP consultation outcomes and proposed Rules**

1. The Director of Fitness to Practise introduced the report which provided a summary of consultation responses and conclusions and proposed changes to the Fitness to Practise Rules 2004. The Chair noted that the NMC had long pressed for these changes, so it was welcome to have now reached the point of implementation.
2. In discussion, the following points were noted:
  - a) The Order would come into force on 31 March 2017; the Council was being asked to approve the changes to the Rules in principle. The Council would subsequently be asked to make the Rules by correspondence and arrangements for this were in hand.

- b) There had generally been a positive response to the consultation and considerable engagement by FTP with stakeholders which would continue post implementation.
- c) The main area of concern for stakeholders related to the proposed new power for Case Examiners to issue warnings. The NMC was committed to ensuring that nurses or midwives would be treated fairly and encouraged to engage with the process at the earliest opportunity.
- d) Given the lack of an appeal process, the Council would wish to be assured that there were robust internal quality assurance processes to ensure consistency in decision making. Consistency in application of the thresholds would also be important, supported by proactive supervision of case examiners.
- e) The Director of Fitness to Practise noted that the power to review decisions was an important safeguard. Training for case examiners and all FTP staff and panel members was being rolled out. A high degree of quality assurance of decisions would be in place from the outset. It was proposed to bring the first report on the quality of decision making in the Fitness to Practise, and Registration and Revalidation directorates to the Council meeting in May 2017.
- f) One in five organisations responding to the consultation disagreed with the proposals for publishing the content of warnings. It was recognised that this remained a concern, given that this would apply alongside a finding of 'no case to answer'. There needed to be a balance between publicising the warning and the registrant's own interests. A warning was intended to mark the NMC's regulatory view of the seriousness of the matter, balanced with fairness to the registrant. It was recognised that there would be a need to build trust in use of the powers as these were implemented.

3. The Council would welcome a report in May on how the powers were being operationalised, including the preparation and training being put in place. It would also be helpful to have an evaluation of the impact of the changes in 12 months time.

4. The Director of Fitness to Practise thanked a number of staff members and representative bodies for the work done on this matter.

5. **Decisions:**

- i. **The Council agreed the conclusions set out in Annexe 1 of the paper following the Modernising Fitness to Practise consultation.**
- ii. **The Council agreed in principle to the proposed changes to the Fitness to Practise Rules 2004, set out in Annexe 2 of the paper.**

**Action:** Report to the Council in May 2017 on preparation for operationalising the new powers.

**For:** Director of Fitness to Practise

**By:** 24 May 2017

**Action:** Monitor the impact of: i. the use of warnings; and ii. the publication of warnings and provide an evaluation of the impact of the changes to Council after 12 months

**For:** Director of Fitness to Practise

**By:** 28 March 2018

#### **NMC/17/24 Nursing Associates**

1. The Director of Education introduced the report outlining progress on work in preparation for the regulation of nursing associates (NAs), following the Council decision in January 2017. In discussion, the following points were noted:
  - a) Timing was very tight. Legislative change typically took 18 months to two years, and NMC planning would need to take that into account. Meanwhile the first participants in the NA pilot programmes initiated by Health Education England would be completing in January 2019. Ministers wished them to be able to register as NAs at the time of completion.
  - b) Over time the Council would need to take decisions on all matters outlined in the report. Discussions with the Department of Health (DH) were under way in relation to the legislative provisions the NMC would need, in order to be ready to regulate in 2019.
  - c) The NMC's strong preference was for a UK wide approach to regulation of NAs, respecting the right of each country to decide whether the role was needed in its workforce context. It would be for the devolved administrations in each country to make the necessary provision, if they wished to adopt the role. Once regulated as an NA on our register, the NA could be recognised anywhere that the qualification was recognised.
  - d) There was ongoing engagement by the Chief Executive and Registrar, and Director with the CNOs in the four countries to understand their position; liaison with the devolved administrations was a matter for the DH.
  - e) The Council was not being asked to reach policy decisions at this meeting but rather agree that the various policy issues outlined in the report would need to be the focus of further discussion and exploration before decisions were made.
  - f) In developing the standards for nursing associates, it would be

important to obtain good feedback and get the balance right, particularly in distinguishing between the role of the registered nurse and the role of the nursing associates.

- g) Although Health Education England had originally envisaged the role as generic, this was not a settled matter and the Council was not being asked to reach a decision on this yet.
- h) Communication and engagement would be critical given the sensitive and complex nature of the programme.
- i) It was important to restate that the costs of implementing regulation were to be met by the Department of Health and not from registrants' fees.
- j) The Council would receive regular updates as part of its oversight of the NA programme at each meeting.

2. **Decision: The Council agreed that the policy areas set out in paragraph 11 should be subject to further exploration and discussion prior to any future decisions.**

**Action:** Explore the policy areas in paragraph 11 of the paper with Council further before bringing back for decisions.  
**For:** Director of Education, Standards and Policy  
**By:** 24 May 2017

**NMC/17/25 Appointment of Assistant Registrar**

1. The Director of Fitness to Practise introduced the report, which outlined the proposed appointment of an Assistant Registrar. In discussion, the following points were noted:
- a) This was a new role to oversee all delegated decisions. There was an expectation that more section 60 related work would be coming through following the changes to the Fitness to Practise Rules 2004.
  - b) The Council could be assured that an appropriate process had been undertaken to appoint the individual to the role.
2. **Decision: The Council confirmed the appointment of the Assistant Registrar named in paragraph three of the report, subject to which she may be authorised by the Registrar, in accordance with the Standing Orders, to act on her behalf in any matter.**

**NMC/17/26 Review of Council member policies**

1. The Council considered a report seeking approval of the revised Council member Code of Conduct and underpinning policies relating to

Managing Interests and Gifts and Hospitality. In discussion, the following points were noted:

- a) The Code of Conduct and policy on Managing Interests had been approved in 2014 and had been reviewed in accordance with good governance.
- b) The Committee on Standards in Public Life's report '*Striking the Balance*' had been used as a benchmark for the review. The report set out a series of best practice recommendations for regulatory bodies around maintaining high ethical standards and having up to date governance policies.
- c) In accordance with an internal audit recommendation, the existing guidance on interests had been split into two distinct policies: one on managing interests and the other dealing with gifts and hospitality.
- d) The Remuneration Committee had considered the Code of Conduct and the two underpinning policies in detail and recommended these for adoption by the Council. Equality and diversity issues had been particularly emphasised in the revised version of the Code of Conduct.

2.

**Decision: The Council agreed to adopt:**

- i. **The revised Code of Conduct as set out in Annexe 1 to the report.**
- ii. **The Managing Interest Policy for Council members as set out in Annexe 2 to the report.**
- iii. **The Gifts and Hospitality Policy for Council members as set out in Annexe 3.**

**NMC/17/27 Review of allowances for non-Council Committee members (partner members)**

1.

The Council considered a report on the review of allowances for non-Council Committee members. In discussion, the following points were noted:

- a) Under the Nursing and Midwifery Order 2001, the Council must determine the allowances to be paid to Council members and non-Council members of committees, for example members of the Appointments Board and independent members of Selection Panels. The rate for these allowances had not been reviewed since 2009.
- b) A benchmarking exercise had been conducted with other regulators. Taking into account the independent panel's recommendations for uprating allowances for Council members in November 2016, the Remuneration Committee recommended a similar 10 percent increase as reasonable.

2. The Council agreed that a review should take place every two to three years as a matter of good practice.
3. **Decision: The Council agreed to approve an increased daily rate payable to non-Council committee members and others, as set out in paragraph 6 of the report, of £286 to take effect from 1 April 2017.**

<b>Action:</b>	<b>Ensure that a review of rates payable to non-Council committee members and others engaged in activities on behalf of the Council, is carried out every two to three years</b>
<b>For:</b>	<b>Secretary</b>
<b>By:</b>	<b>24 May 2017</b>

#### **NMC/17/28 Midwifery Committee Report**

1. Lorna Tinsley introduced the final report from the Midwifery Committee. Thanks were expressed to Anne Wright, in her absence, for chairing and guiding the Committee through challenging decisions and reports. The contributions of both members and observers had also been invaluable. In discussion the following points were noted:
  - a) All members of the Committee had worked closely with the secretariat to ensure a full and final report to the Council. A summary of actions arising from the Midwifery Committee's work during the year was included at Annexe 1 of the report and demonstrated that these had all been completed.
  - b) The Committee had been fully informed and kept aware of the changes to supervision in the four countries.
  - c) The Committee was confident that Council's moral responsibility to support smooth transition to the new arrangements had been fulfilled, and that the NMC was operationally ready to implement the change.
  - d) The Committee was pleased that future Council agendas would include a standing item on midwifery and maternity issues. In addition it was noted that Council would want to be mindful of the most significant developments and issues on the horizon.
  - e) The Midwifery Panel, chaired by the Chief Executive and Registrar as the Chair of the Panel, and with both Lorna Tinsley and Anne Wright as members, would need to work up a framework for ensuring that midwifery issues of interest to the Council were brought to its attention.
  - f) The Chair of the Council had attended the last meeting of the Committee and had been impressed by the considerable enthusiasm

for the innovative approaches to supervisory models across the four countries. For example, in Northern Ireland, plans were being developed around supervisory frameworks for nurses. The new employer-led model of clinical supervision in Wales would build on the Future Proofing model introduced in 2014, and would maintain a dedicated role of Supervisor of Midwives, with clear governance structures for responsibility and accountability.

- g) It was heartening to see that midwives had been driving the new models. It would be interesting to hear about learning from the new models at future meetings and there could be benefits for other professions. Historically, midwifery had led the way in supervision and was still doing so.
- h) The need to consider how the Council could be as well informed of other professions, such as the role of Health Visitors was highlighted.

2. The Council expressed its considerable thanks and appreciation to Lorna Tinsley and Anne Wright for their excellent work on the Midwifery Committee over the past four years and for keeping the Council so well informed. The Chair would write to Anne Wright on behalf of the Council.

<b>Action:</b>	<b>Write to Anne Wright to convey the Council's thanks and appreciation.</b>
<b>For:</b>	<b>Chair</b>
<b>By:</b>	<b>31 May 2017</b>

#### **NMC/17/29 Audit Committee Report**

1. The Independent Chair introduced the Audit Committee Report. In discussion the following points were noted:
- a) The Committee had been pleased to note that all reviews originally planned under the internal audit work programme 2016–2017 had been completed.
  - b) Internal audit reports showed improvements across a number of areas and reflected positive progress by the organisation. This was a testament to the work of the Executive.
  - c) Given the significant progress in clearing past internal audit recommendations, the Committee had agreed that the Executive should now take back responsibility for signing off completion of internal audit recommendations.
  - d) The Committee had approved a draft Internal Audit work programme for 2017–2018. The early approval placed the NMC in a good

position for the year ahead.

- e) Ahead of preparation of the annual report and accounts, the Committee had reviewed the accounting policies for the financial reporting year and considered that these remained appropriate for 2016–2017. The Committee had also approved the plans for external audit and NAO certification of the NMC's annual accounts for the year ending 31 March 2017.

### **NMC/17/30 Performance and Risk report**

1. The Council considered a report on performance and risk management across the organisation, since the last Council meeting in January 2017. In discussion, the points below were noted:

#### **2. *Registration and revalidation performance, KPIs and dashboard***

- a) Performance across the directorate had continued to be strong against the KPIs and in the call centre during February 2017. March/April represented a peak period and performance would be closely monitored.
- b) As requested by the Council additional information around customer satisfaction questions had been included. Currently, everyone who contacts the Registration and Revalidation directorate is asked to complete a survey. The survey was also being introduced in the Fitness to Practise directorate. Going forward, the aim was to provide richer reports though better analysis of customer experience information.
- c) It might be worth adding a question about whether people would be willing to be contacted again by the NMC, should there be any further questions. Differences of views between the public and employers may be another area to explore further.
- d) The first dashboard on Revalidation would be presented to the Council at its May 2017 meeting.

#### **3. *Fitness to Practise performance, KPIs and dashboard***

- a) The overall caseload had reduced with more cases closed, and considerable progress had been made on the overall workflow. The directorate expected to be broadly on target at year end in terms of the number of substantive decisions made.
- b) A detailed report providing a forecast trajectory towards achieving timeliness goals would be provided to the Council at its meeting in May 2017.

- c) The median age of cases at screening was reducing showing that the trend was in the right direction. Given the use of medians, it would be helpful for Council to have information on the range and on the numbers of older cases so that it could be clear whether there was a need for concern.
- d) The effect of the changes as a result of the section 60 Order relied on good engagement with registrants and the impact should begin to come through during 2018-2019. The new rules would apply to all cases and there may be some opportunity to re-consider cases past the case examiner stage. However, those already referred for adjudication could not be retrospectively considered. It would be helpful to show performance in relation to cases dealt with under the existing and new provisions separately.
- e) It was proposed to evaluate the first year's operation of the Employer Link Service during the summer and bring a report to September Council.

**Action:** Provide information on the range and older cases, as well as the median in future reports

**For:** Director of Fitness to Practise

**By:** 24 May 2017

**Action:** Provide separate information on case dealt with under existing and new rules in future reports

**For:** Director of Fitness to Practise

**By:** 27 September 2017

### ***Education, standards and policy performance***

4. In relation to the education report it was noted that the vacancies in the directorate had not affected performance and had been addressed through various means, including use of external resource. Given the amount of work in this area it would be important to ensure there was sufficient resilience, particularly given the transformation programme.

### ***Corporate risk summary***

5. The Council discussed the summary of corporate risks. In discussion, the following points were noted:
- a) CR30a–Transformation: the Council endorsed the reduction in the risk rating.
  - b) CR25–Midwifery transition. The Council endorsed the reduction in the risk rating and noted that this could be removed as it was not relevant after 31 March 2017.

- c) CR29–Insight and Intelligence: this remained a red risk. Some work was underway which would be reported to the Council in July. This should address what the Council's expectation of this risk should be pending transformation.
- d) CR32–Financial resources: consideration should be given to whether the risk rating should be increased due to the overspend in the budget in 2016/17. The explanation for this risk should include information about current mitigations in place.
- e) The Council would discuss risk appetite and reporting of risks at the seminar session in April 2017. This would provide an opportunity to ensure that the corporate risk register reflected risks that were genuinely strategic. A first step had been taken by only including corporate risks on the heat map.

**Action:** i. Remove CR25–Midwifery transition; ii Consider the need to increase CR32–Financial resources risk  
**For:** Director of Resources  
**By:** 24 May 2017

**Action:** Provide an update on CR 29–Insight and Intelligence risk encompassing what expectations should be pending transformation  
**For:** Director of Transformation  
**By:** 5 July 2017

#### **NMC/17/31 Financial monitoring report**

1. The Council considered the report on financial performance to 28 February 2017 and forecasts for the year end. In discussion, the following points were noted:
  - a) Income was higher than projected in the original budget both year to date and year end forecast. Both revenue and capital spend were higher than budget both year to date and year end forecast. This was mainly due to overspends in Fitness to Practise (FTP); Technology and Business Innovation (TBI) and Corporate spend.
  - b) Overall revenue spend is forecast to be about £1.5 million over budget at the year end. TBI overspend related to a number of unanticipated issues including using more temporary staff resource than planned. The overspend in corporate was due to a failure to make appropriate provision in the original budget for depreciation.
  - c) FTP overspend related to the four main drivers outlined in paragraph 6.3 of the report, including omissions and poor forecasting when the 2016-2017 budget had been set. FTP had become aware of the overspend at the mid-year review and investigations commenced at

that stage to work out why but it had taken some time to unravel. Considerable work had been undertaken to ensure that the budget for the next financial year would be a more accurate forecast.

- d) The issue in relation to higher than expected travel and accommodation costs for panel members was being investigated further. A new travel provider had been introduced during the year and better data could be accessed as a result.
- e) In relation to efficiencies, the Council had been advised in September that the five percent stretch target would not be achieved. In relation to tracking the embedded efficiencies, these could be deemed to be achieved to the extent that the organisation delivered the agreed performance within budget.
- f) A revised approach to efficiencies was being proposed for 2017-2018, based on directorate performance indicators. It would be helpful for the Council to see a month by month breakdown of what should be achieved and what was delivered, so that there was an early opportunity to identify if things were going off track.
- g) In order to track efficiencies in the future, it would be helpful to provide a breakdown of salary and non-salary costs.
- h) A variety of measures had been put in place, and overseen by a substantially new team, which should ensure that forecasting was more accurate in the 2017-2018 budget, and that the outturn should be closer to the forecast. The new Financial Regulations and underpinning operational guidance which was being rolled out to the organisation; ownership by each directorate of their budget; and the recent internal audit report which suggested improvements in the overall framework for financial control should help provide assurance that there would be greater financial discipline in the year ahead.
- i) Any projected overspends should be clearly highlighted to the Council for transparency and so that the Council could ensure robust oversight of the budget.

<b>Action:</b>	<b>Provide a breakdown of salary costs and non-salary costs in future reports, together with a month by month breakdown of efficiencies</b>
<b>For:</b>	<b>Director of Resources</b>
<b>By:</b>	<b>25 April 2017</b>

#### **NMC/17/32 Questions from observers**

1. The Chair invited questions from observers. The following comments were made:
  - a) Unison and the RCM remained concerned about the proposed

approach to FTP warnings. A warning was a serious matter, since it would be declarable to a future employer or agency and could have damaging reputational implications. It would be difficult to convey the issues fairly in a short published paragraph and the right balance between the registrant's reputation and public protection needed to be struck: registrants should not be punished twice. Giving Registrants advance notice of the intention to issue a warning would enable them to reflect, which would be consistent with revalidation. Maintaining a consensual process with registrant engagement rather than simply seeking to expedite matters was important. Monitoring and consistency of approach would be key. The Director of Fitness to Practise thanked Unison and the RCM for their engagement to date and confirmed that the NMC would continue to work with the representative bodies on these issues.

- b) In response to a question about when early adopters of the new nurse education standards would be known, the Director of Education, Standards and Policy advised that it was anticipated that institutions would volunteer. The timeline for inviting volunteers was not yet clear as it depended on other factors in the programme falling into place first. Vacancies in the Education directorate had taken longer to fill than expected due to the need to recruit the right people.
- c) The Scottish Government was working with the Department of Health and other countries on the legislative provisions relating to nursing associates. It was also noted that Scotland still had bursaries for students.
- d) It was important that the Midwifery Panel monitor the effects of the changes in midwifery regulation and supervision, including referrals to FTP.

#### **NMC/17/33 Chair's action taken since the last meeting**

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

#### **NMC/17/34 Transformation**

1. The Council considered a paper and a presentation from the Executive team on the context, issues, costs, timeline, benefits and risks to be taken into consideration in reaching a decision in principle on the Transformation Outline Business Case. A full business case would be presented to the Council at its meeting in July 2017
2. The Chief Executive and Registrar reminded members of the NMC Strategy 2015–2020 which Council approved in 2015. The Strategy set out the Council's ambition to be a dynamic, forward thinking regulator; emphasised the need to better balance resources between core functions; and the need to manage a significant amount of change

without sacrificing performance. Transformation was necessary to achieve the Council's ambition, as the organisation was now at the limits of what could be achieved in terms of improvement within current operations. The outline business case covered both business transformation and location, and included plans for a contact centre in Manchester from March 2018. Transformation would affect all aspects of the organisation.

3. It was noted that Council had had an opportunity, in confidential session, to consider matters which needed to remain confidential at this stage, including employment issues. However this was the first discussion of the transformation business case in the round.
4. In discussion, the following points were made:
  - a) Strategic collaboration would be central to transformation. There was willingness on the part of the NMC and GMC to collaborate where this would secure mutual benefit.
  - b) The existing operational model was unsustainable. The financial modelling in the outline business case added up; the key risks had been identified with mitigation plans in place; and the Gateway review provided external assurance that it was sensible to proceed.
  - c) Clarity was still needed in a number of areas and should be provided as part of the full business case in July. This included a full implementation plan for how the organisation would get from where it was today to the future model; how the future operating model would achieve the 'dynamism' which was key to the Council's strategy and the criteria which would be used to judge success. It would also be helpful in July to have greater clarity about what model of continuous improvement the organisation planned to embed in the future operating model.
  - d) It would be helpful to have 'vignettes' of what would be different both for staff within the organisation eg, for the Executive, senior management, frontline staff and for registrants, employers, educators. This would in part be addressed in the work to develop customer journeys.
  - e) The full business case would also need to articulate more fully how transformation would improve public protection.
  - f) The proposed new model was based on better technology and fewer people; whilst this was likely to improve the reward from transformation, it also increased the risks. There was a need to have resilience both on the journey and when the end point was reached.
  - g) Use of external contractors with specialist particular skills was necessary both to achieve the necessary pace and because these

were not skills the organisation would need long term. However, the balance between internal staff and contractors should change over time. A register of skills transfer would be helpful. Benchmarking of skills would be necessary to identify what the organisation currently had and what was needed for the future.

- h) A major concern for the Council was the impact on staff. The Council was keen to ensure that transformation was undertaken in partnership with staff and would wish to maintain a good understanding of the views and reactions of staff throughout the programme. Good mechanisms for hearing staff views would need to be in place.
- i) It was important to recognise that no major programme runs entirely as planned. What was important was for the Council to be made aware, so that it could take action as required and ensure risks were managed. Clear gateway points would be required so that the Council had the opportunity to pause and take tough decisions when needed, should the programme go off track. A Plan B identifying vulnerable points in the Transformation programme should be provided as part of the full business case in July.
- j) The Gateway review had assessed the risk of proceeding at amber. It was reassuring that the management response accepted all the recommendations. Further improvement in the risk rating would be expected by July. At that stage the Council may need to consider whether enough work had been done before taking the next decision.
- k) The overall direction of travel was that the transformation model and the new IT provision would be non-location dependent. Manchester had been identified as the preferred location for the contact centre based on opportunities for strategic collaboration and scope for cost savings.
- l) The modelling took a cautious approach in both assessing costs and underestimating benefits. The picture would be clearer in July when actual costs would be available. The importance of not breaching the minimum level of available free reserves was recognised; the Council would expect the full business case to come in at a cost lower than £11.2m for 2017-2018. The programme involved a significant investment and ruthless discipline would be needed to ensure that costs were controlled and benefits driven out.
- m) This decision represented the outcome of cumulative discussions by the Council since December 2015, including discussions during the confidential Council meeting on 28 March 2017. This together with the Gateway review report and the advice of the Council's independent Financial and ICT advisers gave comfort that, whilst there remained issues to be resolved, the Council could agree to

proceed in principle.

5. **Decision: The Council:**
- i. **Decided that, in principle, the Transformation Option outlined in the paper, including some relocation, is the appropriate future for the NMC.**
  - ii. **Agreed that an implementation plan should be drawn up on this basis.**
  - iii. **Agreed that a full business case based on the implementation plan should be presented to the Council in July 2017, as the basis for agreeing and releasing funds.**
  - iv. **Agreed that a sum of up to £2.5 million can be spent April–July 2017 to progress the business case, this sum being set against the total expenditure envelope for the first year of the programme.**

**Action:** Develop an implementation plan based on the agreed Transformation Option outline in the paper  
**For:** Director of Transformation  
**By:** 25 July 2017

**Action:** Ensure the full business case to be presented in July addresses the points requested by the Council.  
**For:** Director of Transformation  
**By:** 25 July 2017

**NMC/17/35 Draft Corporate Plan 2017–2018 and Budget 2017–2020**

***19a Draft Corporate Plan 2017–2018***

1. The Chief Executive and Registrar introduced the draft Corporate Plan and proposed KPIs for 2017-2018. This year commitments were based on an honest and realistic assessment of what could be delivered. The wider strategic picture highlighted in the draft plan included potential external developments which may impact on the work.
2. In discussion, the following points were noted:
  - a) Although the plan referenced the importance of continuing work on improving data and intelligence, no specific deliverable was included. There would be short term improvements to current data, including continued work on disaggregation of data for midwives and nurses. But the bigger strategic piece could not be delivered in the year ahead. It would be difficult to make significant improvements to data before new systems were in place.
  - b) Similarly, whilst the organisation would continue to maintain a strong focus on patient and public perspectives, it was unrealistic to set a commitment for the year ahead.

- c) The plan committed to maintaining performance of business as usual alongside transformation.
- d) A slightly more challenging target of 60 days (instead of 68 days) was proposed for the KPI relating to assessment of EU/Overseas registration applications. Although applications were currently being processed within 30 days, this was due to a phenomenal effort by the team. The contribution which the Registration directorate would need to make to transformation meant that 60 days was a realistic target given the complexity of such assessments.
- e) Consideration should be given to developing a KPI around customers and in relation to Revalidation, since this could be a driver to improve the quality of the data. As previously advised the Council would receive the first revalidation dashboard in May.
- f) As part of the HR strategy, information about starters and leavers by directorate of the organisation would be useful information to consider in moving forwards with transformation. Work to improve HR data was underway and regular monitoring information would be provided to the Council.
- g) Available free reserves would not be a KPI but would be reported through the regular financial monitoring report.

3.

**Decision: The Council:**

- i. **Approved the corporate plan for 2017–2018.**
- ii. **Approved the corporate KPIs and targets for 2017–2018.**

<b>Action:</b>	<b>Consider development for the future of customer service and revalidation KPIs</b>
<b>For:</b>	<b>Director of Registration and Revalidation</b>
<b>By:</b>	<b>5 July 2017</b>

***19b Draft Budget 2017–2020***

1. The Director of Resources introduced the draft Budget for 2017–2020. This made separate provision for business as usual expenditure and the costs of the transformation programme. As the detail of the latter was not yet available, the version of the 2017–2018 budget, for approval at this meeting, was presented without any of the costs of the transformation programme. A final version, to include transformation costs based on the full business case, would be presented in July.
2. The budget was based on fees being maintained at the current level and no change to the minimum level of free reserves. The budget also sought to show separately spend on major programmes other than transformation, such as education.

3. In discussion, the following points were made:
- a) No provision had been made in the budget for introducing regulation of nursing associates, since this would need to be fully funded by the DH.
  - b) A resilience contingency of £0.5 million had been included to meet any unanticipated expenditure or unexpected additional demands.
  - c) The large increase in the Resources budget allocation mainly related to additional funding necessary to strengthen the HR and OD team.
  - d) The pay increase envelope of £0.8 million for 2017–2018 would cover a 2% pay award for all staff with an additional uplift for staff in the two lowest pay grades. The aim was to balance attracting and retaining staff in a competitive labour market.
  - e) Whilst a break-even budget was not ideal, the Council's earlier discussions had provided reassurance that there was sufficient financial discipline to remain within budget.

4. **Decision: The Council:**
- i. **Agreed that the annual registration and retention fee should remain at the current level of £120.**
  - ii. **Agreed that Available Free Reserves should remain within the range of £10 million to £25 million.**
  - iii. **Approved the business as usual, projects and capital budget for 2017–2018 as set out in the paper.**
  - iv. **Approved the pay increase envelope of £0.8 million for 2017–2018.**
  - v. **Noted the provision included in the proposed budget for 2017–2018 for Transformation, to be subject to separate Council approval.**

<b>Action:</b>	<b>Present a final version of the budget, including final transformation costs based on the full business case</b>
<b>For:</b>	<b>Director of Resources</b>
<b>By:</b>	<b>25 July 2017</b>

The next meeting of the Council will be held on Wednesday 24 May 2017 at the SWALEC in Cardiff.

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

**SIGNATURE:** .....

**DATE:** .....



## 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 29 March 2017

Minute	Action	Action owner	Report back to: Date:	Progress to date
<b>NMC/17/21</b>	<b>Summary of actions</b>  Prepare a briefing on apprenticeship arrangements in the four countries	Director of Education, Standards and Policy	24 May 2017	A briefing on apprenticeship arrangements in the four countries is included as an annexe to these actions.
<b>NMC/17/23</b>	<b>Section 60: FTP consultation outcomes and proposed Rules</b>  Report to the Council in May 2017 on preparation for operationalising the new powers	Director of Fitness to Practise	24 May 2017	Completed. Included in the Performance Report on the agenda.
<b>NMC/17/23</b>	<b>Section 60: FTP consultation outcomes and proposed Rules</b>  Monitor the impact of: i. the use of warnings; and ii. the publication of warnings and provide an evaluation of the impact of the changes to Council after 12 months	Director of Fitness to Practise	28 March 2018	Not yet due.
<b>NMC/17/24</b>	<b>Nursing Associates</b>  Explore the policy areas in paragraph 11 of the paper with	Director of Education, Standards and Policy	24 May 2017	Items within paragraph 11 of the March 2017 Nursing associate paper were in the main part decisions about the shape of the forthcoming Section 60 order which will be

Minute	Action	Action owner	Report back to: Date:	Progress to date
	Council further before bringing back for decisions			taken by the Department of Health. Two of the items, which related to the standards of proficiency, will be discussed with Council Members through planned interviews and Council members were assured at the April 2017 seminar that there were timetabled opportunities to debate draft standards of proficiency prior to any related decisions.
<b>NMC/17/27</b>	<p><b>Review of allowances for non-Council Committee members (partner members)</b></p> <p>Ensure that a review of rates payable to non-Council committee members and others engaged in activities on behalf of the Council, is carried out every two to three years</p>	Secretary	24 May 2017	A review is programmed in for 2019–2020.
<b>NMC/17/28</b>	<p><b>Midwifery Committee report</b></p> <p>Write to Anne Wright to convey the Council's thanks and appreciation.</p>	Chair	31 May 2017	Completed. Letter sent 4 April 2017 and response received.
<b>NMC/17/30</b>	<p><b>Fitness to Practise performance, KPIs and dashboard</b></p>	Director of Fitness to Practise	24 May 2017	Completed. Information about older cases and the range and median is now included in the dashboard.

Minute	Action	Action owner	Report back to: Date:	Progress to date
	Provide information on the range and older cases, as well as the median in future reports			
<b>NMC/17/30</b>	<p><b>Fitness to Practise performance, KPIs and dashboard</b></p> <p>Provide separate information on case dealt with under existing and new rules in future reports</p>	Director of Fitness to Practise	27 September 2017	Not yet due.
<b>NMC/17/30</b>	<p><b>Corporate risk summary</b></p> <p>i. Remove CR25–Midwifery transition;</p> <p>ii. Consider the need to increase CR32–Financial resources risk</p>	Director of Resources	24 May 2017	Completed.
<b>NMC/17/30</b>	<p><b>Corporate risk summary</b></p> <p>Provide an update on CR 29–Insight and Intelligence risk encompassing what expectations should be pending transformation</p>	Director of Transformation	5 July 2017	We have contracted the Kings Fund to undertake some initial work on collaboration, data and intelligence. This will culminate in a workshop with Council in September. In addition we are establishing the Intelligence and Insight workstream within transformation which is developing our data framework, data ownership and governance approach to

Minute	Action	Action owner	Report back to: Date:	Progress to date
				ensure we are able to interrogate and analyse effectively in the future.
<b>NMC/17/31</b>	<b>Financial monitoring report</b>  Provide a breakdown of salary costs and non-salary costs in future reports, together with a month by month breakdown of efficiencies	Director of Resources	25 April 2017	Salary breakdown included in the Financial monitoring report. We will be providing information on efficiency measures in future reports.
<b>NMC/17/34</b>	<b>Transformation</b>  Develop an implementation plan based on the agreed Transformation Option outline in the paper	Director of Transformation	25 July 2017	We are currently working on the implementation plan and are incorporating Council requirements into the overall business case for the 25 July meeting.
<b>NMC/17/34</b>	<b>Transformation</b>  Ensure the full business case to be presented in July addresses the points requested by the Council	Director of Transformation	25 July 2017	We are currently working on the implementation plan and are incorporating Council requirements into the overall business case for the 25 July meeting.
<b>NMC/17/35</b>	<b>Draft Corporate Plan 2017–2018 and KPIs</b>  Consider development for the future of customer service and	Director of Registration and Revalidation	5 July 2017	We are not suggesting revalidation KPIs as previously discussed with Council as the information is covered in existing KPI reports. A revalidation dashboard is being developed in response to Council's

Minute	Action	Action owner	Report back to: Date:	Progress to date
	revalidation KPIs			feedback.  A draft customer service KPI is under development and we will present this to Council on 5 July 2017.
<b>NMC/17/35</b>	<b>Draft Budget 2017–2020</b>  Present a final version of the budget, including final transformation costs based on the full business case	Director of Resources	25 July 2017	Not yet due.

## Summary of outstanding actions arising from the Council meeting on 25 January 2017

Minute	Action	Action owner	Report back to: Date:	Progress to date
<b>NMC/17/12</b>	<p><b>Professional Standards Authority Annual Performance Review 2015-2016</b></p> <p>Provide a more detailed report on the plan for improvement with clear trajectories and timescales for outcomes.</p>	Director of Registration and Revalidation	24 May 2017	On the agenda for this meeting.
<b>NMC/17/13</b>	<p><b>Employer link service</b></p> <p>Provide a report on the impact of the first year of the Employer Link Service when appropriate.</p>	Director of Fitness to Practice	27 September 2017	Not yet due.

## Summary of outstanding actions arising from the Council meeting on 28 September 2016

Minute	Action	Action owner	Report back to: Date:	Progress to date
<b>NMC/16/74</b>	<p><b>Equality and Diversity Annual Report 2015-2016</b></p> <p>Provide a detailed plan setting out the specific actions and targets to progress the priorities set out in the report (paragraph</p>	Director of Education, Standards and Policy	25 January 2017	The action plan will be ready for presentation to the Council on 5 July 2017.

<b>Minute</b>	<b>Action</b>	<b>Action owner</b>	<b>Report back to: Date:</b>	<b>Progress to date</b>
	37).			

## Briefing: Apprenticeship arrangements in the four countries

### Purpose of briefing

- 1 Apprenticeships are increasingly common as an alternative to more traditional degree routes to qualifications. This briefing provides Council with up-to-date information on the approaches to and priorities for apprenticeships in the four countries of the UK, including how each administration views the future of apprenticeships. It focuses on degree-level and higher apprenticeships as these are most relevant for our registrants. It is worth noting that there are other work-based training routes which are not badged as apprenticeships.

### UK-wide apprenticeship levy

- 2 On 6 April 2017 a UK-wide apprenticeship levy came into effect, intended to raise money for apprenticeship training. Employers (public, private and third sector) with a pay bill over £3 million pay a levy of 0.5% through the PAYE process to HMRC. The Government expects to raise almost £3 billion per year as a result of this levy.
- 3 The UK government will provide the devolved administrations with a population share of the Office for Budget Responsibility's latest apprenticeship levy forecast (March 2016<sup>1</sup>):

Amount of levy funding (£m)	2017-18	2018-19	2019-20
Scottish Government	221	230	239
Welsh Government	128	133	138
Northern Ireland Executive	76	79	82

- 4 Each devolved Government manages its own apprenticeship programmes and can decide how to spend this funding.

### England

- 5 In England, the Department for Education (DfE) has overall responsibility for apprenticeship policy. It is expanding the apprenticeships programme, with a goal of achieving 3 million new apprenticeship starts between 2015 and 2020, while making it increasingly employer-led and employer-funded.

<sup>1</sup> <https://www.gov.uk/government/news/uk-government-agrees-apprenticeship-levy-funding-deal-with-devolved-administrations>

- 6 Money raised from the levy in England will be ring-fenced for apprenticeship training:
- 6.1 An online apprenticeship service will allow employers to receive levy funds to spend on apprenticeships, manage their apprentices, pay the training provider and stop or pause payments to the training provider.
  - 6.2 Non-levy paying employers will share the cost of training and assessing their apprentices with government ('co-investment'). From May 2017, they will pay 10% towards the cost of apprenticeship training, with the government paying the rest up to the funding band maximum.
- 7 England is the only country that has as yet adopted an apprentice delivery model to an NMC approved qualification. It is worth noting that England is also the only country to have removed NHS bursaries for new nursing and midwifery students as of 1 August 2017. England is also the only country currently planning to use the nursing associate role for which an apprenticeship route is in development.
- 8 The list of health and science<sup>2</sup> apprenticeships includes the following:
- 8.1 Nurse (registered nurse degree) – Level 6, standard published
  - 8.2 Nursing associate – standard in development
  - 8.3 Healthcare assistant practitioner – Level 5, approved for delivery
  - 8.4 Senior healthcare support worker – Level 3, approved for delivery
  - 8.5 Healthcare support worker – Level 2, approved for delivery
- 9 The intention is that the registered nurse apprenticeship will be available from September 2017. We have received applications from a small number of NMC-approved pre-registration nursing degree providers who wish to offer nursing degree apprenticeships going forwards.

## Scotland

- 10 In 2017, there will be 19 graduate apprenticeship courses available, but these will initially focus on ICT/Digital, Civil Engineering and Engineering. The Scottish Government has committed to expanding work-based learning opportunities and to increasing the number of Modern Apprentices, including Graduate Level Apprentices, to 30,000 by 2020.
- 11 The Scottish Government will not ring-fence its levy funding share for employers to use for apprenticeship training. It will instead form part of the overall Scottish budget, but will be used to support employment issues.
- 12 It has stated that while the levy results in a small increase in funding from the UK Government regarding apprenticeship activity, the fact that the public sector will need to pay the levy will reduce spending power by £30 million in 2017-18.

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<sup>2</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/607590/Apprenticeship\\_standards\\_April\\_2017.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/607590/Apprenticeship_standards_April_2017.pdf)

- 13 Skills Development Scotland has developed an apprenticeship for Healthcare Support Workers<sup>3</sup> (NHS Scotland staff who are not in registered healthcare roles). This apprenticeship is at two levels – SCQF Level 6 and SCQF Level 7 – which are higher education but below a foundation degree.

## Wales

- 14 Apprenticeship delivery in Wales is overseen by the Welsh government. It will increase its investment in apprenticeships from £96 million to £111.5 million for 2017-18, and has pledged to create at least 100,000 high quality all-age apprenticeships over the next 5 years.
- 15 The Welsh government will receive its levy funding as part of the devolution settlement and this will not be ring-fenced. Welsh Ministers have disputed the figures given by the UK Government outlining the share of levy funds that Wales will receive. The Welsh Skills Minister has also said that proceeds from the levy would be offset by cuts elsewhere and the loss of £30 million from Welsh public sector employers in levy payments.
- 16 In February the Welsh government announced that there will be a move to higher apprenticeships but that although they are committed to degree apprenticeships these will take time to develop. They have prioritised sectors such as ICT, engineering and construction, but they know that changing priorities mean they will have to look at professional public sector areas such as nursing.
- 17 In 2014-15, the majority of Welsh apprenticeships were delivered in the public health and care sector, but at secondary education levels. The Welsh Government will be working with public sector organisations on their workforce planning to encourage a greater up-take of apprentices, including within the NHS<sup>4</sup>.

## Northern Ireland

- 18 The Northern Irish Finance Minister has stated that the levy provides no overall financial benefit to Northern Ireland due to other funding changes. In addition, the public sector will be required to pay £29 million in levy fees meaning there would be no overall increase to the Executive's budget<sup>5</sup>. These financial considerations, together with the current political uncertainty, mean that the Executive has suspended work on health and social care apprenticeships.
- 19 The Department for the Economy consulted on the Apprenticeship levy in November 2016<sup>6</sup>. As yet, the Executive has not responded to the consultation.
- 20 Northern Ireland currently offers a number of practice-based qualification pathways (which are similar to apprenticeships) in health and social care through the Open University<sup>7</sup>, including in Adult Nursing and Mental Health Nursing. The

<sup>3</sup> <http://www.skillsdevelopmentscotland.co.uk/what-we-do/our-products/modern-apprenticeships/modern-apprenticeship-frameworks/skills-for-health/healthcare-support/>

<sup>4</sup> <http://gov.wales/docs/dcells/publications/170206-app-policy-plan-en-v2.pdf>

<sup>5</sup> <https://www.northernireland.gov.uk/news/apprenticeship-levy-no-benefit-executive>

<sup>6</sup> <https://www.economy-ni.gov.uk/consultations/apprenticeship-levy>

<sup>7</sup> <https://www.nidirect.gov.uk/articles/higher-level-apprenticeships>

Department of Health views these programmes as successful and plans to commission an increased number of places.

## Council

### Chief Executive's report

**Action:** For information.

**Issue:** An update from the Chief Executive on (a) key developments in the external environment and (b) key strategic activity.

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

**Strategic priority:** Strategic priority 3: Collaboration and communication.

**Decision required:** None.

**Annexes:** None.

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

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**Context:** 1 This is a standing item on the Council agenda and reports on (a) key developments in the external environment; and (b) key strategic engagement activity.

**Four country factors:** 2 The paper reflects activity across all of the UK countries.

**Discussion**      **Accountability and oversight**

**Prime Minister's health adviser**

3 On 19 April 2017, the Chief Executive accompanied by the Assistant Director, Communications met Dr James Kent, the Prime Minister's Health Adviser for an introductory discussion. Dr Kent has been in post since January 2017 and we are among the first professional regulators to meet with him. Workforce issues, including Brexit, featured largely in the discussion, along with the regulation of nursing associates.

**Shadow Health Minister**

4 In March 2017, the Chief Executive met Justin Madders MP, the Shadow Minister for Health. The meeting focussed on the possible impact of Brexit, the regulation of nursing associates and the impact of the NMC's Section 60 changes. Mr Madders was interested to hear about how the new legislation will enable us to address our fitness to practise work in a more proportionate and cost effective way.

**Department of Health**

5 The Department of Health's Deputy Director, Professional Regulation Branch Acute Care and Workforce Directorate spent an orientation day at the NMC's offices in April, where she met the Chair and the Directors of Registration and Revalidation; Resources and Education, Standards and Policy, among others. A further visit to spend time with the Fitness to Practise directorate is being arranged for later in the year.

6 The Chief Executive has had regular catch up discussions with Department of Health colleagues. Issues discussed included plans for a stocktake of the current IELTS language test for nurses and midwives trained overseas seeking join the NMC register given that these have been in place since 2007. Our foremost consideration must always be protection of patients and the public and we will be gathering data and evidence to inform our consideration of whether any variation in either direction is needed to the current standards.

### **2017 General Election**

- 7 The Prime Minister's decision to call a General Election for 8 June 2017 has implications for parliamentary and government timeframes and our work in a number of areas, including legislative activity. Whilst the NMC is not part of government, we are a statutory body. This means that we take into account, as appropriate, government pre-election period guidance which may affect the extent of our activity or public comment during this period.
- 8 The General Election has delayed the timing of the laying of the Fitness to Practise Rules which give effect to the new case examiner disposal powers. We have been discussing this with Department of Health officials. With prompt ministerial support from the new government, we anticipate that we will remain on track to bring in the new powers on time.
- 9 In relation to the regulation of nursing associates, the Department of Health has confirmed its intention to continue with the policy and legislative development of the draft Section 60 order and consultation. Subject to ministerial approval, no delay is currently foreseen to the timing of this work.

### **Health Committee report on Brexit**

- 10 On 28 April 2017, the Health Committee published its report on Brexit. The Chief Executive gave oral evidence to this inquiry in February 2017. We raised a number of risks and opportunities that Brexit poses in relation to mobility of health professionals once we leave the EU, the applicability of the MRPQ directive, and what our data is revealing regarding applications from EU-educated nurses and midwives.
- 11 The report acknowledged the concerns raised by the NMC regarding the constraints of the Mutual Recognition of Professional Qualifications process (MRPQ) and the need for change in this area. The Committee suggested that the vehicle for any change in this area should be the government's planned primary legislation to reform professional regulation. The Committee also acknowledged the importance of existing alert mechanisms to identify potentially unsafe practitioners which exist as part of EU law.
- 12 We have since written to the Health Minister to engage proactively on this issue. Engagement with officials in the Department of Health is ongoing, and we are working in partnership with other professional regulators who share our concerns in these areas.

### **Other Brexit activity**

- 13 On 5 April 2017, the Chief Executive met the Chief Executives of the General Medical Council (GMC) and NHS Employers to discuss the

impact of Brexit. The Chief Executive also met the GMC Chief Executive separately for a regular catch-up meeting on 20 April 2017.

### **House of Lords Committee on the long-term sustainability of the NHS report**

- 14 The House of Lords Committee on the long-term sustainability of the NHS published its' report on 5 April 2017. The Chief Executive had given evidence to the inquiry in December 2016.
- 15 The report made several recommendations of interest to the NMC. Notably that Health Education England (HEE) should work with the NMC and others to lead on changing the 'culture of conservatism' amongst those who educate and train the health and social care workforce. The Committee also urged the government to bring forward legislation to modernise the regulation of health and care professionals, bringing us together in a single legal framework.
- 16 We welcomed the report and recommendations and will continue to work actively with partners and drive improvements through our education programme.

## **Stakeholder Engagement**

### **International Day of the Midwife and International Nurses' Day**

- 17 To mark both the International Day of the Midwife (5 May) and International Nurses' Day (12 May) we worked with the four CNOs to launch a new project and publication called *Enabling Professionalism*. This crucial project for all nurses and midwives describes and demonstrates what professionalism looks like in everyday practice through the application of the Code. The NMC led on launching the new publication and a successful social media campaign that urged all nurses and midwives to share what professionalism means to them using #professionalism. We also wrote to all nurses and midwives jointly with the four CNOs, to share the new resources, which are now available on the NMC website.
- 18 To coincide with the International Day of the Midwife on 5 May 2017, the Association of Radical Midwives staged a demonstration outside the office at 23 Portland Place. The Chief Executive, and Director of Registration and Revalidation, met a small group of midwives and supporters to discuss their concerns.
- 19 The Chief Executive also attended the Florence Nightingale Commemoration Service at Westminster Abbey on 17 May 2017.

### **NMC United Kingdom Advisory Forum**

- 20 As discussed with the Council, we are pleased to confirm that, with warm support from the four Chief Nursing Officers, we are

proceeding with our plans for a United Kingdom Advisory Forum. The Forum will meet in turn in each of the four countries. It will include the Chief Nursing Officers and professional and policy leads from the Health Departments in each administration, as well as relevant subject specialists, depending on the agenda. The Chair of the Council and the Council members from each of Wales, Scotland and Northern Ireland will attend as observers.

### **UK and Ireland Chief Nursing Officers**

- 21 On 11 April 2017, the Chief Executive met the four UK chief nursing officers in Belfast for a regular catch up discussion. While in Belfast, the Chief Executive met separately with the Chief Nursing Officer for Northern Ireland.
- 22 Further to meeting in February, the Chief Executive held a further meeting with her counterpart at the Nursing and Midwifery Board of Ireland on 3 May 2017. The Chief Executive is providing her with wider strategic advice on areas such as Registration and Revalidation and has agreed to remain in close contact about Brexit.

### **Professional Bodies**

- 23 The Chief Executive met the Chief Executive of the Royal College of Nursing on 20 March 2017 and the Chief Executive of the Royal College of Midwives on 21 March 2017 and 19 April 2017 for scheduled catch-up discussions.

### **Professional Leadership discussion**

- 24 On 3 April 2017, the Chief Executive attended a dinner at the House of Lords, hosted by Baroness Watkins of Tavistock to discuss professional nursing leadership. Other attendees included the Chief Nursing Officer for England. Revalidation, the nursing associate role and strategic leadership of the nursing profession were among the areas that were discussed. A further dinner is planned for later in the year.

### **Education programme**

- 25 We held our regular teleconference to update the four Chief Nursing Officers on progress with our education programme on 13 April 2017.
- 26 The nursing standards thought leadership group met on 20 April 2017. Dame Jill Macleod Clark, who is leading on this work for the NMC, discussed the progress with the development of future nurse proficiencies.
- 27 The Director of Education, Standards and Policy met with Royal College of Nursing colleagues to discuss our education programme

and quality assurance of education.

- 28 We presented at a number of external events about the education programme, including Nurses Lives; a Mental Health Nurse Academics event o; and a seminar with the Council of Deans.
- 29 In April, our education team met with a focus group of nursing and midwifery students to discuss the new model for learning and assessment. This group reflected the four UK countries, different practice settings, and included pre-registered students as well as those on post-registration courses. The team also gave a presentation to the Royal College of Midwives' students committee about the programme as whole and the new model for learning and assessment.

### **Professional Strategic Advisory Group (PSAG)**

- 30 On 26 April 2017, the main item of business at the PSAG meeting was a presentation by Professor Liz West, the author of the BME report. The PSAG, chaired by the Director of Education, Standards and Policy also noted an update on nursing and midwifery issues from the Department of Health in Northern Ireland and discussed the progress with the regulation of the nursing associate role.

### **Black and minority ethnic (BME) nurses and midwives representation in the Fitness to Practise process**

- 31 We published the research which we had commissioned from the University of Greenwich, exploring the progress and outcomes of BME nurses and midwives going through our FtP process. There was coverage in the trade press of the research findings. The report made a number of findings and work is underway to ensure that our FtP process is fair to all nurses and midwives and that it reflects the diversity of our register. We have committed to carrying out the research again allowing us to examine a larger dataset.
- 32 The Deputy Director, Fitness to Practise (FtP), chaired a roundtable meeting with our advisory group looking at the report. At this meeting, there was agreement to remain focused on tackling discrimination in our fitness to practise work and the wider health and care sector. The advisory group will reconvene and expand its membership to include other relevant partners, such as the CQC.

## **Collaboration**

### **Wales Concordat**

- 33 On 11 April 2017, the Head of Policy and Legislation attended the quarterly Wales Concordat meeting in Cardiff, a forum for regulators, government and NHS bodies relating to Wales to discuss strategy and policy. Key matters covered included the Nursing associate role

and our education standards. Attendees also received updates on developments in the health sector in Wales and presentations from the new organisations of Health Education Wales and Social Care Wales.

### **Exception to the Apologies (Scotland) Act 2017**

- 34 Our collaborative work with other professional regulators and the Scottish Government has secured an amendment to except us and other regulators from the provisions of the Apologies (Scotland) Act 2017. We had been concerned that the Act, unamended, would have prevented our regulatory proceedings in Scotland from being able to rely on certain evidence.

### **Engagement with regulatory bodies and partners**

- 35 The Chief Executive met with Chief Executives of the General Medical Council, the General Pharmaceutical Council, the General Optical Council and the Professional Standards Authority on 30 March 2017 to discuss a range of cross-regulatory issues, including collaboration.
- 36 On 3 April 2017, the Director of Fitness to Practise, met with the Public and Health Service Ombudsman and NHS Improvement to discuss how our work contributes to a wider culture of learning.
- 37 The Chief Executive was a member of the interview panel for the new Chief Executive of the General Optical Council which took place on 7 April 2017.
- 38 The Chief Executive hosted the meeting of the Chief Executives' Legislation Group (CELG) on 27 April 2017. The CELG considered how to follow up the event, attended by the other professional healthcare regulatory bodies, which had been hosted by the NMC at the end of 2016 on joint activity.

### **Advice for registrants**

- 39 We have worked in partnership with unions and professional bodies on a campaign to prevent nurses and midwives from inadvertently leaving the register for failing to pay their fee. This has included the production of a range of resources including an animation, posters and leaflets which have been cascaded through partner organisations.

### **Media activity**

- 40 The BBC and other national media outlets reported that the Secretary of State for Health has asked NHS regulators to undertake an investigation into a 'cluster' of baby deaths at Shrewsbury and Telford Hospitals NHS Trust. Mention of the NMC in media coverage

has so far been limited.

- 41 There has been coverage in the trade press regarding the decision of an NMC Panel in a recent FtP case concerning a nurse who admitted to failing to commence CPR upon finding an individual unresponsive in a care home. We issued a short statement on this matter. There has also been significant discussion of this issue on social media.
- 42 There was coverage in the trade press of recent changes to the NMC's midwifery legislation, including a quote from the Chief Executive.
- 43 There has been coverage in the trade press of the NMC's decision to increase the flexibility of the application process for nurses and midwives trained outside the EU/EEA. The changes provide additional flexibility by increasing the number of times a nurse or midwife can sit a key component of the test they need to pass in order to practise in the UK.
- 44 The campaign to prevent nurses and midwives from inadvertently leaving the register for failing to pay their fee was covered by the Nursing Times.
- 45 Leukaemia Care published an article by the Chief Executive in support of the first anniversary of revalidation.

**Public protection implications:**

- 46 None arising directly from this paper.

**Resource implications:**

- 47 No direct resource implications.

**Equality and diversity implications:**

- 48 No direct equality and diversity implications.

**Stakeholder engagement:**

- 49 The paper reflects the range of stakeholder engagement undertaken between March and May 2017.

**Risk implications:**

- 50 None.

**Legal implications:**

- 51 No direct legal implications.

## Council

### Nursing associates update

**Action:** For discussion.

**Issue:** Provides a summary update on progress with nursing associate regulation.

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

**Strategic priority:** Strategic priority 1: Effective regulation.

**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 In January 2017, Council agreed to a request from the Secretary of State to regulate a new role of nursing associate (NA). This role is currently being piloted in England, with 2,000 due to graduate from January 2019. Further cohorts in England, funded through the apprenticeship levy, are likely to follow.
  - 2 This paper provides an update on the work on the programme established to deliver nursing associate regulation.
- Four country factors:**
- 3 Health policy and workforce are devolved matters. The NMC is not aware of any plans on the part of Northern Ireland, Scotland or Wales to use the NA role in the immediate future. From the NMC's perspective, whether the NA role is used UK-wide or not, all four countries of the UK retain a stake in the NMC's approach to regulation, not least because of mobility within the UK labour market.
- Content:**
- Legislative change**
- 4 The NMC is working closely with the Department of Health (DH) on the shape of the legislative change required to allow us to regulate nursing associates. This will take the form of a Section 60 Order to amend the Nursing and Midwifery Order which DH will lead, and a consultation on changes to the NMC's Rules which we will lead. All changes will be subject to full public consultation and appropriate parliamentary oversight.
  - 5 The starting point for the legislative change is the DH's policy intent in creating the role. The NMC will develop its approach to regulation, including setting appropriate standards of proficiency for nursing associates, in accordance with the government's policy intent.
  - 6 The timeline for the completion of the Section 60 is likely to allow for the NMC to undertake certain regulatory tasks before it opens the nursing associate part of the register. The general election is not thought likely to have an adverse impact on the overall timeline.
- Policy development**
- 7 The NMC's regulatory policy is defined in part by the shape of the legislation under development. Once there is confirmation of the scope of the Section 60 Order, we will know the context within which we are developing the policy and thereafter, the processes we will use to regulate NAs.
  - 8 Our starting assumption is that in broad terms our regulatory model for NAs will be similar to our regulatory model for nurses and midwives. It will consist of education approvals and quality assurance, standards of proficiency and standards to be upheld by those on the register, requirements for the maintenance of

registration and fitness to practise processes to address concerns.

- 9 The basis for this assumption is that a Section 60 Order is a vehicle for variations to an existing legislative framework, not a means by which wholesale change is realised.
- 10 NA is a new role and as yet there is no evidence on the basis of which to pursue a markedly different regulatory approach to that applying to nurses and midwives. Over time if the evidence base associated with NAs indicates a higher or lower level of risk to public protection, Council may wish to consider whether the regulatory approach requires review, in order to achieve proportionality.

### **Decisions for the Council**

- 11 As previously set out, key strategic decisions about the regulation of NAs will be taken by Council. These include:
  - 11.1 Regulatory policy matters (education; registration; revalidation; and fitness to practise), particularly where we propose to take a different approach to the regulation of nursing associates;
  - 11.2 Standards of proficiency and consultation on the standards;
  - 11.3 Fees policy and consultation on the fee;
  - 11.4 Applicability of Code and other standards; and
  - 11.5 Policy approach to the management of NAs already in training prior to regulation.
- 12 Council will also require regular oversight of matters arising from engagement, our operational readiness, and any issues arising from the pilots and forthcoming apprenticeships.

### **Communications and engagement**

- 13 There is strong support in England for the creation of the new role of NA, but also a range of concerns and sensitivities. Communications and engagement will be a very significant workstream within our NA programme. We need to lead activity relating to regulation and work very closely with others on related matters such as role definition, the pilots, the proposed apprenticeship, evaluation, and safe deployment.
- 14 We are delivering a detailed communications and engagement plan, and recent activity has included:
  - 14.1 Programme of engagement with individual Council Members, responsive to key issues they have identified.

- 14.2 Semi-structured interviews with a number of senior external stakeholders.
  - 14.3 The establishment of an NMC external stakeholder group to provide external support and challenge for our plans for regulation. There will be a Council observer on this group.
  - 14.4 Regular meetings with DH and others to co-ordinate delivery across the legislation; regulation; pilots and apprenticeship development.
  - 14.5 Participation in work relating to pilots and in the NA Apprenticeship Trailblazer Group.
  - 14.6 Development of shared messages and ways of working with partners.
  - 14.7 Speaking engagements with audiences of NA students, education providers and employers.
- 15 We have some important further events in the pipeline, including a workshop on evidence and evaluation, and a round table with relevant bodies to explore what others will do to support and monitor safe deployment of the new role.

**Public protection implications:**

- 16 The Secretary of State has taken the decision that statutory regulation of the nursing associate role is required in order to protect the public. Public protection will also inform the NMC's work in developing its regulatory approach to nursing associates. Professional regulation is an important part of public protection. It will also be important for overarching bodies to support healthcare providers to make safe decisions about staffing, and for system regulators to monitor the safe deployment of the role.

**Resource implications:**

- 17 In agreeing to regulate NAs, Council was clear that the costs of bringing a new profession into regulation must not be borne by nurses and midwives. DH has agreed to meet reasonable NMC costs and we are working together to agree the resources required.

**Equality and diversity implications:**

- 18 An initial equality impact assessment has been carried out and this will be monitored through programme governance. Among the salient issues will be access to education programmes and fees.

**Stakeholder engagement:**

- 19 Stakeholder engagement is covered in the body of the paper.

**Risk implications:**

- 20 Key risks of the programme include:

- 20.1 *Public protection*: mitigations include setting standards of proficiency which provide clarity about the respective roles of nurses and NAs, working with others on safe deployment and evaluation of impact.
- 20.2 *Resourcing*: mitigations include securing resource from DH.
- 20.3 *Inheriting legacy cohorts*: mitigations include developing standards early in the programme, early engagement with pilot students and education providers, and close working with those overseeing pilots and subsequent apprenticeships.
- 20.4 *Impact on other NMC priorities*: mitigations include using a delivery partner and mapping and managing interdependencies.

**Legal implications:**

- 21 Legislative change is required to enable the NMC to regulate nursing associates.



## Council

### Midwifery update

**Action:** For discussion.

**Issue:** This paper provides Council with a midwifery update.

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

**Strategic priority:** Strategic priority 1: Effective regulation.

**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 director named below.

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- Context:**
- 1 The Council agreed, at its January meeting, that a number of measures would be put in place to ensure that Council received regular advice relating to midwifery regulation, following the removal of the statutory Midwifery Committee. One of those measures included a report at each meeting to update the Council on midwifery issues.
  - 2 This first report provides Council with an update on recent midwifery activity including the work of the Midwifery Panel, the development of new standards of proficiency for midwives, and recent and planned engagement.

- Four country factors:**
- 3 There are differing approaches across the four countries to midwifery issues and maternity services. Where different approaches apply, these are discussed in detail throughout the paper.

**Discussion: Midwifery Panel**

- 4 The Panel continues to receive updates from the Chief Nursing Officers about the progress on the implementation of the plans for the replacement of statutory supervision in the respective countries.
- 5 Implementation of the respective supervision models was well underway with no major risks or obstacles reported.
- 6 The Panel will continue to receive regular updates from the four countries as the new supervision models are embedded, and as planned evaluations are undertaken in the future.

**Wider midwifery issues across the UK**

- 7 At its April meeting, the Panel discussed a range of strategic issues that were currently facing midwifery and maternity services across the UK. Cathy Warwick from the Royal College of Midwives led the discussion which focused on current workforce demands, workforce supply challenges, and ideas for improvement in these areas.
- 8 The NMC is giving consideration to the role that it could play in influencing and improving these issues, and will have a further discussion at the next meeting of the Panel in July.

**Standards of proficiency for the future registered midwife**

- 9 Professor Mary Renfrew has been appointed as the external senior lead for the development of new standards of proficiency for the future midwife. Planning for this work stream is now reaching completion and the development process has recently commenced. We are currently recruiting a midwife to support our work in

midwifery education and policy.

- 10 Work to date in this area includes the development of an initial evidence base to progress the new standards, and early engagement with a number of stakeholders, including the Lead Midwives for Education.
- 11 We are not seeking Council's approval to consult in this area at this time. Consultation on our standards of proficiency for midwives is anticipated to take place in 2018.
- 12 We will hold a series of engagement events in 2017–2018 to allow stakeholders to influence, support and help to implement the new standards.
- 13 This core series of events will be split into three types: meetings of the Thought Leadership Group (TLG) for midwifery; listening events; and roadshows. Ensuring we engage with midwives, women and families who reflect the diverse nature of the population will be key in putting these events together.

#### **Midwifery engagement**

- 14 A communications partner was recently engaged to plan and coordinate future midwifery communication and engagement events.
- 15 A detailed timeline of activity over the next six months has been developed. Key activities include promoting the work of the Midwifery Panel and the Senior Midwifery Adviser's visits throughout the UK. The midwifery section of the website will be refreshed, and an enhanced feature will allow for moderated online discussions to take place on the latest issues.
- 16 A key element of our new communication activities is a regular email to all midwives from the NMC's Senior Midwifery Adviser, Donna Ockenden.
- 17 Many engagement activities are being developed with input from key midwifery stakeholders including the Royal College of Midwives and the National Childbirth Trust.

#### **International Day of the Midwife 2017**

- 18 Friday 5 May was the International Day of the Midwife. The theme for this year was "Midwives, Mothers and Families: Partners for Life".
- 19 We marked the day with a special update from the Senior Midwifery Adviser on her activities over the past month, including her visit to shadow midwives in Wales.
- 20 As mentioned in the Chief Executive's report, we worked with the four CNOs to launch a new project and publication called *Enabling*

*Professionalism.*

<b>Public protection implications:</b>	21	None arising from this paper.
<b>Resource implications:</b>	22	None.
<b>Equality and diversity implications:</b>	23	None.
<b>Stakeholder engagement:</b>	24	Upcoming engagement is outlined in the paper.
<b>Risk implications:</b>	25	None arising from this paper.
<b>Legal implications:</b>	26	None arising from this paper.

## Council

### The first year of revalidation

**Action:** For discussion.

**Issue:** A progress report on the first year of revalidation.

**Core regulatory function:** Registrations.

**Strategic priority:** Strategic priority 1: Effective regulation.

**Decision required:** No decision is required. The Council is asked to discuss a summary of findings from the first year of revalidation.

**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 Council will know that the introduction of revalidation in April 2016 represented the most significant change to the regulation of nurses and midwives in the history of the NMC.
  - 2 Revalidation supports public protection by promoting professionalism and enables nurses and midwives to demonstrate continued engagement with the Code by regularly reflecting on their practice. Implementation began in April 2016. Since that time we have published quarterly reports and will publish an annual report. Council will be asked to approve the annual report at its July meeting, prior to publication.
  - 3 The enthusiastic and positive way in which nurses and midwives have embraced revalidation is a credit to the professions. Along with the Chief Nursing officers in the four countries, employers and other partners were instrumental in helping us design and deliver a model of revalidation that is transparent, proportionate and adds to public protection.
- Four country factors:**
- 4 Revalidation applies equally across all four countries. Revalidation rates across all four countries are very similar and in line with historical renewal rates.

**Discussion      Numbers revalidating**

- 5 The first year has been very successful with over 202,000 nurses and midwives revalidating between April 2016 and March 2017. Revalidation rates across the four UK countries are very similar ranging from 93 percent to 94 percent. Likewise revalidation rates for nurses (92 per cent) and midwives (91.2 per cent) are similar. The revalidation rate for the whole register (including those who work wholly abroad) was 92.4 percent. The number of nurses and midwives renewing their registration increased slightly by 1572.
- 6 The proportion of nurses and midwives who revalidated by country was:
  - 6.1 England – 93.1 percent
  - 6.2 Scotland – 92.9 percent
  - 6.3 Wales – 93.4 percent
  - 6.4 Northern Ireland – 94 percent
  - 6.5 From outside the UK – 59 percent
- 7 During this year we have monitored the revalidation rates for both nursing and midwifery registrations. From our first year's data we are

assured that revalidation has not had a negative impact on the register for either nursing or midwifery. The revalidation rates across all four countries and across both midwifery and nursing compare favourably to historical rates under the previous Post registration education and practice (Prep) system.

- 8 As indicated above we have seen no material difference in revalidation rates for nursing registrations (92 per cent) and midwifery registrations (91.2 per cent).
- 9 We can see a pattern of dual registrants (those holding both nursing and midwifery registration) making changes to their registration type. The majority of dual registrants who changed their registration dropped nursing and retained midwifery.

### **Demographic profile of those revalidating**

- 10 We have also monitored the demographic profile of those who revalidate. The majority of those who revalidated this year are under the age of 55 (83 percent) and report as White British (72.8 percent) and only 3.5 percent report as having a disability. There is some indication that, as has been the case historically with renewal, nurses and midwives aged over 55 years have a lower rate of revalidation.. This is as we might expect, as many people in this group decide to take retirement. The challenges of retaining an aging workforce have already been recognised by employers and unions and we want to work with them to ensure that revalidation is not an obstacle to older nurses and midwives maintaining their registration.
- 11 The 3.5 percent of registrants who declare a disability also have a lower revalidation rate (84.3 percent compared to 95 percent for those who declare they don't have a disability). As with older registrants, there may be a variety of reasons for this. A much higher proportion of registrants with a disability declare they are lapsing due to 'ill health'. Again we will work with our stakeholders and the evaluation team to understand the reasons for this and any barriers to revalidation experienced by this group.
- 12 An initial review of the other demographic information shows no marked differences in revalidation between those of different gender or ethnicity. Those who work wholly abroad have always renewed their registration at a lower rate than those working in the UK and the difference has increased this year.

### **Employment, practice and work settings**

- 13 There is a wide diversity of employment and practice being reported but most report being directly employed (93.7 percent of all current employment types being reported). The most commonly reported scope of practice was direct clinical care adult and general nursing

(62.8 percent). A small majority (56.2 percent) report hospital or other secondary care as one or more of their work settings. A full breakdown of employment, work and practice settings will be detailed in the annual report.

### **Nurses and midwives needing additional support**

- 14 We offer alternative arrangements for nurses and midwives who may need additional support to revalidate. The numbers requesting alternative support arrangements have not been high and since April 2016 the proportion of registrants needing alternative support has reduced to 1 percent of all those renewing their registration. We expect this to continue to reduce.

### **Evaluation**

- 15 In October 2015, Council asked that revalidation should be the subject of a full evaluation. In 2016 we commissioned Ipsos Mori (Ipsos) to undertake this and help us understand the outcomes and impact of revalidation.
- 16 The evaluation began in late autumn with a survey of registrants who had revalidated alongside a comparator survey of those yet to revalidate. Qualitative interviews have been carried out with registrants, confirmers and reflective discussion partners, as well as interviews with senior stakeholders.
- 17 It is too early in the first cycle of revalidation to comment in detail on the effect revalidation has had but the initial findings are very positive and consistent with the feedback we have had ourselves. In particular they have reported that those nurses and midwives who have revalidated have found it a valuable experience that has helped them reflect on their practice. Our communication and engagement approach and the guidance and support we have offered have been very well received. More information will be available in the annual report.

### **Verification**

- 18 Verification helps us to be confident that nurses and midwives are meeting the revalidation requirements. It is more robust than the previous Prep system as we ask for detailed information about practice hours and seek information from confirmers and reflective discussion partners. The Ipsos findings report that verification appears to be having the desired effect on driving compliance. This is consistent with our findings which demonstrate a high degree of compliance with only a very small number of applications being rejected. The full impact of verification will be clear at the end of the first full three year cycle at which point we will have meaningful statistics to use going forward.

<b>Public protection implications:</b>	19	Revalidation is designed to ensure public protection, bringing about improvements in the practice of nursing and midwifery and strengthening public confidence in the professions. While the feedback we have had so far has been overwhelmingly positive it is too early to say what impact revalidation has had until we have completed the first full cycle. We will continue to provide updates as the evaluation progresses over the next two years.
<b>Resource implications:</b>	20	Publishing these reports will have resource implications for the Registrations and Revalidation Directorate, the Research and Evidence and Communications teams but these have been planned for and are within existing budgets.
<b>Equality and diversity implications:</b>	21	We are comparing findings with our original equality analysis and the annual report will contain an updated equality analysis.
<b>Stakeholder engagement:</b>	22	A significant amount of stakeholder engagement took place prior to the introduction of revalidation. Over the past 12 months we have continued to actively engage with all our stakeholders, receiving very positive feedback from nurses, midwives and employers. We have met with key stakeholders regularly to discuss the findings of the quarterly reports. We will continue to meet stakeholders to discuss emerging findings both from the Ipsos Mori evaluation and our own data.
<b>Risk implications:</b>	23	Revalidation remains a key area of interest for the Professional Standards Authority (PSA) and they will be reviewing the findings from this report and the first year evaluation report in detail. We will continue to meet and discuss our findings with them.
	24	Feedback from all stakeholders has been that they are looking for reassurance that we understand the reasons nurses and midwives lapse and are taking appropriate action. The report from Ipsos will contain detailed analysis of the reasons for lapsing and we will share this information with our stakeholders. Continuing to work collaboratively and transparently will enable us to retain support for revalidation.
<b>Legal implications:</b>	25	None.



## Council

### Performance report 2016–2017

**Action:** For discussion.

**Issue:** Reports on performance for the financial year 2016–2017.

**Core regulatory function:** All 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:

- Discuss the end of year assessment of progress against the corporate plan for 2016–2017 (paragraph 14).
- Discuss performance against the KPIs for 2016–2017 and to comment on the FtP dashboard (paragraph 20).

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

- Annexe 1: End of year report against corporate plan 2016–2017
- Annexe 2: Performance and key performance indicators 2016–2017
- Annexe 3: Section 60 project update.

**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 across the organisation for the previous financial year 2016–2017. This includes an assessment of delivery against our corporate plan 2016–2017.
  - 2 Also included are the latest developments in our section 60 work.
  - 3 Further improvements in reporting about performance and risk are ongoing.

- Four country factors:**
- 4 This paper covers all aspects of our work and four country considerations are taken into account in considering our corporate plan commitments, risk and through our operational performance.

**Discussion: Executive summary**

- 5 During 2016–2017 we maintained performance in our core regulatory areas of registrations and FtP operations, as demonstrated by almost all of the corporate KPIs for these areas being met and the delivery of relevant corporate plan commitments. In parallel, we have made good progress with our education programme and with our plans for implementing legislative changes in FtP and midwifery regulation from the section 60 order. Our corporate plan commitments for these areas are rated green.
- 6 Progress has been made in determining future locations for our offices, planning our transformation programme and in positioning our capabilities for starting to deliver this. However, in 2017–2018 we need to continue to plan the detail of the transformation programme and our future accommodation and continue to manage our transformation risks. In FtP, we have focused efforts on concluding cases of 12 months and older, affecting our performance against the 15 month KPI. This focus will continue into 2017–2018 with the aim of reaching optimal caseloads.
- 7 We have not made as much progress as desired in strengthening ‘enabling’ services and functions, for example in developing a clear People Strategy or our use of data and intelligence. The corporate risks for these two areas have remained static for the short term but pressing action is required in 2017–2018 and we are now working on the direction this work needs to take for notable progress to be made.

## End of year assessment against the corporate plan for 2016–2017

- 8 **Annexe 1** presents an end of year assessment, based on a red/amber/green rating system, on the delivery of our corporate plan 2016–2017. This reflects our position as at 31 March 2017 and with regard to these specific delivery commitments. The ratings and narrative may not reflect circumstances that have happened since then.
- 9 The corporate plan originally set out 15 commitments for 2016–2017 but in November 2016 the Council reviewed progress against the commitments and agreed the removal of one commitment: delivery of a five percent stretch target against the approved budget. This was agreed based on discussions at the September 2016 and November 2016 Council meetings, where it was made clear that this commitment was not going to be achieved due to the focus and resource required for developing the transformation programme. Information on efficiency savings has been reported within Financial Monitoring reports to Council.
- 10 Therefore we are reporting against 14 commitments as at 31 March 2017. Our assessment is that:

We delivered <b>seven</b> of our commitments (green).	We delivered some of the planned activity for <b>four</b> of our commitments (amber).	We did not deliver significant aspects of <b>three</b> of our commitments and work has to carry forward into 2017–2018 (red).
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### Red-rated commitments

- 11 **Commitment 1b:** Our people. Develop a People Strategy that sets out the skills, capabilities and culture that the organisation will need now and for the future:
- 11.1 Considerable work was undertaken on developing a strategy this year but a lack of resource in this area had an impact on delivery and more work is required to develop the right strategy.
- 11.2 To address this commitment, we have addressed the HR resource needs. We are now focusing on the development of an appropriate People Strategy, for presenting to the Council in July 2017.

- 12 **Commitment 10:** 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:
- 12.1 Whilst operational groundwork has continued throughout the year on our data and systems, we have lacked the resource and clarity of intent to develop our strategic capability in this area.
- 12.2 To address this commitment, work is now underway with an external partner to develop our strategic approach in this area during 2017–2018.
- 13 **Commitment 12:** 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:
- 13.1 The commitment was not fully met due to a lack of clarity at the outset on an organisational approach to delivering this. However, throughout the year we have engaged with patient and public groups across the UK in undertaking our regulatory work.
- 13.2 To address this commitment, a direction for this area has been agreed and in 2017–2018 we will implement an organisational approach, so that accessing patient and public views becomes routinely part of what we do.
- 14 **Recommendation: The Council is invited to discuss the end of year assessment of progress against the corporate plan for the year 2016–2017.**

### **Key performance indicators (annexes 2a to 2e)**

- 15 **Annexe 2** presents information on performance against our corporate key performance indicators (KPIs) for March 2017 and over 2016–2017.
- 16 We achieved our targets for our registration KPIs (initial UK, EU and Overseas registration applications); KPI 2 (interim orders); and KPI 4 (free reserves).
- 17 We did not meet our target for KPI 3 (concluding 80% of FtP cases within 15 months of the case being opened), achieving a year average of 75%. Performance had been consistently at 78% for the first six months before dipping slightly for the last six months, indicative of our push to progress older cases and conclude these.
- 18 We had not set a target for KPI 5 (staff turnover). The staff turnover rate fluctuated between 22% and 26% over the year, with a 1% overall increase between the points of April 2016 and March 2017.

Turnover as at March 2017 was 24.6%.

- 19 **Annexe 2c** presents a revised FtP dashboard, showing data over a longer period and also projections with regard to our FtP caseload. Timeliness targets for 2017–2018 and progress towards these are stated and it is intended that progress will continue to be reported to the Council during the year. The Council may wish to consider if the dashboard information is appropriate for monitoring performance going forward.
- 20 **Recommendation: The Council is invited to discuss performance against the KPIs for 2016–2017 and to comment on the FtP dashboard.**

### **Progress update on section 60**

- 21 **Annexe 3** presents an update on our work to operationalise the new FtP powers.

**Public protection implications:**

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

**Resource implications:**

- 23 Resource implications are captured in the financial monitoring report.

**Equality and diversity implications:**

- 24 Equality and diversity implications are considered in reviewing our performance.

**Stakeholder engagement:**

- 25 KPI information is in the public domain.

**Risk implications:**

- 26 The impact of risks is assessed and rated within our corporate risk register.

**Legal implications:**

- 27 None.



## End of year report against the corporate plan 2016–2017

Report period: 1 April 2016 – 31 March 2017

- Our corporate plan 2016–2017 stated commitments we had set ourselves for the financial year, aligned to the strategic priorities of our corporate strategy 2015–2020. Now at the end of the year, this report states whether we have delivered on those commitments.
- A summary of ratings for the commitments is provided below. The three red ratings relate to commitments for: people; intelligence; and patient and public engagement.

### Summary of ratings for commitments (14 in total)\*

Red	Amber	Green
3	4	7

\*Excludes commitment 2, Value for money, which was removed from reporting midyear.

### Key to table headings

<b>Commitment for 2016–2017</b>	Work we had committed to undertaking in 2016–2017 as stated in the corporate plan.	
<b>Delivery status as at year end</b>	<b>Red/amber/green (RAG) rating</b>	
	<b>Red</b>	Corporate plan commitment was not met.
	<b>Amber</b>	Parts of this corporate plan commitment were not met, possibly due to the changing nature of the work, realignment of activities with a shift in focus or other tolerable and agreed reasons.
	<b>Green</b>	Corporate plan commitment was met.
<b>End of year narrative</b>	Explanation of delivery or non-delivery. If rated red or amber, next actions are provided.	

	Corporate plan commitment 2016–2017	Delivery status	End of year narrative
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### Transforming the NMC (strategic priorities 3 and 4)

1	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.	Amber	<p>This commitment has not been fully met and the amber reflects the further work we need to do to plan and resource the programme in more detail.</p> <p>An outline business case was completed and presented to the Council in March 2017. This has enabled the further release of funds to begin delivery and importantly to develop a full business case with detailed financials for July 2017. Plans are well developed and foundation work is underway to ensure delivery against the roll out strategy.</p>
1a	<p><b>Our organisation</b> By October 2016, have defined what the organisation shape, size and business processes should be, and have published our transformation roadmap.</p>	Amber	<p>This commitment has not been fully met, similarly to above, though has been worked through and delivered as part of the outline business case to the Council. The detailed structure for the organisation will be further developed during 2017–2018. We published the overall top level roadmap which is now being further developed as part of the full business case.</p>
1b	<p><b>Our people</b> 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.</p> <p>Produce a detailed plan to drive the achievement of the People Strategy and deliver outputs in accordance with that plan once agreed.</p> <p>Complete a pilot management training programme to build management capability in our first level managers. We will then evaluate its effectiveness and the potential for full roll out.</p>	Red	<p>The commitment has not been met as we have not yet completed a People Strategy, due in part to lack of resources in the area. Considerable work has been undertaken during the year with input from the Council, however there is further work still to be done to develop the right strategy. The People Strategy is being completed as a priority and is set to be presented to the Council in July.</p> <p>Additional resources have been allocated to the HR and OD team to help drive delivery in this area.</p> <p>A pilot management development programme was successfully completed. The subsequent evaluation showed it had been effective in achieving its objectives. The Executive has agreed a further programme of management development events which are planned throughout the year.</p>

	Corporate plan commitment 2016–2017	Delivery status	End of year narrative
1c	<p><b>Our location</b> Develop a full accommodation business case setting out costed options to enable us to make decisions on future accommodation and location by March 2017.</p> <p>In parallel, produce a transition plan to implement the recommended option in the accommodation business case.</p>	<b>Amber</b>	<p>This commitment has not been fully met and is rated amber.</p> <p>A location and accommodation paper with full costed options was incorporated into the outline transformation business case presented in March 2017. Further detail is to be presented to the Council in July 2017 as part of the full transformation business case.</p>
2	<p><b>Value for money</b> 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.</p>		<p>At the September 2016 Council meeting it was agreed that there were limited opportunities to achieve the five percent stretch target in light of transformation work requiring full focus. Subsequently the Council agreed at its November 2016 meeting that this corporate plan commitment would be removed from reporting in the second half of the year.</p> <p>Instead, we have continued to report progress against the embedded efficiencies, as set out in Financial Monitoring reports to the Council during the year. We have also been developing an improved method of setting and tracking efficiencies for future years.</p>

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

3	<p><b>Education</b> Draft new standards setting out the skills and competencies required of the future nurse, ready for consultation which will complete in 2017–2018.</p> <p>Engage with stakeholders through the work we are doing to develop new standards.</p>	<b>Green</b>	<p>This commitment has been met. Draft standards of proficiency for the future nurse have been developed and are currently undergoing user testing. This is on schedule, preliminary feedback is generally positive and the full report from the independent research company is due on 7 April 2017.</p> <p>A series of UK-wide engagements events successfully concluded in March 2017. Stakeholder engagement and their views have significantly informed future considerations for the education and training standards that will support the achievement of the new proficiencies during this pre-consultation stage. Ongoing updates will take place during quarter 1 of 2017–2018.</p> <p>Planning for the development of the future midwife proficiencies is underway and Professor Mary Renfrew has been appointed to lead on this work. This work will begin in quarter one of the 2017–2018 period.</p>
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	Corporate plan commitment 2016–2017	Delivery status	End of year narrative
4	<p><b>Education</b> 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.</p>	<b>Amber</b>	An independent review has been undertaken and the review findings discussed with Council. Further work will be brought back to the Council in September 2017. The Council has also received a short briefing on the wider changes to the higher education, health and care sectors and how these changes impact on our strategic education programme.
5	<p><b>Midwifery regulation</b> Continue to support successful transition of midwifery supervision in all four countries of the UK.</p> <p>Develop and implement a comprehensive communication plan to ensure that stakeholders have a clear understanding of regulation after the legislative change. Update our own policies, systems and processes to ensure we are ready for the consequences of legislative change in midwifery regulation.</p>	<b>Green</b>	<p>This commitment has been met. The legislative change removing midwifery supervision from our Order has now taken effect. This achieves our regulatory objective, to ensure that the NMC has direct control of fitness to practise concerns relating to midwives. Our materials, processes and systems have been updated in readiness for the legislative change.</p> <p>A comprehensive communications and engagement plan was developed and the first phase was successfully delivered. This involved a direct communications campaign with midwives and stakeholders to encourage them to take part in the Government consultation on changes to the legislation.</p> <p>The second phase of the plan spans into 2017–18 and focuses on supporting midwives, stakeholders and women’s and patient groups to understand the changes as they begin to be embedded. We issued a comprehensive set of bespoke communications to midwifery stakeholders towards the end of March 2017 advising them of the changes ahead and, where relevant, thanking them for their work under the previous arrangements.</p> <p>We have worked with the midwifery leads in the four countries to co-ordinate communications messages and where possible to signpost midwives to sources of information about the new, non-statutory approaches to supervision across the UK.</p>
6	<p><b>FtP</b> Prepare a detailed plan so that we are ready to implement the significant changes to our legislation to ensure that we can resolve fitness to practise</p>	<b>Green</b>	This commitment has been met. A detailed plan has been developed, to ensure the Fitness to Practise function is ready to implement the significant changes to our legislation through the section 60 order. Work is progressing well and significant parts of the plan have already been delivered.

	Corporate plan commitment 2016–2017	Delivery status	End of year narrative
	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>We sought engagement from various stakeholders and held several external engagement events with representative bodies in July and August 2016. We also ran a public consultation in respect of the changes to the FtP Rules. Analysis of the responses was undertaken in January 2017.</p> <p>Phase 1 of the changes took place on 31 March and focused on the removal of regulatory supervision and the intention to practise process for midwives. Also included in phase 1 was the removal of restrictions on the location of hearings, removal of the need for a three monthly review of an interim order and expansion of the power of appeal to the High Court to vary interim orders. Necessary system changes were successfully implemented.</p> <p>FtP staff have been briefed on section 60 changes and an e-learning package is available to all NMC staff. Further training for panellists, Case Examiners and other staff is planned for 2017–2018.</p>
7	<b>Registration</b> Monitor the operational effectiveness of revalidation in its first full year of implementation and ensure continuous improvement to the process and our systems.	<b>Green</b>	<p>This commitment has been met. As of 30 March 2017, 203,527 nurses and midwives have renewed their registration through revalidation. The rates of renewal have held up well compared to previous years, with renewal rates of between 90 and 95% across the four countries of the UK.</p> <p>Stakeholder feedback has been overwhelmingly positive.</p>
8	<b>Registration</b> Make it easier for nurses and midwives to pay their registration fee by rolling out the facility to make payments in quarterly instalments.	<b>Green</b>	<p>This commitment has been met. The ability for nurses and midwives to make quarterly phased payments was introduced in June 2016. Since then 53,999 registrants have signed up to pay by quarterly instalments (this equates to 7.8% of our total registrant base). The phased payments facility has been successfully implemented.</p>
9	<b>FtP and Registration</b> Maintain and continue to improve our regulatory performance (as measured by corporate KPIs) throughout transformation.	<b>Green</b>	<p>We have met all the registration KPI targets set for the year.</p> <p>Our performance in FtP against the Interim Orders KPI has remained consistently above 90% throughout the year. This is above our target of 80%. Performance against our end-to-end 15 month KPI dipped slightly in the last quarter. This is in line with our forecast and is a result of our commitment to prioritise the progression of older cases.</p>

	Corporate plan commitment 2016–2017	Delivery status	End of year narrative
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## Use of intelligence (strategic priority 2)

10	<p>Develop our strategic capability to enable us to articulate our data and intelligence requirements.</p> <p>Determine what research we should invest in, and use the outcomes to inform our work.</p>	<b>Red</b>	<p>This commitment has not been met. Work has not progressed as desired owing to a lack of resource in the area and lack of clarity as to strategic intent. Work is now underway with an external partner to develop a strategic approach in 2017–2018.</p>
11	<p>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.</p>	<b>Green</b>	<p>This commitment has been met. In 2016–2017 we delivered two projects to improve the quality of our data and are now in a position to analyse data from FtP referrals and employer settings.</p> <p>The first project focused on implementing nationally recognised Organisation Data Service (ODS) codes for healthcare settings which have been applied to all of our FtP cases since January 2017. These codes allow us to analyse where our FtP cases come from.</p> <p>The second project commissioned research into our FtP case allegations. The researchers analysed 900 cases closed at the various points in the FtP process to understand allegations that result in a nurse or midwife coming before their regulator. The outcome of the research is a revised set of over 200 allegations codes that are applied to all FtP cases. This data will enable us to analyse FtP issues by healthcare setting or geographical location and will continue into next year.</p> <p>We are currently working on a series of projects to develop a deeper understanding of our data and explore how this can be applied to the delivery of our regulatory functions. This will be ongoing for 2017–18.</p>

## Communication and collaboration (strategic priority 3)

12	<p>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.</p>	<b>Red</b>	<p>This commitment has not been fully met. We were not clear at the outset on how specifically we would meet this commitment but a range of work has been undertaken with patient and public groups this year, including focus group discussions with patient groups in Northern Ireland, Wales and Scotland.</p> <p>A direction for this important area for 2017–2018 has been agreed and will focus on ensuring that we embed an organisational approach to accessing the views of patients and the public to shape and inform the development of our work.</p>
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## **Performance and key performance indicators**

### **Contents of Annexe 2**

- 2a Registration and Revalidation performance report
- 2b Fitness to Practise performance report
- 2c Fitness to Practise dashboard
- 2d Resources – corporate KPIs
- 2e Summary of KPI figures for 2016–2017



# Registration and Revalidation performance – corporate KPIs

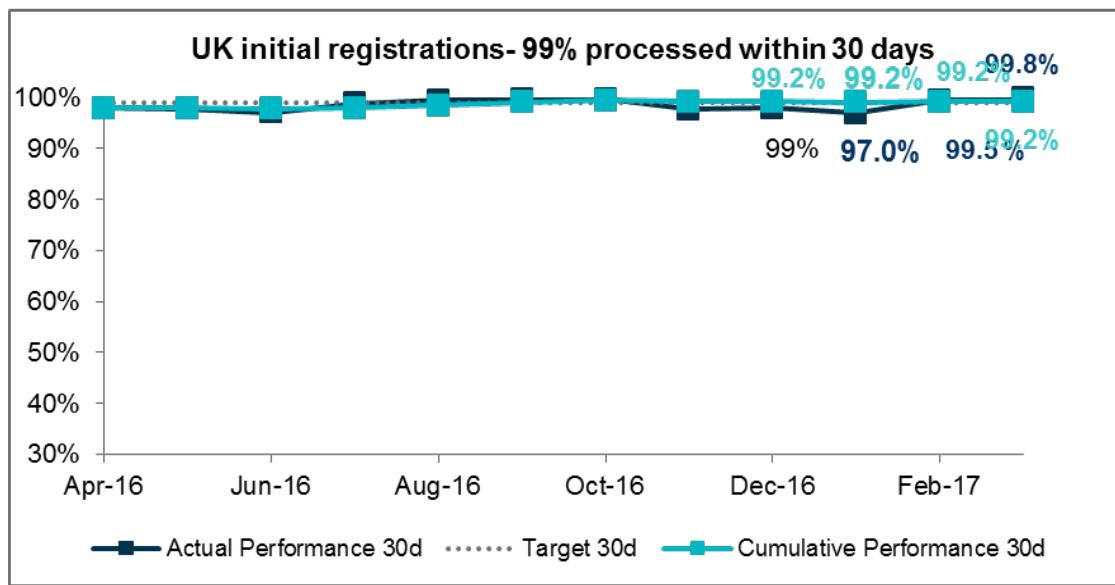
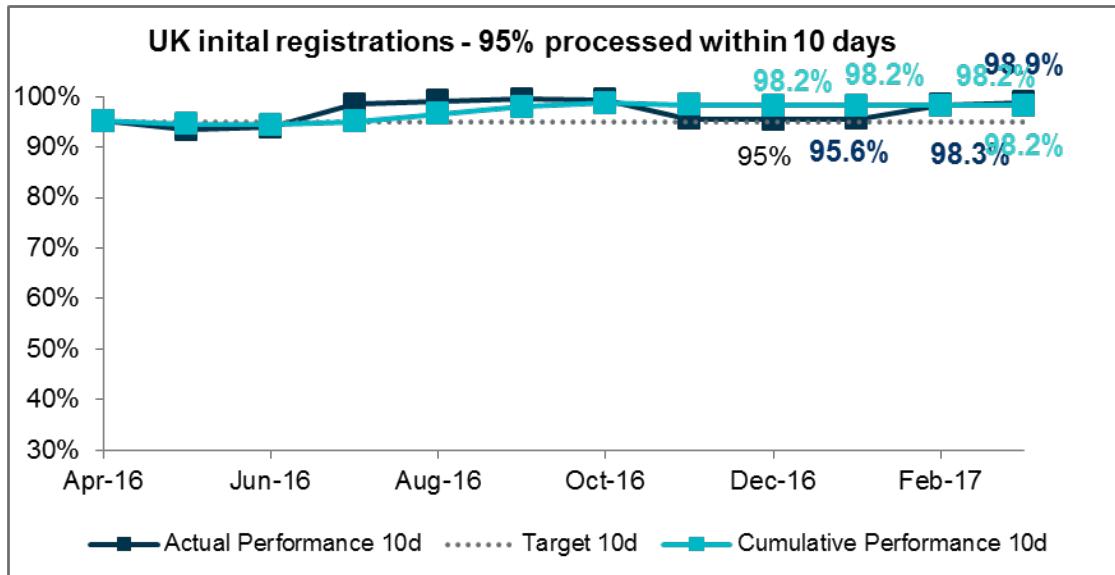
## KPI 1a - Percentage of UK initial registration applications completed within 10 days

Average for 2016–17	January 2017		February 2017		March 2017		Year average	Year end average target	
	No.	As a %	No.	As a %	No.	As a %			
96.7%	478	95.6%	943	98.3%	1489	98.9%	98.2% (Green)	95% within 10 days	Primary target
98.7%	485	97.0%	954	99.5%	1503	99.8%	99.2% (Green)	99% within 30 days	Secondary target

**Commentary:**  
 Performance remained high and consistent throughout the year. We have achieved our targets for March and for the year.

Significant improvements have been made to the processes in both the UK Registration and Registrar’s Appeals Support (RAS) teams to facilitate us meeting the UK KPI. These improvements include daily management and reporting on the relevant workstreams and a reduced turnaround time for escalated cases.

On 27 March 2017 this process was transitioned to a partially automated service, which reduces the manual input required and subsequently improves the end to end timeframe even further.

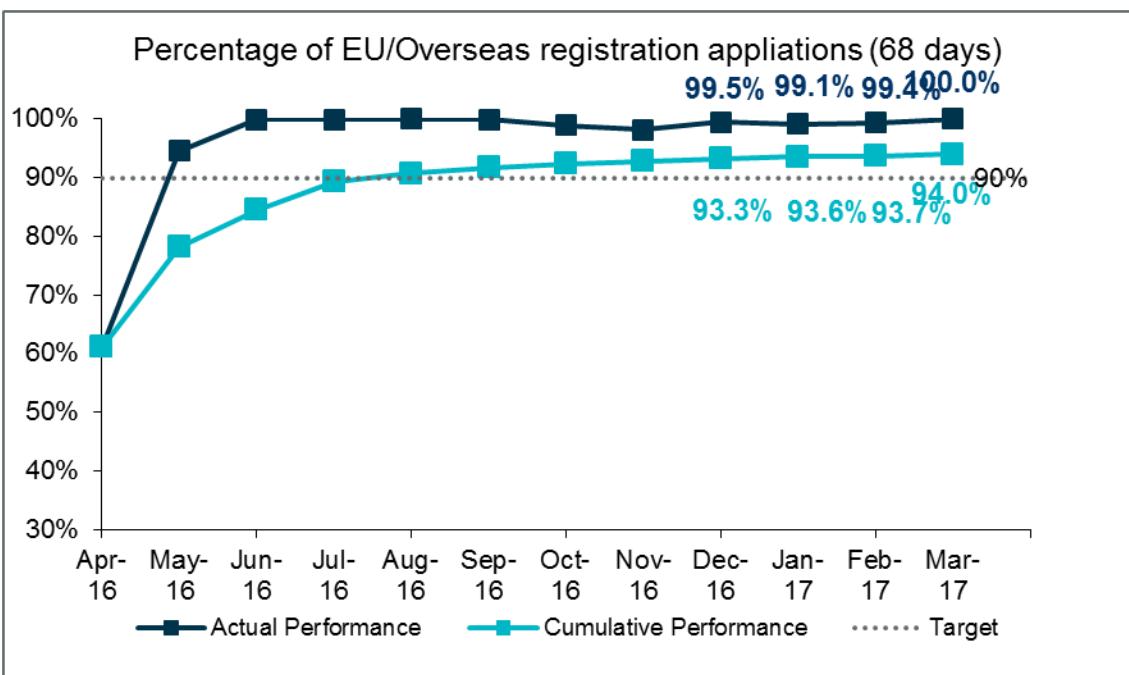


## KPI 1b - Percentage of EU/overseas registration applications assessed within 68 days

January 2017		February 2017		March 2017		Year average	Year end average target
No.	As a %	No.	As a %	No.	As a %		
783	99.1%	508	99.4%	875	100%	94% (Green)	90%

**Commentary:**  
 Team performance remains high and consistent for March and we have achieved the target for the year.

The international team’s performance has been consistently high over the past 12 months, and the EU/OS KPI target was achieved month on month since May 2016. Our assessment turnaround timeframes have improved and we have introduced a case ownership model within the team and a more customer centric approach to how we work as a team.





# Registration and Revalidation performance – supplementary information

Time period: Mar 2017  
and year overview

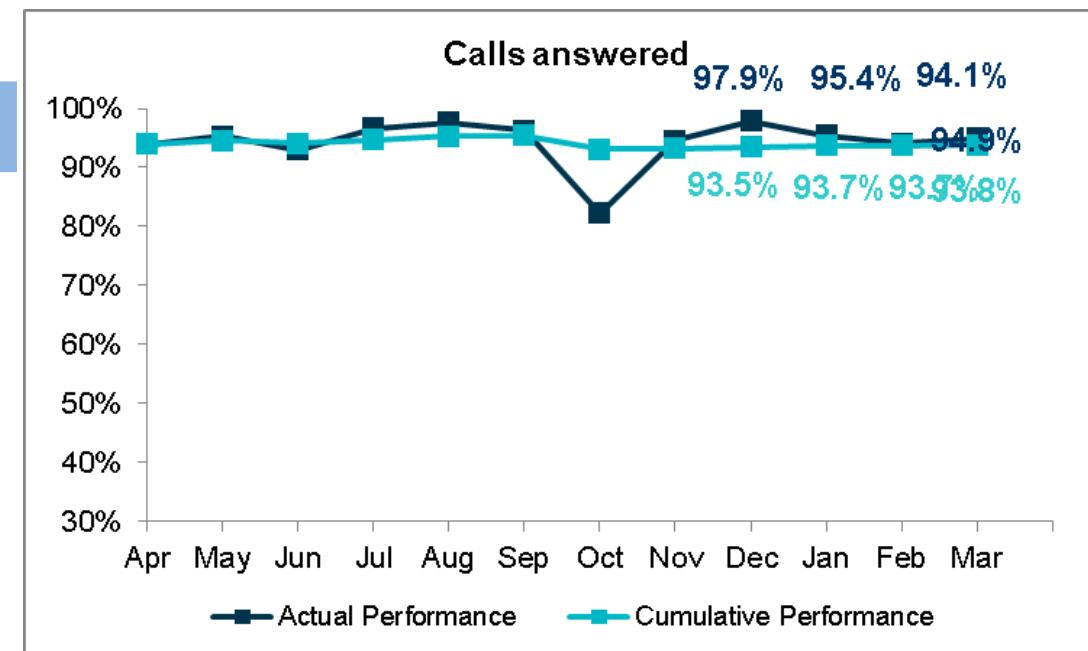
## Percentage of calls answered

Full year 2016–17	January 2017	February 2017	March 2017	Year average
	95.4%	94.1%	94.9%	
	25,965 /1,244 answered/abandoned	24,344 /1,535 answered/abandoned	26,367 /1,404 answered/abandoned	93.8%

### Commentary:

We delivered a strong performance during March and the call centre has met its own 'calls answered' KPI target of 90% for the year with an overall average of 93.8%. The only month in which the KPI was not met was October, where the calls answered was at 82.2%.

14 % of calls taken in the call centre over the year related to revalidation. The most frequent query was about the process of revalidation (including requests about the caller's revalidation date), followed by queries about alternative support arrangements.



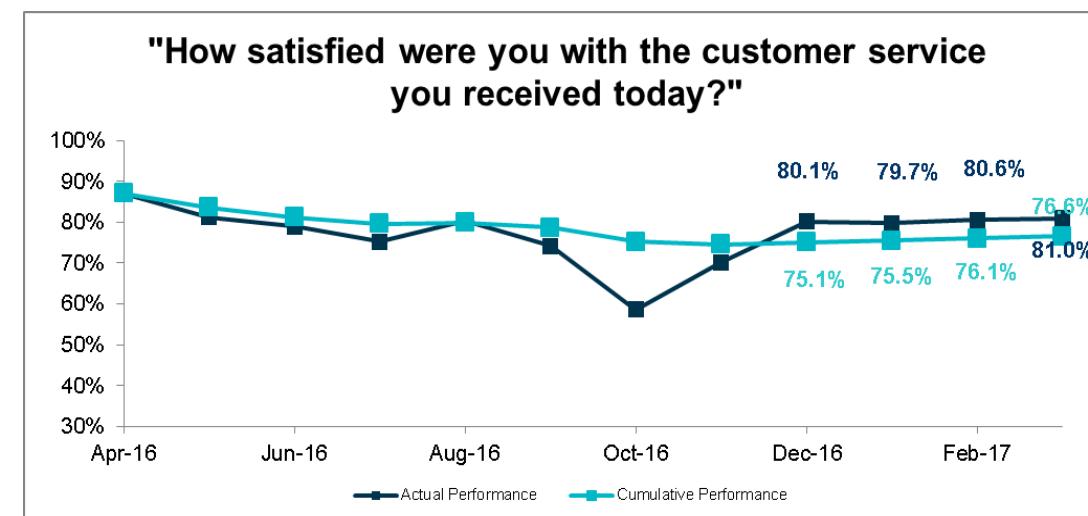
## Percentage of customers rating their overall experience as 'good' or 'very good', and percentage of customers who felt we had answered their query

Measure	January 2017	February 2017	March 2017	Year average
Overall experience	79.7%	80.6%	81.0%	76.6%
Query resolution	78%	77.1%	78.1%	77.0%

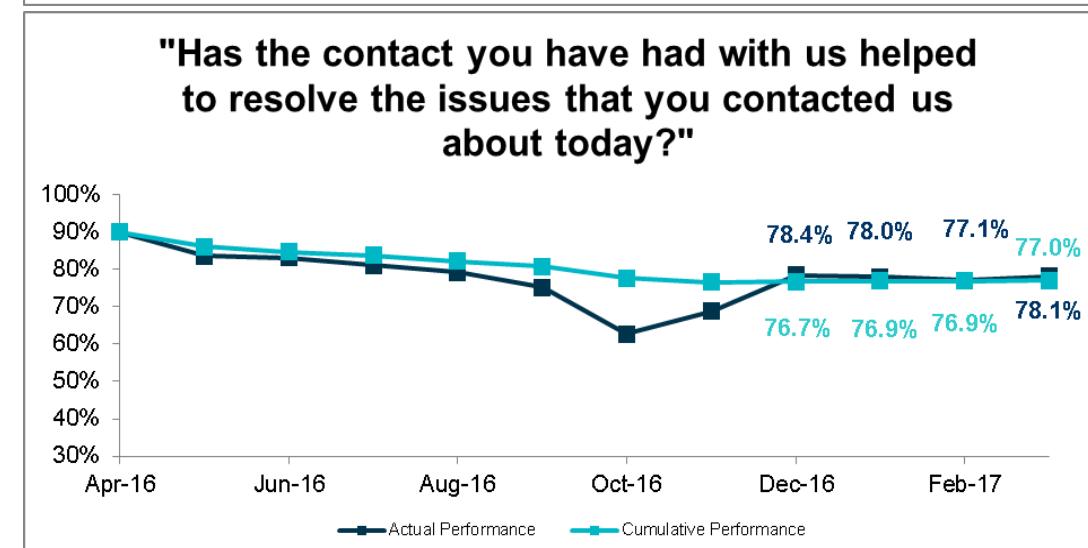
### Commentary:

Customer satisfaction levels for March were broadly consistent with the previous month.

The call centre has seen strong performance this year. Customer satisfaction remains positive with an overall customer satisfaction rating for the year of 76.6%.



Where answer was 'good' or 'very good'



Where answer was 'yes'



## Corporate KPIs

KPI 2 – Percentage of interim orders (IO) imposed within 28 days of opening the case					KPI 3 - Percentage of FtP cases concluded within 15 months of being opened				
Average for 2015–16 (March 2016)	January 2017	February 2017	March 2017	Year end average target	Average for 2015–16 (March 2016)	January 2017	February 2017	March 2017	Year end average target
89%	92%	92%	91% (Green)	80%	78%	76%	76%	75% (Amber)	80%

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

## Commentary on FtP performance for the year

FtP began the year with a caseload of 4,454 cases: 1,064 in adjudication and the remaining 3,390 at the investigation stage. At the end of March 2017 the caseload stood at 3,527, a reduction of 927 cases. Cases at the adjudication stage had reduced to 986 and there were 2,541 at the investigation stages. There has been a focus on progressing our aged cases and at the end of March 2017 we had 264 cases over 12 months old at the investigation stage, 169 of which were subject to a third party investigation which led to our casework being placed on hold for a period of time. We received 5,464 referrals this year, a slight increase from 5,415 in the previous year. The closure rate at the Screening stage increased to 60% from last year's 51%. The case examiner closure rate for the year was 44%. A total of 1,579 final adjudication decisions were made, which was an increase of 619 decisions when compared to the previous year. Alternative disposals accounted for 24% of those decisions, again an increase from 17% over the previous year.

Performance against the interim order KPI remained consistently high and ended the year with 91% of interim orders being imposed within 28 days. Performance against the 15 month end to end KPI remained consistent at 78% for the first six months of the year and then decreased slightly to 75% by the end of the year. This was indicative of our push to progress aged cases. We remain committed to concluding aged cases within our control and reaching optimal caseloads in 2017–2018.

A number of engagement events were held with key stakeholders to encourage early engagement from registrants with the FtP process and to outline the new regulatory concerns approach, which was introduced in March 2017. This work will continue into 2017 with the implementation of section 60 and ensuring these key messages are fed into the transformation programme.

The reduction in our caseload during the year enabled us to focus more on the quality of our decision making. To augment our quality management frameworks, we implemented a quality outcome review group, which has showed positive results in its first year evaluation. We received our best ever performance review report from the Professional Standards Authority and we continue to remain committed to achieving the timeliness standard. Our focus for quality in 2017–2018 will centre around customer feedback; in the first instance increasing the number of customer responses that we receive and then using this feedback to identify areas of opportunity for improvement.

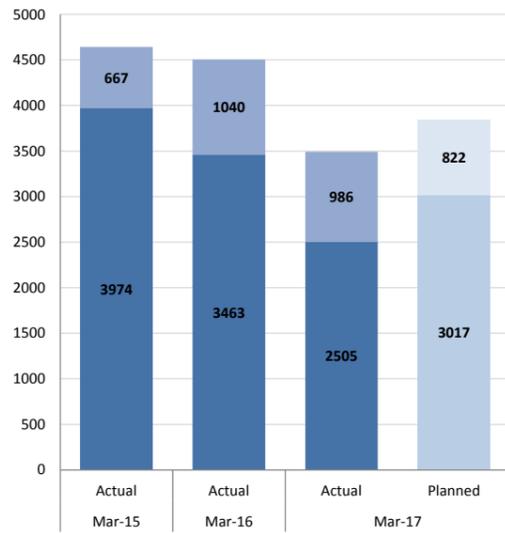
2016–2017 saw the first full year of operation for the Employer Link Service, working closely with employers to improve the effectiveness of communication and the quality of referrals received. Allegations and employer coding was successfully implemented in our case management systems, allowing us to analyse the type of allegations we receive and where these allegations come from. Development of a regulatory intelligence function will continue with a focus on coding risk assessments, as well as undertaking our duty as a prescribed body under whistleblowing legislation.

Focusing on our staff has been a key theme throughout this year and this will continue in 2017–2018 through transformation and our staff survey action plan.

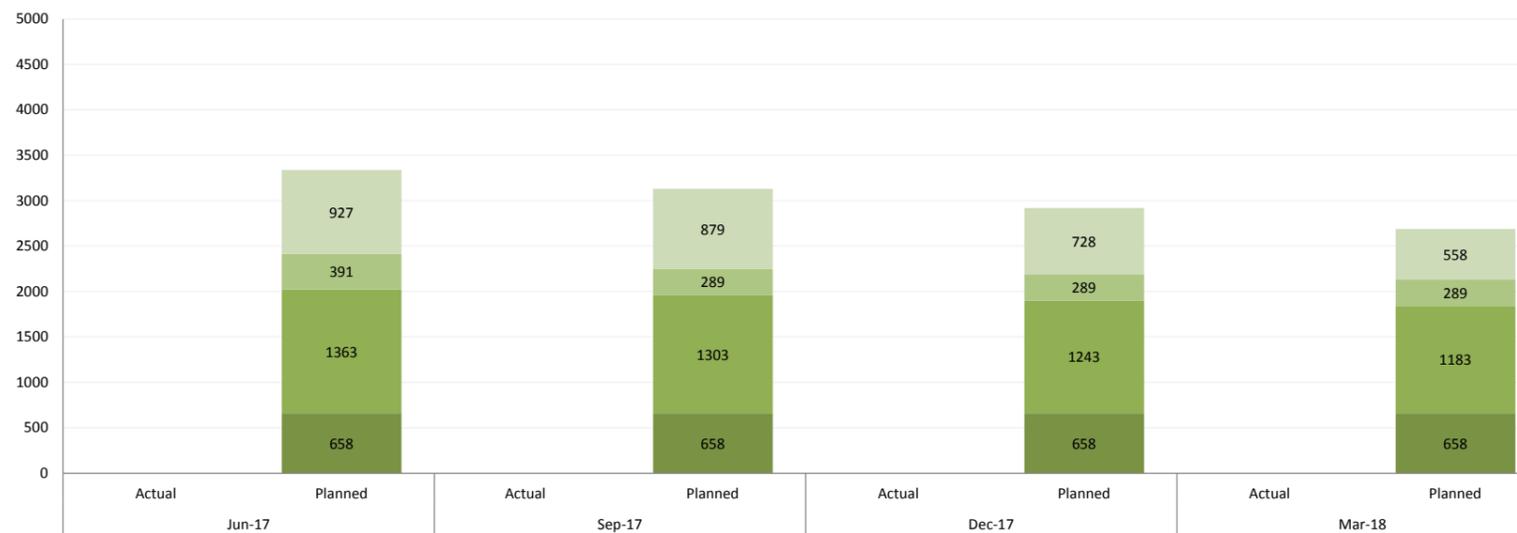


# FtP performance dashboard 2017-2018

**Historic caseload**



**FtP caseload projection**



**FtP caseload projection and timeliness pathway**

The graphs on the left show our year-end caseloads over the last three financial years and our projected caseloads for the current financial year. We will report against these projections during the year.

We have set a pathway to achieve timeliness targets at each stage of the process, as set out below. We will RAG rate our progress towards them through the year. The targets exclude cases that have been subject to third party investigations.

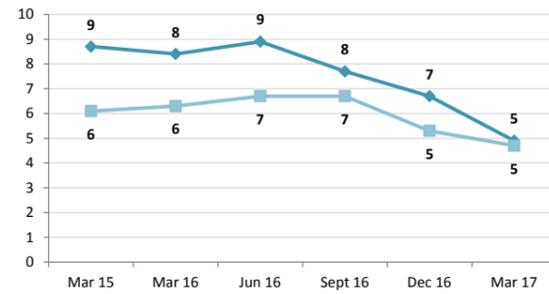
Our operational plans are predicated on delivering the projected caseload and timeliness pathway within the budget that has been set by the Council. We assume the benefits from the section 60 changes will start to be realized in the latter part of 2017/18.

Apr-17	No Screening cases over 8 weeks	
Sep-17	No Investigation cases over 30 weeks	
Dec-17	No Case Examiner cases over 39 weeks	
Jun-18	No Adjudication cases over 65 weeks	

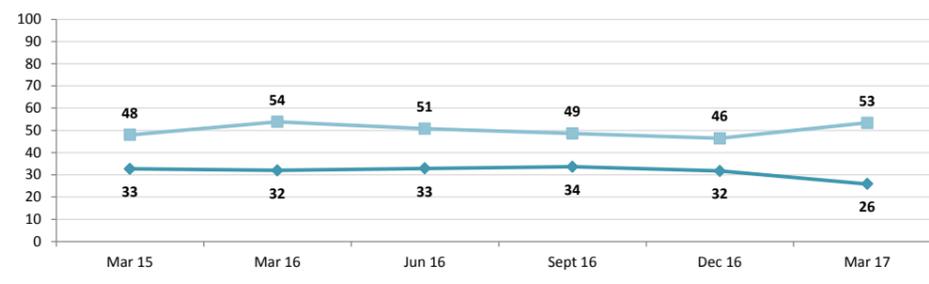
■ Adjudications ■ Screening, Investigations & Case examiners

■ Adjudications ■ Case examiners ■ Investigations ■ Screening

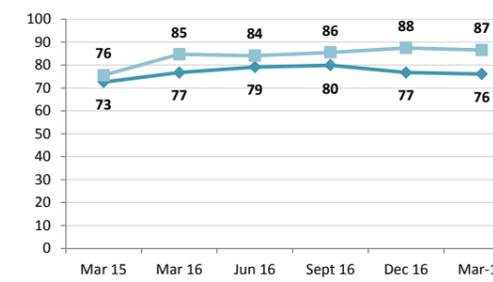
**Median age at Screening**



**Median age at Investigations and Case Examiners**



**Median age at Adjudications**

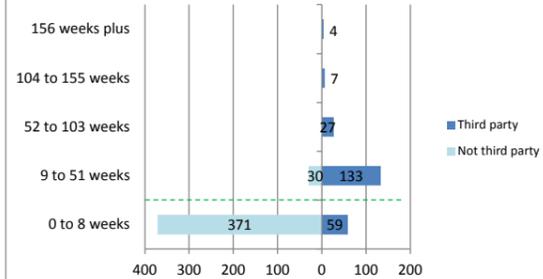


**Median age of progressing and remaining caseloads**

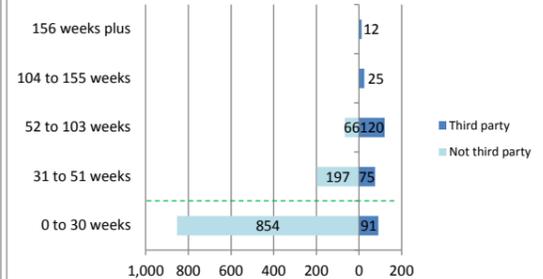
These graphs illustrate the median age in weeks of cases at the point at which they progress from the key stages in the FtP process, alongside the median age of cases that remain in the caseload at each stage.

We have also illustrated the median age of caseload and decisions for March 2015 and March 2016 and plan to update these graphs on a quarterly basis to identify the progression made with timeliness both in overall caseload and decision making.

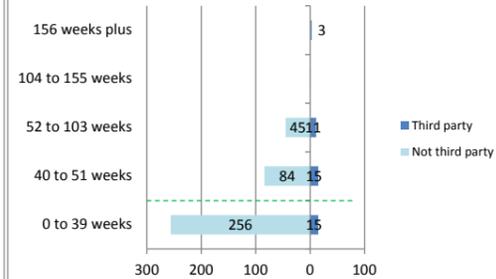
**Screening caseload**



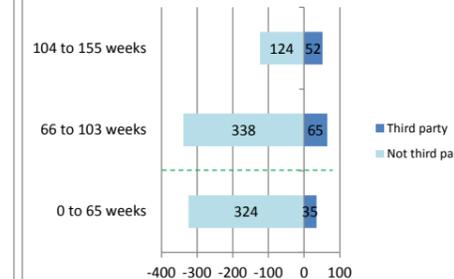
**Investigations caseload**



**Case Examiner caseload**



**Adjudication caseload**



**Age of caseload at key stages of the FtP process**

These graphs illustrate the age profile of cases at each stage of the process. The dotted line on each graph shows the point by which we expect cases to have progressed. Each age category has been further broken down to show those cases which have been subject to a third party investigation which has delayed their progress. Showing caseloads in this way should provide assurance about the timely progression of cases within our control.

Caseload Movement Summary  
 March 2017

Opening caseload 3,697

517 cases received

688 cases closed

3,527 Closing caseload



All information on this page relates to the organisation and not the directorate.

## KPI 4 – Available Free Reserves

2015–16 year end 31 March 2016	January 2017	February 2017	March 2017	Budget 31 March 2017
<b>1. Available free reserves using latest actuarial estimate of pension deficit (in line with audited financial statements)</b>				
17.9	22.0	21.5	19.4 (Green)	21.5
<b>2. Available free reserves using existing cash commitments to address pension deficit</b>				
22.7	26.9	26.4	20.7 (Green)	26.4

**Commentary:** At £19.4 million, available free reserves are below the 2016–2017 budgeted figure of £21.5 million for March 2016 (on the latest actuarial basis). There have been budget overspends in FtP and TBI, but the reduction for March is largely the result of recognising the increased value of the cash the NMC has committed to paying to reducing the pension deficit until 2026.

However, the level remains well within the £10 million to £25 million target range approved by Council in March 2016, and continues to be at a stable level ahead of the Transformation programme. Available free reserves will be monitored closely over the next year in light of the risks associated with further spending on Transformation.

## KPI 5 – Staff turnover rate

Historic figure (March 2016)	January 2017	February 2017	March 2017
23.5%	25.0%	24.3%	24.6%

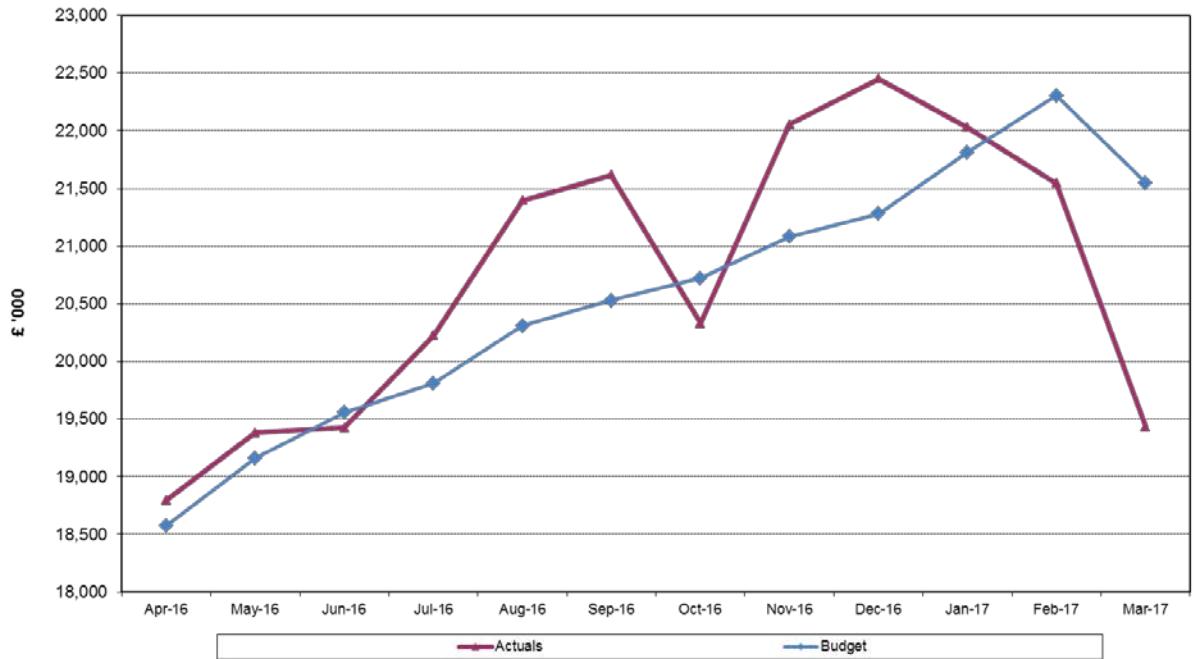
**Commentary:** Turnover in April 2016 was 23.6% and at the end of March 2017 it was 24.6%. Over this period it has fluctuated between 22% and 26% with an average rate of 24.1%. The Resources directorate had the highest level of voluntary turnover at 38% closely followed by the Office of the Chair and Chief Executive at 35.7%. Education, Standards and Policy had the lowest rate at 7%.

There were 161 permanent leavers in the period April 2016 to March 2017. Of these, 149 (92.5%) were voluntary leavers. There were 12 (7.5%) involuntary leavers.

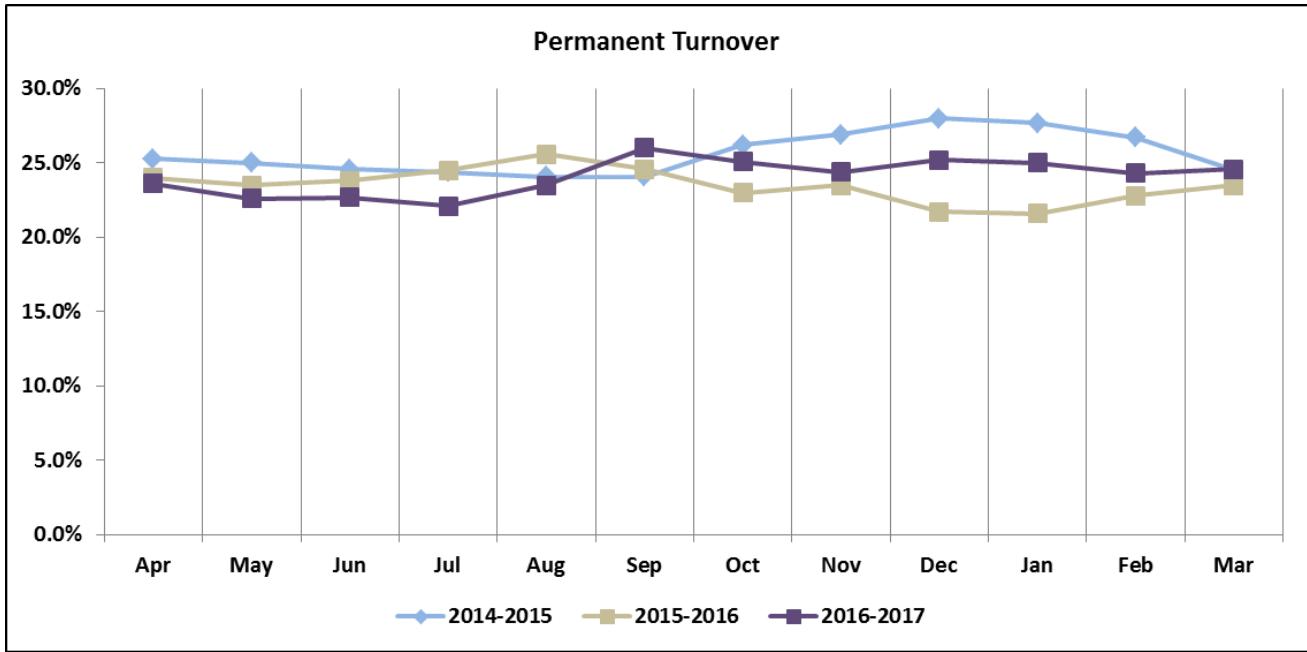
181 permanent staff joined in the period. Of these, 20 (11%) left voluntarily within the first year of service. 13 (65%) of leavers within the first year were from FtP with the remaining 7 (35%) from all of the other directorates.

HR has started to produce a variety of data and analysis for the Executive Board monthly. This includes turnover and deeper analysis of exit interview data to identify and highlight the main factors affecting employees’ decisions for leaving the NMC. A new exit interview questionnaire is being rolled out from April 2017, which will involve the opportunity to have a face to face discussion with employees.

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



**Red/Amber/Green rating:** Level of free reserves between £10m and £25m. Figures in £ million.



**No target was set for 2016-17.** It was 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 was monitored and included reference to longer historic trends.



**Summary of corporate KPI figures 2016–2017**

KPI	2015-2016 Average	2016-2017												KPI achieved?	Target
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
1a % of UK reg applications completed within 10 days	97.4%	95.1%	93.5%	93.9%	98.5%	99.1%	99.4%	99.3%	95.5%	95.4%	95.6%	98.3%	98.9%	Year avg: 98.2%	95%
1a % of UK reg applications completed within 30 days	98.7%	98%	97.8%	97.1%	98.9%	99.5%	99.8%	99.8%	97.8%	98%	97%	99.5%	99.8%	Year avg: 99.2%	99%
1b % of EU/OS reg applications assessed within 68 days^	87.5%	61.2%	94.6%	99.9%	100%	100%	99.9%	99%	98.1%	99.5%	99.1%	99.4%	100%	Year avg: 94%	90%
2 % of interim orders imposed within 28 days of opening the case	89%	89%	90%	90%	91%	91%	91%	92%	92%	92%	92%	92%	91%	Year avg: 91%	80%
3 Proportion of FtP cases concluded within 15 months of being opened	78%	78%	78%	78%	78%	79%	78%	78%	77%	76%	76%	76%	75%	Year avg: 75%	80%
4 Free reserves ^	£22.7m	£23.7m	£24.4m	£24.5m	£25.4m	£26.6m	£26.9m	£25.6m	£27.6m	£26.1m	£26.9m	£26.4m	£20.7m	Year end: £20.7m	£10m - £25m
5 Staff turnover	23.5%	23.6%	22.6%	22.7%	22.1%	23.5%	26%	25.1%	24.4%	25.2%	25%	24.3%	24.6%	n/a	n/a

^calculated using existing cash commitments. March has been updated as explained in the Financial Monitoring report.

**Summary of supplementary registrations data reported during the year**

% of calls answered	-	94%	95.4%	93%	96.8%	97.7%	96%	82.2%	94.5%	97.9%	95.4%	94.1%	94.9%	Year avg: 93.8%
% of customers rating their overall experience as good or very good	-	86.9%	81.3%	78.6%	75.5%	80.5%	74.2%	58.6%	70.2%	80.1%	79.7%	80.6%	81%	Year avg: 76.6%
% of customers who felt we had resolved their query	-	89.6%	83.9%	83.9%	81.6%	79.2%	75.2%	62.6%	68.7%	78.4%	78%	77.1%	78.1%	Year avg: 77%



## **Section 60 project update**

**April 2017**

### **Legislation**

- 1 The Council has formally made the Fitness to Practise Rules by correspondence and they have been delivered to the Privy Council Office to be laid in Parliament. The Department of Health has adjusted the in force date to Friday 28 July.

### **Phase one: implemented 31 March 2017**

- 2 The first phase of the programme was successfully completed on 31 March 2017.
- 3 Changes to midwifery regulation have been implemented. A further programme of communications to midwives and stakeholders has been completed, confirming the changes and linking to information about the future models of supervision.
- 4 The initial changes to the fitness to practise (FtP) process are complete. All three month interim order reviews have been removed from the schedule and the revised interim order appeal powers are live. Changes to allow flexible location of hearings have been implemented and the first such hearing has been held.
- 5 We are still awaiting confirmation of the service level agreement for NHS England for access to the local supervising authority midwifery officer (LSAMO) databases.

### **Phase two: planned implementation 28 July 2017**

#### **System and process changes**

- 6 The system changes to support the new Case Examiners powers are on track to be tested and delivered for go-live at the end of July. Work will start on the software to support the monitoring and review of undertakings which will form a separate, potentially later release.
- 7 We have agreed the mechanism for publishing the new case examiner disposals. Work has started to agree the messaging of new disposals to employers and the public and to remove expired sanctions from the existing public document store. The system and manual work involved is challenging.
- 8 We are awaiting confirmation of when the new single FtP committee will be configured in the system to allow for scheduling. We expect scheduling to start in May for hearings in August.
- 9 The section 60 changes will require updates to a significant proportion of FtP correspondence templates. We are taking this opportunity to change our “tone of voice” and make other improvements at the same time.

## **Transition, training and communications**

- 10 Our transition plan is designed to adjust our investigation and screening process in time to ensure we make the best use of the new powers and to manage a deliverable workload for case examiners during a demanding transitional period.
- 11 Cases will progress as usual through the case examiner process and will not be delayed. Cases that could attract the new disposals are now being flagged by case examiners. Once the new powers have been implemented, some cases may be sent back to case examiners if they can be addressed more appropriately by an undertaking than a hearing. We are considering the appropriate volume of cases to be returned through this mechanism and the resource implications. Such cases could be delayed if the registrant does not agree the undertakings. We do not anticipate other risks to caseload and flow.
- 12 FtP staff have received face to face briefings on s60 changes at a series of successful and well-received events. An e-learning package is available to all NMC staff.
- 13 Case examiners have attended workshops on identifying and recommending undertakings and further events on undertakings and other powers are planned. Panellist training is in development and will be piloted at the end of the month, prior to roll-out from early May.
- 14 FtP investigation staff will shortly receive training to ensure that the new case examiner powers and the approach to health and conduct cases given the new single committee are adequately reflected in the approach to investigation.
- 15 Engagement events with professional bodies are being scheduled for May and will combine a face to face event and online seminars to improve attendance and reduce cost.
- 16 Registrants and employers will receive updates in newsletters in May and July with further potential articles in trade journals.

## **Benefits**

- 17 We expect the changes to improve our ability to protect the public through the introduction of more timely and proportionate sanctions, which will see only the most serious cases progress to a final hearing.
- 18 The business case identified £12.5m of potential gross financial benefit over three years from 2018/19. This primarily results from reduction in hearing costs due to lower review volumes and using new case examiner powers to resolve cases.
- 19 The proportion of cases attracting new case examiner disposals has been reassessed. We anticipate around 39% of cases reviewed by case examiners will attract the new disposals. A detailed benefit model has been prepared and will be presented to the Executive Board in May. The model supported the business case assumptions on overall benefits realisation. We are assessing the potential to realise early benefits in 2017/18 as initial cases are diverted by the new disposal powers.

**Risks**

- 20 There is a risk that changes to the Rules may be delayed as a result of Parliamentary priorities changing after the upcoming general election. We are working closely with the Department of Health to understand what the possible implications to project delivery might be.



## Council

### PSA Action Plan: Progress report

**Action:** For discussion.

**Issue:** Update on progress on actions arising from recommendations from 2015–2016 performance review.

**Core regulatory function:** Fitness to Practise  
Registrations  
Education, Standards and Policy

**Strategic priority:** Strategic priority 1: Effective regulation.  
Strategic priority 2: Use of intelligence.  
Strategic priority 4: An effective organisation.

**Decision required:** Council is asked to note progress on the action plan in response to learning identified by PSA in the 2015–2016 performance review report (paragraph 22).

**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 Professional Standards Authority (PSA) oversees the nine healthcare professional regulators and undertakes a review of the performance of each of them each year. The reviews are based on an agreed set of 24 Standards of Good Regulation (SOGR).
  - 2 PSA judged that in 2015–2016 we met all apart from one of the SOGR. The standard that we failed to meet related to timeliness in dealing with fitness to practise cases. The overall review outcome represented a considerable improvement on previous years.
  - 3 We have developed a detailed action plan to address feedback and learning identified by PSA and to put us in a strong position for the 2016–2017 performance review. Progress on this plan is considered by the Directors Group on a quarterly basis.
  - 4 The performance review process for this year has begun. We have received and given our comments on the third party feedback PSA received from a range of organisations that have worked with us during the past year. The feedback was largely positive, particularly in relation to:
    - 4.1 the successful implementation of revalidation;
    - 4.2 our engagement with stakeholders, including on Fitness to Practise cases;
    - 4.3 the conduct of Council meetings; and
    - 4.4 our work on reviewing our standards for pre-registration education, our education framework and quality assurance function.
  - 5 The feedback and our response to it will form part of PSA's decision on the level of review they will undertake for the 2016–2017 performance review. This decision will be taken at PSA's internal assessment meeting in late May 2017.

**Four Country Factors:** 6 There are none relevant to this paper.

**Discussion:** 7 A summary of the main actions we have taken to date is included below:

#### **Education and standards**

- 8 PSA indicated that they will monitor our work to review our pre-registration midwifery proficiencies and post-registration standards. They will also monitor progress on work to review our education quality assurance function.

- 9 In relation to the standards work, we have appointed an external expert midwifery advisor and identified a thought leadership group, comprising of midwives from all areas of practice. The first meeting of the group will take place in May 2017. We have started preliminary work to review the post-registration standards. The review of standards of proficiency for nurse and midwife prescribers is underway and the pre-consultation engagement has been completed. The independent review of the NMC education quality assurance (QA) is nearing conclusion and options for the future QA model will be presented to Council later in the year.

### **Customer service**

- 10 PSA said they will closely monitor customer service improvements with particular regard to registration processes and the management of registration resources.
- 11 We are developing a corporate customer service strategy which will go to Council for agreement, and we have established a customer steering group, which met for the first time at the end of April 2017. We are developing new customer measures to enable us to monitor whether we are meeting our customers' expectations and to learn from their feedback. Outcomes are already being reported to Council and this work will be developed and enhanced during the course of the year.
- 12 In Registration and Revalidation we have developed a forecasting tool to predict and measure potential demand and this tool is now used effectively for resource and business planning purposes.
- 13 We have also held a number of stakeholder workshops focused on improvement opportunities for our overseas processes and a number of improvements have been implemented or are planned.

### **Integrity of the register**

- 14 PSA said they will monitor our performance in this area given their concerns in previous years about errors in reflecting FtP outcomes on the Register. No such errors were identified last year.
- 15 We have improved links and communication between the two directorates and are carrying out reconciliation checks three times per week within Registration and Revalidation and FtP to ensure all FtP outcomes are reflected on the Register.

### **Revalidation**

- 16 PSA expressed concerns about whether our model of revalidation is sufficiently risk based.
- 17 We are undertaking an independent evaluation of the operation of revalidation. This includes an evaluation of the impact of revalidation

on different groups of registrants and will examine whether there are risks associated with particular types of practice. The evaluation will cover three years, but we will be publishing the outcome of the first year of the review in July 2017 and we will share it with PSA.

### **FtP case handling**

- 18 PSA made a number of suggestions to improve the quality of investigations, case preparation and decision making, including consensual panel determination and voluntary removal decisions.
- 19 We have specialist lawyers in each team to provide advice and guidance to investigators. We have provided refresher training to staff on conducting investigations. We have strengthened our quality assurance frameworks to include assessment of voluntary removal and consensual panel determination cases. In addition, in May 2017, we will run a series of workshops for staff covering feedback and learning from PSA.

### **Timeliness of FtP cases**

- 20 This was the standard that we failed to meet and PSA raised concerns about timeliness of case progression with particular focus on investigations and adjournment of hearings. Concerns were also expressed in relation to the increased aged caseload.
- 21 We have continued to concentrate our efforts on dealing with cases in a timely way and in particular addressing the older cases. Detail relating to our current performance in respect of timeliness is contained in the performance report to Council, elsewhere on the agenda for this meeting.
- 22 **Recommendation: Council is asked to note progress on the action plan in response to learning identified by PSA in the 2015–2016 performance review report.**

- Public protection implications:** 23 Taking appropriate measures to respond to learning from the PSA report will increase the level of public protection that we provide through improved regulation.
- Resource implications:** 24 Necessary changes will be met from existing resources.
- Equality and diversity implications:** 25 None identified.
- Stakeholder engagement:** 26 We are committed to engage constructively with the PSA and to maximise opportunities to improve from the feedback we receive.

**Risk implications:** 27 Failure to manage change and address the required improvement could result in a negative performance review outcome and it consequently carries risks to the reputation of the NMC.

**Legal implications:** 28 None identified.



## Council

### Financial monitoring report

**Action:** For discussion.

**Issue:** Financial performance information for the year ended 31 March 2017.

**Core regulatory function:** Supporting functions.

**Strategic priorities:** Strategic priority 4: An effective organisation.

**Decision required:** None.

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

- Annexe 1: March 2017 summary financial results (unaudited).
- Annexe 2: Balance sheet position including cash holdings (unaudited).

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

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- Context:**
1. A financial monitoring report is presented to the Council at each meeting.
  2. The NMC has been moving from a position of financial insecurity to one of greater stability. This progress is being maintained.
  3. Greater financial stability will allow us to fulfil our responsibilities as a dynamic regulator in accordance with the NMC Strategy, whilst at the same time giving excellent value to our registrants. It will also enable the NMC to support the transformation programme with the objective of further improving effectiveness and efficiency.

**Discussion: Full year results**

**Overall picture**

4. This report represents the final monitoring report for 2016–2017 with all figures now subject to audit. This report compares this final position with the forecast presented to the March 2017 Council meeting.
5. Income is higher than budgeted as are both revenue and capital spend. The final net overspend against budget is £1.1m at year end which mirrors the forecast position to March Council. This is mainly due to higher than budgeted expenditure in the Fitness to Practise (FtP) directorate, Technology and Business Innovation (TBI) and the Corporate directorate. Further details of variations are set out in the text below and in **annexe 1**.
6. In addition the report now reflects the latest figures for the Defined Benefit Pension scheme received in March 2017 as outlined below.

**Income**

7. At £86.1 million, income is £1.2 million, or 1%, above that planned in the budget. This is due to higher than expected fee income, undertaking more EU and overseas competency assessments than planned, and due to now reflecting the money we are owed by the Department of Health for the Nursing Associates work completed at year end.

**Revenue expenditure**

8. Overall revenue spend is £2.2 million or 3% above budget at year end due to a number of over and under spends:
  - 8.1. The Office of the Chair and Chief Executive (OCCE) is £0.4 million below budget and £0.1 million below the March Council forecast of final outturn.

8.2. The Registration and Revalidation directorate is £0.1 million below budget and £0.2 million below the March Council forecast, due to savings made by using fewer temporary resources during March 2017 than expected.

8.3. FtP is £2.4 million above budget, and £0.2 million above the March Council forecast. The overspend broadly relates to a significant increase in the number of case outcomes achieved as compared to last year. This has been achieved whilst delivering a reduction in the average cost per hearing over the year from £25,000 in March 2016 to £18,000 in March 2017. There are four main drivers of the overspend:

8.3.1. costs per hearing being budgeted at less than the actual run-rate achieved. This was adjusted in the forecast prior to the mid-year point, as reported in previous Financial Monitoring Reports;

8.3.2. an increased number of hearing days in Q3 and Q4 to compensate for a shortfall in the number of hearing outcomes achieved in Q1 and Q2;

8.3.3. a three month delay in the implementation of Digital Audio Recording and therefore the realisation of the budgeted efficiency savings; and

8.3.4. higher than expected travel and accommodation costs. This is in part due to higher than anticipated volumes of claims.

8.4. The Education Standards and Policy (ESP) directorate is £0.6 million below budget, and £0.1 million below March Council forecast, mainly due to slower than planned recruitment to the education programme in quarter one and two. External resource was sourced to ensure progress towards key milestones continued within the programme; therefore this has not impacted negatively on performance or delivery of the programme.

8.5. TBI is £0.7 million over budget, and in line with March Council forecast, due to spending £0.5 million more on staff and £0.2 million more on software licences than planned. This is due to increasing the capacity within TBI, by using more external contractors, to expedite the completion of work on core systems and key projects such as Section 60, data centre transition and phased payments.

8.6. Transformation spend is £0.1 million, or 2%, above both budget and March Council forecast.

8.7. The Resources directorate spend is £1.4 million below budget, and £0.1 million above forecast at year end, mainly due to

saving £0.4 million by procuring cheaper temporary accommodation than planned and due to spending £0.8 million less on remedial works on NMC estates than planned. A revised plan for remedial works relating to future years has been accounted for in the 2017–2018 budget.

8.8. Corporate spend is £1.4 million above budget at year end. This reflects:

8.8.1. £0.5 million higher than budgeted depreciation of NMC software which follows a review of projects completed in 2015–2016, identifying that a higher amount of assets were created and need to be depreciated.

8.8.2. £0.6 million relating to expenditure incurred on working on Nursing Associates. The March Council forecast assumed that both the cost and income relating to Nursing Associates were in the Corporate line, however these numbers have now been split between the income line and the Corporate line.

### **Capital**

9. Capital spend is £0.1 million above budget at year end. This is as a result of IT capital projects being delivered ahead of schedule and since a higher proportion of project work year to date than budgeted has been capital in nature.

10. The over spend of £0.6 million on IT capital projects is partially offset by not spending a budgeted capital provision of £0.5 million for works on 23 Portland Place.

### **Year-end pension actuarial adjustments**

11. We have reflected in annexe 1 the latest actuarial adjustments relating to the defined benefit pension scheme. These would not have been reflected in the budget in full since they are only performed and finalised by independent external actuaries on a periodic basis. The actuarial valuations estimate the current and future assets and liabilities of the pension scheme and, along with payments into and out of the pension fund during the year, result in adjustments to our income and expenditure account and levels of available free reserves.

12. The income and expenditure account reflects the latest actuarial valuation as at 31 March 2017 prepared for the NMC's annual accounts. The net impact of this valuation is shown as a single line ("year end pension actuarial adjustment") at **annexe 1** being a net cost of £0.6 million. This actuarial pension adjustment takes the net surplus of £0.7 million on normal operating spend shown in annexe 1 down to £62,000.

13. This also impacts on available free reserves calculated at the year end actuarial basis shown at annexe 2. These are now £19.4 million compared to the £21.5 million budgeted.
14. The balance sheet indicators at annexe 2 also shows available free reserves based on a “cash committed basis”. This reflects our agreed future cash contributions to the defined benefit pension scheme. This has now been amended following the pension scheme's own triennial revaluation conducted as 31 March 2016. This results in available free reserves of £20.6 million at 31 March 2017.
15. Whilst the actuarial adjustments are shown in annexes 1 and 2 for the first time, having only just been finalised, they were anticipated in assessing the likely available free reserves used for the transformation business case at March Council.

### **Cash**

16. Cash is broadly in line with budget. In the period to March 2017, starting in June 2016, 54,234 (7.9%) of registrants had opted to pay by phased payments. The impact on cash flow to date is, therefore limited, however will continue to be monitored together with the number of registrants opting to pay quarterly.
17. Cash holdings of £82.3 million are detailed in **annexe 2** along with available free reserves that are separately reported as part of KPI4. Cash holdings meet the requirement of the agreed investment strategy that no more than 40% of cash should be held in one institution.
18. NMC funds are held in fixed interest deposit accounts spread across four UK high street banks, increasing to five in April 2017. The revenue generated from the investments in 2016–2017 was £0.59 million.

### **Efficiencies 2016-2017**

19. At the September 2016 Council meeting it was agreed that there were limited opportunities to achieve a five percent efficiency stretch target in light of transformation work requiring full focus. Subsequently the Council agreed at its November 2016 meeting that this corporate plan commitment would be removed from reporting in the second half of the year.
20. In addition, we partially met efficiencies which we set at the beginning of the financial year. We did not meet all the efficiencies and as such this has led to the overspend.

### **Efficiencies 2017–2018**

21. The focus of our current effort is to develop NMC's approach to

delivering and demonstrating efficiency in 2017-2018 and beyond.

22. The core of this is the transformation programme which will deliver significant efficiencies, as set out in the business case, over the period of the programme.

23. In addition, as part of the planning and budgeting process we have taken a more systematic and robust approach to measuring efficiencies. Directorates have identified directorate performance indicators (DPIs) which will help to inform their efficiency of performance. Measures will include a variety of appropriate indicators, for example unit cost of core activity.

**Public protection implications:**

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

**Resource implications:**

25. The key financial indicators for current and projected levels of resource consumption are discussed in this paper.

**Equality and diversity implications:**

26. None.

**Stakeholder engagement:**

27. None.

**Risk implications:**

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

**Legal implications:**

29. None.

**Actual, budget & forecast 2016-2017**  
£000

INCOME AND EXPENDITURE (£'000s)	Full Year v Feb 17 Forecast				Full Year v Budget			
	2016/2017	Actual	Forecast	Variance	% vs budget	Actual	Budget	Variance
<b>Total Income</b>	<b>86,078</b>	<b>85,500</b>	<b>578</b>	<b>1%</b>	<b>86,078</b>	<b>84,875</b>	<b>1,203</b>	<b>1%</b>
OCCE	3,587	3,694	107	3%	3,587	3,999	412	10%
Registration & Revalidation	6,089	6,262	174	3%	6,089	6,145	56	1%
Fitness to Practise	41,475	41,268	(208)	(1%)	41,475	39,051	(2,424)	(6%)
Education Standards & Policy	4,146	4,285	139	3%	4,146	4,697	551	12%
Technology Business Innovation	9,737	9,744	6	0%	9,737	9,005	(733)	(8%)
Transformation	2,905	2,851	(54)	(2%)	2,905	2,849	(56)	(2%)
Resources	11,049	10,909	(140)	(1%)	11,049	12,464	1,415	11%
Corporate (see note 1)	6,410	5,729	(680)	(12%)	6,410	5,014	(1,396)	(28%)
<b>Total Expenditure</b>	<b>85,398</b>	<b>84,741</b>	<b>(656)</b>	<b>(1%)</b>	<b>85,398</b>	<b>83,223</b>	<b>(2,175)</b>	<b>(3%)</b>
<b>Income less Expenditure (before pension adjustment)</b>	<b>681</b>	<b>759</b>	<b>(79)</b>	<b>(10%)</b>	<b>681</b>	<b>1,652</b>	<b>(971)</b>	<b>(59%)</b>
Less year end pension actuarial adjustment	619	1,056	437	41%	619	1,056	437	41%
<b>Income less Expenditure (after pension adjustment)</b>	<b>62</b>	<b>(297)</b>	<b>358</b>	<b>(121%)</b>	<b>62</b>	<b>596</b>	<b>(534)</b>	<b>(90%)</b>
Technology Business Innovation	2,329	2,425	96	4%	2,329	1,750	(579)	(33%)
Estates	0	0	0	N/A	0	500	500	100%
<b>Capital</b>	<b>2,329</b>	<b>2,425</b>	<b>96</b>	<b>4%</b>	<b>2,329</b>	<b>2,250</b>	<b>(79)</b>	<b>(4%)</b>

1. Corporate current budget includes depreciation (£3,214k); PSA levy (£1,743k)

Staff v non-staff expenditure	Full Year v Feb 17 Forecast				Full Year v Budget			
	2016/2017	Actual	Forecast	Variance	% vs budget	Actual	Budget	Variance
Staff Salaries and related expenditure	39,502	39,770	268	1%	39,502	39,945	442	1%
Non staff expenditure	45,895	44,971	(924)	(2%)	45,895	43,278	(2,617)	(6%)
<b>Total Expenditure</b>	<b>85,398</b>	<b>84,741</b>	<b>(656)</b>	<b>(1%)</b>	<b>85,398</b>	<b>83,223</b>	<b>(2,175)</b>	<b>(3%)</b>

**Colour Key:**

In line with or favourable to budget

Up to 5% adverse to budget

More than 5% adverse to budget



Actual, budget & forecast 2016-2017

BALANCE SHEET INDICATORS		Year End v Feb 17 Forecast				Year End v Budget			
		Actual	Forecast	Variance	% vs budget	Actual	Budget	Variance	% vs budget
	<b>Available free reserves</b>								
A	Net assets	53,363	53,492	(128)	(0%)	53,363	55,388	(2,024)	(4%)
B	less: Fixed assets	21,745	21,857	(112)	(1%)	21,745	22,235	(490)	(2%)
C = A - B	Total free reserves before pensions deficit	31,618	31,635	(17)	(0%)	31,618	33,153	(1,535)	(5%)
D	less: Pension deficit (latest actuarial basis)	12,188	11,606	(582)	(5%)	12,188	11,606	(582)	(5%)
E = C - D	Available free reserves (latest actuarial basis)	19,430	20,028	(598)	(3%)	19,430	21,546	(2,116)	(10%)
F	less: Pension deficit (cash committed basis)	10,955	6,743	(4,213)	(62%)	10,955	6,743	(4,213)	(62%)
G = C - F	Available free reserves (cash committed basis)	20,663	24,892	(4,230)	(17%)	20,663	26,410	(5,748)	(22%)

Cash summary	Mar 2017	Lloyds	Barclays	HSBC
Less than 12 month deposits	59,653	18,082	29,570	12,000
<b>Total Investments</b>	<b>59,653</b>	<b>18,082</b>	<b>29,570</b>	<b>12,000</b>
<b>Current Account</b>				
	22,597	0	0	22,597
<b>Total Cash</b>	<b>82,250</b>	<b>18,082</b>	<b>29,570</b>	<b>34,597</b>
% Split		22%	36%	42%

Colour Key:

In line with or favourable to budget

Up to 5% adverse to budget

More than 5% adverse to budget



## Council

### Council Standing Orders and Scheme of Delegation

- Action:** For decision.
- Issue:** Seeks approval of updates to the Council Standing Orders and Scheme of Delegation.
- Core regulatory function:** Supporting functions.
- Strategic priority:** Strategic priority 4: An effective organisation.
- Decision required:** The Council is asked to agree to adopt the revised Standing Orders and Scheme of Delegation at Annexe 1 (paragraph 10).
- Annexe:** The following annexe is attached to this paper:
- Annexe 1: Revised Standing Orders and Scheme of Delegation.
- Further information:** If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

Secretary: Fionnuala Gill  
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- Context:**
- 1 The Council agreed the current NMC Standing Orders and Scheme of Delegation in July 2013, with minor amendments made in October 2015 and November 2015.
  - 2 Further updates are now needed to reflect the recent legislative changes (a) removing the requirement for the Council to have a statutory Midwifery Committee; and (b) revising the statutory Practice Committees (FtP). The opportunity has also been taken to make some further minor changes to the Standing Orders and Scheme of Delegation.
- Four country factors:**
- 3 None relevant to this paper.
- Discussion:**
- 4 The Standing Orders and Scheme of Delegation were adopted by the Council in July 2013. At the time, extensive research was done to ensure that the approach taken adopted best practice and learning from other comparator bodies.
  - 5 Generally, the Standing Orders and Scheme of Delegation have proved effective in enabling the Council to conduct business efficiently and effectively and have worked well. Some amendments are now needed as discussed below and highlighted in red text (to show changes) at annexe 1.
  - 6 The amendments now proposed are mainly to reflect the recent legislative changes which removed the Midwifery Committee and altered the statutory Practice Committees (FtP).
  - 7 A further change is to make explicit in the Scheme of Delegation the requirement that the Council be informed at the earliest opportunity of any matters which may present significant regulatory, strategic, legal, financial, or reputational issues or risks to the Council (annexe 1 paragraph 8). This codifies current practice.
  - 8 Other small amendments are also proposed to the Scheme of Delegation to give more flexibility, for example, around the processes for recruitment of non Council Committee members and to the size of the Appointments Board. Following approval of the new Financial Regulations in January, the limits on authority to commit expenditure have been added to the Scheme of Delegation for completeness.
  - 9 The Council has previously raised the issue of its role in appointment of Assistant Registrars; Fitness to Practise Panel members; and legal Assessors. A review of the current arrangements is planned with a view to considering what assurance and safeguards would need to be in place, if these responsibilities were not reserved by the Council. The Council's views will be taken into account as part of this work and proposals brought forward for the Council meeting in

September 2017.

- 10 Recommendation: The Council is asked to agree to adopt the revised Standing Orders and Scheme of Delegation as set out in annexe 1.**

<b>Public protection implications:</b>	11	The Council's overarching statutory duty to protect the public is reflected in the Scheme of Delegation.
<b>Resource implications:</b>	12	None.
<b>Equality and diversity implications:</b>	13	None.
<b>Stakeholder engagement:</b>	14	None.
<b>Risk implications:</b>	15	The Standing Orders and Scheme of Delegation are a fundamental element of the Council's governance framework and should be kept up to date.
<b>Legal implications:</b>	16	The Standing Orders are compliant with the Councils' powers and responsibilities in the Order.



# Standing Orders

Made by the Council under Article  
12, Schedule 1 of the Nursing and  
Midwifery Order 2001

## **NMC Standing Orders**

Made by the Council under Article 12, Schedule 1 of the Nursing and Midwifery Order 2001

*Agreed July 2013*

*Amended 8 October 2015*

*Amended 25 November 2015*

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## Standing Orders

### 1 Application

- 1.1 The Nursing and Midwifery Council (“NMC”) is the independent professional regulator for nurses and midwives in the United Kingdom. The NMC is established by the Nursing and Midwifery Order 2001 (the “Order”).
- 1.2 These Standing Orders are made by the Council under Article 12, Schedule 1 of the Order and have effect from 25 March 2015 unless and until revoked or amended by resolution of the Council. Together with the provisions of the Order, and any subsidiary regulations, they establish the fundamental procedures by which the Council and its committees conduct their business.
- 1.3 With the exception of Standing Orders 4.1 and 6.1 these Standing Orders do not apply to the Practice Committees.
- 1.4 The Council may by resolution suspend any Standing Order, other than one prescribed by the Order or any other legislation.

### 2 Interpretation

- 2.1 Unless otherwise indicated, in these Standing Orders,

2.1.1 the terms used have the same meaning as in the Order;

2.1.2 the following definitions apply:

**Chair** As the context requires, the Chair of the Council, the Chair of a committee, or any other person presiding at a meeting of the Council or of a committee.

**Chief Executive and Registrar** The person appointed by the Council under Standing Order 6.3.

**Constitution Order** The Nursing and Midwifery Council (Constitution) Order 2008 (as amended).

**Days** Any reference to days is a reference to calendar days.

**Director** A person appointed by the Chief Executive and Registrar under Standing Order 6.4.

**Discretionary Committee** A committee established by the Council under Article 3(12) of the Order.

Panel Member	A person, who is not disqualified under Standing Order 4.1.4, appointed as a member or Chair of a Practice Committee in accordance with the Statutory Committees Constitution Rules.
Partner Member	A person, who is not a member of the Council, appointed <del>to the Midwifery Committee or</del> to a Discretionary Committee of the Council in accordance with these Standing Orders.
Statutory Committees Constitution Rules	The Nursing and Midwifery Council (Midwifery and Practice Committees) (Constitution) Rules 2008 (as amended).
Secretary	The person appointed by the Chief Executive and Registrar under Standing Order 6.5, or their nominee.

2.1.3 references to any statute or statutory provision include a reference to that statute or statutory provision as from time to time amended, modified, or re-enacted;

2.1.4 words in the singular include the plural and words in the plural include the singular;

2.1.5 words importing the masculine gender include the feminine and words importing the feminine gender include the masculine.

2.2 The Chair of the Council is the final authority on the interpretation of the Standing Orders (on which she / he shall be advised by the Secretary).

### 3 The Council

#### 3.1 Objectives and Powers of the Council and scheme of delegation

3.1.1 The objectives and powers of the Council are set out in the Order.

3.1.2 The matters reserved to the Council, and the responsibilities delegated to the Chair and to the Chief Executive and Registrar, are set out in the scheme of delegation adopted by the Council from time to time [Annexe 1]. The responsibilities delegated to committees are set out in the terms of reference [Annexe 2] adopted by the Council from time to time.

#### 3.2 The Chair and members of the Council

3.2.1 In accordance with the Order and the Constitution Order,

- (a) the Council consists of six registrant and six lay members. ~~at least one of whom lives or works wholly in~~ The Council must include at least one member from each of England, Northern Ireland,

Scotland and Wales **who lives or works wholly or mainly in that country**;

- (b) the Chair and members of the Council are appointed, and their terms of office determined, by the Privy Council.

### 3.3 Nomination of a Deputy Chair

3.3.1 If the Chair is absent for one meeting, Standing Order 5.4 applies. If, in accordance with Article 9 (2) of the Constitution Order,

- (a) the Council is on notice that the Chair of the Council is likely
  - (i) to be absent for more than one meeting of the Council, or
  - (ii) to be unavailable to perform the duties of a Chair for more than one month; or
- (b) the office of Chair is vacant

the Council will meet as soon as possible to nominate a member (“Deputy Chair”) to serve as Chair during the absence of or unavailability of the chair or the vacancy.

3.3.2 The nomination will be determined by election as follows:

- (a) the members present will nominate one of their number who does not intend to seek nomination as Deputy Chair to preside at the meeting until the nomination is determined;
- (b) any member of the Council may nominate her/himself;
- (c) if no more than one member is nominated, that person will serve as Deputy Chair;
- (d) if more than one member is nominated, the members present will elect by vote one of the nominees to serve as Deputy Chair.

3.3.3 A Deputy Chair nominated in accordance with Standing Order 3.3 will cease to hold office in accordance with Article 9 (3) of the Constitution Order.

### 3.4 Conduct

3.4.1 Members of the Council are required to observe the Code of Conduct adopted by the Council from time to time.

### 3.5 Education and training

3.5.1 Members of the Council are required to observe the policies governing the induction, development and appraisal of members adopted by the Council from time to time.

### 3.6 Provisional suspension of members of the Council

- 3.6.1 Article 7 of the Constitution Order sets out the circumstances in which the Privy Council may suspend or remove a member from office.
- 3.6.2 The Council may by resolution provisionally suspend a member of the Council from office until the Privy Council has reached a decision on whether or not to suspend or remove the member under the Constitution Order.
- 3.6.3 Any motion proposing the provisional suspension of a member of the Council must be circulated to all members by the Secretary, acting on the instruction of the Chair, and decided in accordance with the Standing Orders.
- 3.6.4 On receipt of a written request from at least four members of the Council, the Secretary will circulate to all members any motion proposing the provisional suspension of the Chair of the Council. The motion will be decided in accordance with the Standing Orders.
- 3.6.5 Any decision of the Council to suspend provisionally a member will have effect immediately. Any member who is provisionally suspended is not entitled to attend meetings of the Council or its committees, exercise any of the functions of a member, or otherwise participate in Council business.
- 3.6.6 If a member has been provisionally suspended, the Council is required by the Constitution Order to notify the Privy Council in writing of the provisional suspension as soon as is reasonably practicable.
- 3.6.7 If the Privy Council decides not to suspend or remove the member from office, the Constitution Order requires the Council to terminate the provisional suspension.

## 4 Committees of the Council

### 4.1 Practice Committees

- 4.1.1 The appointment, removal, and suspension of Panel Members are regulated by the Statutory Committees Constitution Rules.
- 4.1.2 The proceedings of the Practice Committees are regulated by the Nursing and Midwifery Council (Fitness to Practise) Rules 2004 (as amended).
- 4.1.3 The Council (or a person or body authorized by the Council) may issue from time to time:
- (a) standard directions for Practice Committees;
  - (b) a code of conduct for Panel Members;

- (c) policies governing the recruitment and selection, induction and development, appraisal, and performance management of Panel Members;
- (d) policies for the reimbursement of expenses and the payment of allowances to Panel Members.

4.1.4 A person is disqualified from appointment as a Panel Member if that person has served **at any time in the previous five years** as a member of the Council **or of a Discretionary Committee of the Council** or, **prior to 31 March 2017**, as a Partner Member of the Midwifery Committee **as previously established or of a Discretionary Committee at any time in the previous five years.**

## **4.2 — Midwifery Committee**

- ~~4.2.1 Article 41 of the Order requires there to be a Midwifery Committee, whose remit is to advise the Council, at the Council's request or otherwise, on any matters affecting midwifery.~~
- ~~4.2.2 Subject to the provisions of the Order, the responsibilities of the Midwifery Committee are set out in terms of reference issued by the Council from time to time [Annexe 2].~~
- ~~4.2.3 Except as provided for in Standing Order 5.7.8, the Midwifery Committee may not delegate any of its functions without prior authorization of the Council.~~
- ~~4.2.4 Subject to the provisions of the Statutory Committees Constitution Rules, the composition of the Midwifery Committee is determined by the Council.~~
- ~~4.2.5 The Chair of the Council is authorized to exercise the functions of the Council under the Statutory Committees Constitution Rules for the appointment, removal, and suspension of the Chair and the members of the Midwifery Committee.~~
- ~~4.2.6 Partner Members of the Midwifery Committee will be selected on the basis of relevant skills and experience by a selection panel including the Chair of the committee and a Director.~~

## **4.3 Discretionary Committees**

- 4.3.1 Under Article 3(12) of the Order, the Council may establish Discretionary Committees in connection with the discharge of its functions and delegate any of its functions to them, other than the power to make rules.
- 4.3.2 The responsibilities of the Discretionary Committees are set out in terms of reference issued by the Council from time to time [Annexe 2].
- 4.3.3 Except as provided for in Standing Order 5.7.8, a Discretionary Committee may not delegate any of its functions without the prior authoris**z**ation of the Council.

- 4.3.4 The Chair and the members of Discretionary Committees are appointed by the Chair of the Council from amongst the members of the Council.
- 4.3.5 Any decision to supplement the membership of a Discretionary Committee by appointing a Partner Member is a matter for the Council on the advice of that committee.
- 4.3.6 Partner Members will be selected on the basis of relevant skills and experience by a selection panel **appointed by the Chair of the Council and which may include the Chair of the Council. including the Chair of the committee (or the Chair of the Council, where it is intended to select a Partner Member to Chair a committee) and a Director.**
- 4.3.7 The duration of the term of office of each Chair and member of a committee is determined by the Chair of the Council and,
- (a) in the case of a member of the Council, may not exceed the period from the date of appointment as a member of the committee to the date on which that person's current term of office on the Council is due to expire;
  - (b) in the case of a Partner Member, may not exceed three years from the date of appointment, renewable once.
- 4.3.8 A Partner Member may be suspended or removed from office by the Chair of the Council on the same conditions as a member of a Statutory Committee may be suspended or removed under the Statutory Committees Constitution Rules.

## **5 Meetings and proceedings of the Council and committees**

### **5.1 Meetings**

- 5.1.1 The Council will ordinarily meet no less than six times a year, in accordance with a schedule drawn up by the Secretary and approved by the Council.
- 5.1.2 The Secretary will call a special meeting of the Council as soon as practicable following receipt of a written request, specifying the nature of the business to be transacted, from:
- (a) the Chair of the Council;
  - (b) seven or more members of the Council; or
  - (c) the Chief Executive and Registrar.
- 5.1.3 Subject to any general direction from the Council regarding the frequency of meetings, committees will ordinarily meet at such intervals as the members may determine. The Secretary will draw up a schedule of meetings for the approval of each committee.

- 5.1.4 The Secretary will call a special meeting of a committee as soon as practicable following receipt of a written request, specifying the nature of the business to be transacted, from the Chair of the committee.

## 5.2 Public access to meetings

- 5.2.1 The Council is committed to open and transparent governance and operates on the presumption that its business should be conducted in public, unless there is an overriding reason for it to be conducted in private.
- 5.2.2 Members of the public are permitted to attend public meetings of the Council. The agenda and supporting papers for public meetings will be published online before the meeting.
- 5.2.3 The Chair may, at her or his discretion, allow time during public meetings for statements or questions to be made by members of the public. Members of the public are not otherwise permitted to participate in meetings.
- 5.2.4 The Chair may, at her or his discretion, instruct members of the public to withdraw from a public meeting, or part of a public meeting, if:
- (a) a confidential matter arises in discussion; or
  - (b) it otherwise appears to the Chair to be necessary to do so in the interest of good conduct of the meeting.
- 5.2.5 The Chair will determine which business is to be transacted in private. Items of business that will usually be considered in private include, without limitation:
- (a) information constituting or comprising personal data;
  - (b) information provided to the NMC in confidence;
  - (c) preparation of documents with future publication dates (unless it is in the public interest for draft documents to be discussed in public);
  - (d) matters relating to relations between the NMC and its employees;
  - (e) the terms of, or expenditure under, a tender or contract for the purchase or supply of goods or services or the acquisition or disposal of property;
  - (f) any matter relating to legal proceedings that are being contemplated or instituted by or against the NMC;
  - (g) any matter which, if publicly disclosed, would, or would be likely to, prejudice the effective conduct of the NMC's affairs.

5.2.6 Members of the public are not permitted to photograph, transmit, audio-record, or video-record proceedings of the Council without the prior authorization of the Chair. Any breach of this Standing Order may result in action by the Chair under Standing Order 5.2.4.

5.2.7 Meetings of committees are not normally open to the public.

### 5.3 Agenda and supporting papers

5.3.1 Any member wishing an item of business to be added to the agenda for a meeting should notify the Chair at least fourteen days before the meeting.

5.3.2 Each item of business will normally be accompanied by a supporting paper.

5.3.3 The agenda and supporting papers for ordinary meetings will normally be sent to members not less than seven days before the meeting.

5.3.4 The agenda and supporting papers for special meetings will normally be sent to members not less than three days before the meeting.

5.3.5 Papers may only be tabled at a meeting with the permission of the Chair.

5.3.6 The non-receipt of the agenda and / or supporting papers for a meeting by any member will not invalidate the meeting or any business transacted at the meeting.

### 5.4 Chairing of meetings

5.4.1 Subject to Standing Orders 5.4.2 and 5.4.3, the Chair will, if present, preside at all meetings.

5.4.2 If the Chair is absent from a meeting, the members present will nominate one of their number to preside at that meeting.

5.4.3 If the Chair is unable to preside because she or he has a material conflict of interest in an item of business under discussion, the other members present will nominate one of their number to preside for the duration of the discussion of that item of business.

### 5.5 Quorum

5.5.1 As defined in the Constitution Order, the quorum of the Council is seven members.

~~5.5.2 As defined in the Statutory Committees Constitution Rules, the quorum of the Midwifery Committee is half of the total number of members of the committee, plus one.~~

5.5.3 The quorum of a Discretionary Committee is a majority of the members of that committee.

5.5.4 Business transacted before a meeting becomes inquorate will not be invalidated by the later lack of a quorum.

5.5.5 If a meeting

- (a) is not quorate within half an hour of the time appointed for the meeting, or
- (b) becomes inquorate during the course of the meeting,

the Chair will declare the meeting closed and the remaining business will be carried over to the next meeting.

## 5.6 Attendance at meetings

5.6.1 At the discretion of the Chair, a meeting may be conducted wholly or partly by teleconference or videoconference. All participating members will be deemed to be present and counted in the quorum.

5.6.2 If a member

- (a) participates in less than 75% of the meetings which they are expected to attend in any financial year; or
- (b) is regarded as having made an insufficient contribution to the work of the Council,

this will be taken into account as part of the appraisal process and may constitute grounds for removal from office.

5.6.3 In exceptional circumstances, the Chair of the Council may grant a leave of absence to a member for a defined period.

5.6.4 Subject to Standing Order 5.8,

- (a) the Chief Executive and Registrar is entitled to attend and to speak at any meeting;
- (b) each Director is entitled to attend and, with the consent of the Chair, to speak at any meeting of the Council and at any meeting of a committee whose business relates to that Director's executive remit;
- (c) the Secretary is entitled to attend and, with the consent of the Chair, to speak at any meeting.

5.6.5 The Chair may invite any person to attend a meeting in whole or in part to speak or to present a report.

## 5.7 Procedure at meetings

- 5.7.1 The order of business at meetings will follow the agenda, unless otherwise directed by the Chair, at whose discretion the order may be altered at any stage.
- 5.7.2 No business other than that which has been included in the agenda will be discussed at a meeting, with the exception of urgent business, which may be discussed at the discretion of the Chair.
- 5.7.3 The Chair will:
- (a) maintain order and ensure that all members have sufficient opportunity to express their views on the matters under discussion;
  - (b) determine all matters of order, procedure, and relevancy;
  - (c) determine in which order those present should speak;
  - (d) determine whether or not a vote is required and how it is to be carried out.
- 5.7.4 Items of business for information only will normally be taken without discussion, unless otherwise directed by the Chair. Such items will be clearly marked on the agenda. Any member who wishes an item for information to be open for discussion should notify the Chair or the Secretary not less than two days before the meeting.
- 5.7.5 Decisions will normally be reached by consensus rather than by a vote. Decisions will be reached by means of a vote if:
- (a) the Chair feels that no clear consensus has been reached and that there is significant disagreement with, or reservations about, a proposal;
  - (b) a member requests that a vote be taken;
  - (c) the Chair concludes, for any other reason, that a vote should be taken.
- 5.7.6 Any proposal put to a vote will be decided by a simple majority of the members present and voting. The Chair will declare whether or not a resolution has been carried. In the event of a tie, the Chair will have an additional casting vote.
- 5.7.7 The minutes of the meeting will normally record only the numerical results of a vote, showing the numbers for and against the proposal and any abstentions. Any member may require that their particular vote be recorded in the minutes provided they ask the Secretary immediately after the result of the vote is declared.

- 5.7.8 The Council or a committee may resolve to delegate decisions on agenda items to the Chair. Any such resolution will be recorded in the minutes.
- 5.7.9 The Council or a committee may resolve to defer a decision on an agenda item. Any resolution to defer a decision, together with the reasons for doing so, will be recorded in the minutes.

## 5.8 Conflicts of interest

- 5.8.1 Any member who has a personal, financial, or other interest in any item of business in the agenda must declare fully to the meeting the nature and extent of the interest.
- 5.8.2 If a member declares an interest in accordance with Standing Order 5.8.1, the Chair will determine whether there is a material conflict of interest and, if so, whether and to what extent (if at all) that person should participate in discussion and decision of the matter.
- 5.8.3 If the Chair declares an interest in accordance with paragraph 5.8.1, the remaining members will determine whether there is a material conflict of interest and, if so, whether and to what extent (if at all) the Chair should participate in discussion and decision of the matter.
- 5.8.4 Notwithstanding the provisions of Standing Order 5.5.5, where there is no longer a quorum as a result of a decision under Standing Order 5.8.2 or 5.8.3, discussion of that item of business will be adjourned and the meeting will proceed to the next item for which a quorum exists.
- 5.8.5 Any NMC employee who is in attendance at a meeting must declare any interests in the same way as members. The Chair will determine whether there is a material conflict of interest and, if so, whether and to what extent (if at all) that person should participate in discussion of the matter. An employee will normally be required to withdraw from a meeting where her or his position is under discussion.

## 5.9 Minutes of meetings

- 5.9.1 The Secretary will record the minutes of every meeting.
- 5.9.2 The minutes will record:
- (a) the names of:
    - (i) the members present;
    - (ii) the officers in attendance;
    - (iii) any members whose apologies have been received.
  - (b) any declarations of interest;

- (c) the withdrawal of any member from the meeting on account of a material conflict of interest.

- 5.9.3 The minutes will record the key points of discussion and decisions in the order in which business was transacted at the meeting. The minutes will not attribute comments to particular members unless specifically requested by the member concerned or by the Chair.
- 5.9.4 The draft minutes, once reviewed by the Chair, will be circulated to all members and included in the agenda for the next meeting for confirmation as a correct record.
- 5.9.5 Once confirmed as a correct record, the minutes will be signed by the Chair and retained by the Secretary in the minute book.
- 5.9.6 The confirmed minutes of public meetings of the Council will be published on the NMC website.
- 5.9.7 Each committee will report to the Council fully and promptly following every meeting. The full minutes of committee meetings are ordinarily available to any Council member on request to the Secretary.

## 5.10 Decisions by correspondence

- 5.10.1 Any matter capable of being decided at a meeting may instead be decided by correspondence by a simple majority of the members entitled to vote upon it.
- 5.10.2 Where, in the opinion of the Chair, a significant matter requires a decision between meetings, and it is not practical to convene a special meeting, a document explaining the matter, together with instructions for responding, will be circulated by the Secretary for decision by correspondence.
- 5.10.3 The Secretary will notify all members of the outcome of any decision by correspondence and will record it in the minute book.

## 5.11 Action by Chairs of committees

- 5.11.1 The Chair of a committee has the power to authorize action on minor, non-contentious, or urgent matters falling within the committee's responsibilities which arise between meetings. The Chair will take reasonable steps to consult with other committee members before doing so. The Secretary will be consulted in advance and will keep a record of any decisions for report to the next meeting.

## 6 General provisions

### 6.1 Register of interests

- 6.1.1 'Interests' in this context means all interests, whether of a financial or non-financial nature, which might influence, or might be perceived as influencing, the person concerned in their conduct of NMC business. If the

person is in doubt as to whether an interest is sufficiently relevant to be declared, the interest should be declared.

6.1.2 The following are required to enter their interests annually in the register of interests and to maintain the accuracy of their entry in the register by notifying the Secretary **or a person authorised by the Secretary** of changes in a timely manner:

- (a) members of the Council;
- (b) Panel Members;
- (c) Partner Members;
- (d) the Chief Executive and Registrar;
- (e) the Directors and assistant directors;
- (f) any inspectors, reviewers, and assessors acting on behalf of the NMC.

6.1.3 Entries in the register of interests will be published as required by the Order.

## 6.2 Allowances and expenses

6.2.1 The Council will determine the arrangements for the reimbursement of expenses and the payment of allowance to Council ~~Members~~ **Members and Partner Members**, ~~and members of the Midwifery Committee.~~

## 6.3 Chief Executive and Registrar

6.3.1 The Council will appoint a Chief Executive and Registrar to direct the affairs and manage the resources of the Nursing and Midwifery Council.

6.3.2 The Council (or a body authoris**z**ed by the Council) is responsible for determining the remuneration of the Chief Executive and Registrar.

6.3.3 In order to carry out her / his responsibilities effectively, the Chief Executive and Registrar may delegate such matters as she / he thinks appropriate.

## 6.4 Directors

6.4.1 The Chief Executive may appoint Directors to carry out such responsibilities as she / he may specify.

6.4.2 The Council (or a body authoris**z**ed by the Council) is responsible for determining the remuneration of the Directors.

## 6.5 Secretary

6.5.1 The Chief Executive and Registrar will appoint a member of staff to act as Secretary to the Council and its committees.

## 6.6 Deputy and Assistant Registrars

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

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

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

## 6.7 Common Seal

6.7.1 The Chief Executive and Registrar (or a member of staff appointed by the Chief Executive and Registrar) is responsible for the safe custody of the Common Seal.

6.7.2 The affixing of the Common Seal will be attested,

- (a) in the case of statements under seal, and any other classes of documents specified by the Council, by the signatures of the Chief Executive and another member of staff with due authorization;
- (b) in the case of all other documents required to be executed under seal, by the signatures of a member of the Council and the Chief Executive and Registrar (or another member of staff authorized specially or generally by the Chief Executive and Registrar).

## 6.8 Electronic communication

6.8.1 Any notice or document required to be made in writing and/or sent under these Standing Orders may be recorded and/or sent by electronic means.

## Annexe 1: Scheme of Delegation

### The Council

- 1 The NMC is the professional regulator for nurses and midwives in the UK. Its core purpose is to protect patients and the public through effective and proportionate regulation of nurses and midwives. The NMC is established by, and governed in accordance with, the Nursing and Midwifery Order 2001 (“Order”) **which sets out the Council’s statutory objectives and duties.**
- 2 The Council is the governing body of the NMC and its members are the charity trustees. The remit of the Council is to (a) set the NMC’s strategic direction and corporate objectives, in line with its core purpose; (b) ensure effective systems are in place for managing performance and risk; (c) maintain probity in, and public accountability for, the exercise of the NMC’s functions and the use of funds.
- 3 In order to discharge its remit effectively, the Council may delegate such matters as it considers appropriate. If it determines that it is necessary to do so, the Council may exercise any function that is normally delegated. The following matters are reserved to the Council:

#### Regulatory functions

- 3.1 Approving the NMC’s regulatory legislation, and any changes to it, subject to the Privy Council’s consent.

#### Strategy, planning, and performance

- 3.2 Approving strategy.
- 3.3 Approving regulatory policy.
- 3.4 Approving the financial strategy, reserves policy, **investment policy** and fee strategy.
- 3.5 Approving the annual corporate plan and budget.
- 3.6 Reviewing the corporate performance of the NMC and holding the Chief Executive and Registrar to account.
- 3.7 Taking the final decision on any matter of fundamental strategic significance to the NMC, or which poses a substantial risk to the organisation.

#### Internal control, assurance, and accountability

- 3.8 Agreeing the top level system of internal control, including the Financial Regulations and **authorisation to commit expenditure the Scheme of Delegation. Authority to commit expenditure is set out at Appendix 1.**
- 3.9 Approving the risk management framework and setting the risk appetite.

- 3.10 Appointing the external auditors.
- 3.11 Approving the annual report and accounts, the annual fitness to practise report, and any other report to be laid before Parliament.

### Governance

- 3.12 Deciding all matters relating to the Council's governance framework, including delegating powers, making Standing Orders, and constituting committees.
- 3.13 Appointing the Chief Executive and Registrar.

## The Chair

- 4 The remit of the Chair is (a) to chair meetings of the Council and (b) to manage the affairs of the Council as the governing body of the NMC, within the governance framework established by the Council. In exercising her / his remit, the Chair has delegated authority for:
  - 4.1 Determining the general nature and timing of the Council's business.
  - 4.2 Appointing the members and Chairs of the committees of the Council.
  - 4.3 Conducting the annual appraisal of Council members.
  - 4.4 Conducting the process for the appointment of the Chief Executive and Registrar.
  - 4.5 Conducting the process for the setting of objectives for and performance appraisal of the Chief Executive and Registrar.
  - 4.6 Taking decisions on minor, non-contentious, or urgent matters falling within the remit of the Council, on reference from the Chief Executive and Registrar.
- 5 The Chair is accountable to the Council for her / his decisions and must report to the Council (or the appropriate committee) on each occasion when she / he has exercised delegated authority.

## The Chief Executive and Registrar

- 6 The remit of the Chief Executive and Registrar is to direct the affairs and manage the resources of the NMC within the strategic framework established by the Council. In exercising her / his remit, the Chief Executive and Registrar has delegated authority to act in any matter that is not expressly reserved to the Council and does not properly fall within the remit of the Chair.
- 7 The Chief Executive and Registrar is accountable to the Council for her / his decisions and must provide such reports as the Council may require in order to carry out its role effectively.

- 8 The Chief Executive and Registrar has a responsibility to inform the Council at the earliest opportunity of any matters which may represent a significant regulatory, strategic, legal, financial or reputational risk or issue for the Council.
- 9 In addition, the ~~The~~ responsibilities of the Chief Executive and Registrar include:

### Regulatory functions

- 9.1 Ensuring the NMC's regulatory functions are discharged in accordance with the legislation and the core purpose to protect patients and the public.
- 9.2 Making proposals to Council regarding the development of, or changes to, regulatory legislation, and seeking the Privy Council's consent to the Council's decisions.
- 9.3 As Registrar, in accordance with the regulatory legislation, (i) admitting, removing, and restoring registrants; (ii) maintaining the integrity of the register; (iii) publishing the register; (iv) ensuring that allegations concerning the fitness to practise of registrants are fairly, effectively, and efficiently investigated and adjudicated.

### Strategy, planning, and performance

- 9.4 Formulating and making proposals to the Council regarding strategy and regulatory policy, and implementing the Council's decisions.
- 9.5 Formulating and making proposals to the Council regarding financial strategy, reserves policy, **investment policy**, and fee strategy, and implementing the Council's decisions.
- 9.6 Formulating and making proposals to the Council regarding the annual corporate plan and budget, and implementing the Council's decisions.
- 9.7 Approving the annual directorate business plans and allocating the budget required for delivery, and holding Directors to account for their implementation.
- 9.8 Implementing an effective system for the management, monitoring, and reporting of performance.
- 9.9 Deciding all matters relating to organisational structure and the management of staff, within the framework and budget agreed by the Council.

### Internal control, assurance, and accountability

- 9.10 Implementing an effective system of internal control, within the framework agreed by the Council, and ensuring that significant matters are reported to the Council.
- 9.11 Implementing the risk management framework agreed by the Council, ensuring that risks are identified and evaluated, that appropriate measures

are put in place to mitigate risks, and that progress is monitored and reported.

- 9.12 Securing the effective, efficient, and economic use of resources, ensuring financial propriety, keeping proper records of account, and fulfilling role of Accounting Officer for the NMC (as appointed by the Privy Council).
- 10 In order to carry out her / his responsibilities effectively, the Chief Executive and Registrar may delegate such matters as she / he considers appropriate.
- 11 The Chief Executive and Registrar will constitute one or more boards, as appropriate, to assist her / him in the performance of her / his duties through (a) developing and implementing strategies, policies, business plans, and budgets; (b) monitoring operating and financial performance; (c) evaluating and managing risk; (d) prioritising and allocating resources.

## Committees

### Statutory Committees

#### The Practice Committees

- 12 The NMC is required to have ~~the following~~ practice committees.

~~12.1 The Investigating Committee.~~

~~12.2 The Conduct and Competence Committee.~~

~~12.3 The Health Committee.~~

- 13 The functions of the practice committees are stipulated in the Order and are not subject to this scheme of delegation.

#### ~~The Midwifery Committee~~

- ~~14 The NMC is required to have a Midwifery Committee whose remit, as set out in Article 41 of the Order, is to advise the Council, at the Council's request or otherwise, on any matters affecting Midwifery. The responsibilities of the Midwifery Committee are detailed in terms of reference approved by the Council.~~

### Discretionary Committees

- 15 Under Article 3 (12) of the Order, the Council may establish such other committees as it considers appropriate in connection with the discharge of its functions and delegate any of its functions to them, other than the power to make rules.
- 16 The Council has established committees with the following remits. The responsibilities of each committee are detailed in terms of reference approved by the Council.

#### The Audit Committee

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

#### **The Remuneration Committee**

- 16.2 The remit of the Remuneration Committee is to ensure that there are appropriate systems in place for remuneration and succession planning at the NMC.

#### **The Appointments Board**

- 16.3 The remit of the Appointments Board is to assist the Council with the exercise of any function or process relating to the appointment of Panel Members and Legal Assessors.

#### **The Council Budget Scrutiny Group**

- 16.4 The Council Budget Scrutiny Group is a short term group which may operate during the budget setting process to provide scrutiny in relation to budget development, advise the Executive and provide assurance or make recommendations to the Council.

The scheme of delegation was adopted by the Council on 18 July 2013 (amended 8 October 2015 and 25 November 2015).

## Annexe 2a: Terms of reference of the Audit Committee

- 1 The Audit Committee is established by the Council under Article 3 (12) of the Nursing and Midwifery Order 2001.

### Remit

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

### Responsibilities

#### Integrity of financial statements

- 3 Review the annual report and accounts before they are submitted to the Council for approval, focussing in particular on:
  - 3.1 Consistency of, and compliance with, accounting policies.
  - 3.2 Compliance with appropriate accounting standards.
  - 3.3 Significant adjustments arising from audit and any unadjusted mis-statements.
  - 3.4 Major accounting judgements.
  - 3.5 Clarity of the annual governance statement and other disclosures in the annual report relating to internal control, risk management, audit, and other matters falling within the Committee's remit.
- 4 Ensure that the systems for financial reporting to the Council are reviewed to ensure clarity, completeness, and accuracy.

#### Internal controls and risk management

- 5 Review the adequacy of internal controls and monitor sources of assurance relating to them.
- 6 Review the risk management system, including the scope and effectiveness of the processes employed by management to identify, evaluate, manage, and monitor significant risks.
- 7 Review the financial regulations, including the scheme of financial delegations and the anti-fraud, ~~and~~ anti-bribery ~~and corruption policy policies~~.
- 8 Review the NMC's public interest disclosure (whistleblowing) procedure and the serious event review policy.

### Internal audit

- 9 Advise the Chief Executive on the appointment of the internal auditors.
- 10 Consider and approve the internal audit charter, ensuring that the internal auditors have sufficient standing in the NMC, have appropriate access to information, and are free from management or other restrictions, in order to allow them to perform their function effectively and in accordance with the relevant standards.
- 11 Consider and approve the high level annual internal audit programme.
- 12 Receive reports on the internal audit programme, reviewing and monitoring management's responsiveness to the findings and recommendations of the internal auditors.
- 13 Meet with the internal auditors at least once a year, without NMC management being present, to discuss their remit and any issues arising from the internal audits carried out.

### External audit

- 14 Consider and make recommendations to the Council regarding the appointment, re-appointment and removal of the external auditors.
- 15 Oversee the relationship with the external auditors, including:
  - 15.1 Approving their remuneration, terms of engagement, and the audit scope.
  - 15.2 Assessing their independence and objectivity in accordance with relevant audit standards.
  - 15.3 Agreeing proposals for them to undertake non-audit services.
- 16 Consider and approve the annual external audit plan.
- 17 Review the letter of representation requested by the external auditor before it is signed by the Trustees.
- 18 Review the findings of external audit work, including:
  - 18.1 Reviewing the external audit management letter and the management responses.
  - 18.2 Discussing any significant issues that arose during the audit.
  - 18.3 Any accounting and audit judgements.
  - 18.4 Levels of errors identified during the audit.

**National Audit Office (NAO)**

- 19    Oversee the relationship with the NAO.
- 20    Consider and approve the annual NAO audit plan.
- 21    Review the findings of the NAO's work, including:
  - 21.1    Reviewing the NAO audit completion report and the management responses.
  - 21.2    Discussing any significant issues that arose during the audit.
  - 21.3    Any accounting and audit judgements.
  - 21.4    Levels of errors identified during the audit.

The terms of reference of the Audit Committee were adopted by the Council on 18 July 2013.

## **~~Annexe 2b: Terms of reference of the Midwifery Committee~~**

- ~~1 The Midwifery Committee is a committee of the Council established by Article 3 (9) of the Nursing and Midwifery Order 2001.~~

### **~~Remit~~**

- ~~2 Under Article 41 (1) of the Nursing and Midwifery Order 2001, the remit of the Midwifery Committee is to advise the Council, at the Council's request or otherwise, on any matters affecting midwifery.~~

### **~~Responsibilities~~**

- ~~3 To advise the Council on any matters affecting midwifery, including professional and policy developments and prospective or actual changes in statutory regulation~~
- ~~4 To monitor professional and policy developments in the healthcare field affecting safety of maternity services, midwifery practice and the statutory supervision of midwives.~~
- ~~5 To agree and recommend any changes to standards and guidance on midwifery education and to education and training specific to the midwifery profession.~~
- ~~6 To report to the Council relevant information pertaining to local supervising authorities (LSAs), including the standards for the exercise of LSA functions, review of LSA functions, and the quality assurance of LSAs.~~
- ~~7 To agree consultations on behalf of the Council on any proposed rules and standards relating to midwifery practice and the statutory supervision of midwives.~~

### **~~Constitution~~**

- ~~8 The Committee is constituted in accordance with the Nursing and Midwifery Council (Midwifery and Practice Committees) (Constitution) Rules 2008.~~

~~The terms of reference of the Midwifery Committee were adopted by the Council on 18 July 2013.~~

## Annexe 2b2c: Terms of reference of the Remuneration Committee

- 1 The Remuneration Committee is established by the Council under Article 3 (12) of the Nursing and Midwifery Order 2001.

### Remit

- 2 The remit of the Remuneration Committee is to ensure that there are appropriate systems in place for remuneration and succession planning at the NMC.

### Responsibilities

#### Chief Executive and Registrar, ~~Chief Operating Officer~~, Directors, and other employees

- 3 Approve and oversee the process for the recruitment and selection of the Chief Executive and Registrar.
- 4 Consider and recommend to the Council an appropriate reward strategy for the Chief Executive and Registrar, ~~Chief Operating Officer~~ and the Directors.
- 5 Approve annually the reward package, including any performance related element, of the Chief Executive and Registrar, ~~Chief Operating Officer~~ and the Directors in line with the reward strategy set by the Council.
- 6 Approve the process for the setting of objectives for and performance appraisal of the Chief Executive and Registrar.
- 7 Review reports from the Chief Executive and Registrar regarding the setting of objectives for and performance appraisal of the ~~Chief Operating Officer and~~ Directors.
- 8 Approve the arrangements for succession planning for the Chief Executive and Registrar and review those for the Directors.
- 9 Approve any request to be made to HM Treasury by the Chief Executive, as Accounting Officer, in relation to special severance payments in the event of the termination of employment of the Chief Executive and Registrar or a Director, and any other special payments to employees.<sup>1</sup>
- 10 Review, as necessary, any significant changes to the People Strategy, the employee pay and grading structure, or the pension scheme.

#### The Chair and the Council

- 11 Recommend to the Council any changes to the remuneration and terms of service of the Chair and Council members, seeking independent advice as appropriate.
- 12 Approve the expenses policy for the Chair, ~~and~~ Council ~~and~~ Partner members.

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<sup>1</sup> The respective roles of the Remuneration Committee, the Chief Executive and Registrar, and the Privy Council are set out in a separate explanatory memorandum.

- 13 Recommend to the Council the arrangements for the induction, appraisal and development of the Chair and Council members.
- 14 Approve and oversee the process for the recruitment of **Council members or reappointment of the Chair and** Council members, in accordance with PSA guidance and the requirements of the Privy Council.

Approved by the Council  
18 July 2013 (amended 25 November 2015)

## **Annexe 2c2d: Terms of reference for the Appointments Board**

1. The Appointments Board is established by the Council under Article 3 (12) of the Nursing and Midwifery Order 2001.

### **Remit**

2. The remit of the Appointments Board is to assist the Council in connection with the exercise of any function or process relating to the appointment of Panel Members and Legal Assessors<sup>2</sup>.

### **Responsibilities**

3. Approve the code of conduct for Panel Members.
4. Approve policies governing the recruitment and selection, induction and development, appraisal, performance management, remuneration and contractual arrangements of Panel Members and Legal Assessors.
5. Approve policies for travel arrangements, reimbursement of expenses and the payment of allowances to Panel Members and Legal Assessors.
6. Scrutinise and review forward plans to ensure that timely and sufficient appointments and reappointments can be made to meet the NMC's caseload.
7. Scrutinise and review the implementation of recruitment and selection arrangements and make recommendations to the Council regarding the appointment of Panel Members and Legal Assessors.
8. Scrutinise and review the implementation of induction, training and development, appraisal and performance management arrangements, (including but not restricted to participation rates, sitting arrangements, feedback from Panel Members and Legal Assessors) and criteria for reappointments, and make recommendations to the Council regarding a) the reappointment of Panel Members and Legal Assessors and b) the early termination of appointment of Panel Members and Legal Assessors where appropriate.
9. Report annually to the Council on the Appointments Board's activities, including an assessment of compliance with, and effectiveness of the policies in place.
10. Undertake any other responsibilities requested by the Council consistent with the remit of the Board.

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<sup>2</sup> Panel members and legal assessors are independent contractors and are not employees of the NMC

## Membership

11. The Appointments Board will consist of **up to** five Partner Members, one of whom will be the Chair of the Board, selected and appointed in accordance with the Standing Orders.

The terms of reference of the Appointments Board were adopted by the Council on 26 March 2014.

## Annexe 2d2e: Budget Scrutiny Group: Terms of Reference

### Remit and membership

1. The Budget Scrutiny Group is a short term group established from time to time by the Council. It will operate only during the budget setting process.
2. The Group shall be **chaired appointed** by the Chair of the Council and additionally comprise **at least** the Chairs **or members** of the Audit and Remuneration Committees.
3. The Group's purpose is to:
  - 3.1. provide scrutiny in relation to budget development and advice to the Executive; and
  - 3.2. provide assurance to the Council that appropriate analysis and consideration has been undertaken in the construction of the financial plans and budgets.

### Terms of reference

4. The terms of reference of the Group are to:
  - 4.1. Review the financial plans during development and prior to submission of budget proposals to Council including:
    - 4.1.1. Any underpinning volume and budgetary assumptions being made
    - 4.1.2. Any capital investment proposals.
    - 4.1.3. The identification of efficiencies / savings.
  - 4.2. Provide assurance to Council that detailed analyses of financial options, sensitivities and risk have been considered by the Executive in relation to financial plans.
  - 4.3. Review the budget in the context of the Corporate Plan to provide assurance to Council that the budget allocation process has taken into account core regulatory core business and any desired improvement.
  - 4.4. Review the above in the context of the **emerging** NMC financial strategy.
5. Recommend to the Council any high level budgetary assumptions to be used for budget planning purposes including any funding provision to be made in relation to the paybill.
6. The Chair of the Council will report on the Group's work to the Council, in seminar, confidential or open session as considered appropriate.
7. The Council will review the need for the Budget Scrutiny Group **from time to time on an annual basis**.

The terms of reference of the Budget Scrutiny Group were adopted by the Council on 25 November 2015.

## Appendix 1: Authority for financial commitment

Item	Council	Chief Executive and Registrar
	Aggregate Value (aggregate value means the cost over the life of the item or contract including any VAT)	
<ul style="list-style-type: none"> <li>• contract award recommendation</li> <li>• contract variation or extension</li> <li>• form of agreement that would bind the NMC to a financial commitment</li> <li>• purchase requisition approval (a requisition is a request to order goods or services)</li> </ul>	<b>≥500,000</b>	<b>&lt;500,000</b>

The values indicate thresholds below which the post holders' authorisation is sufficient to commit the NMC to expenditure.

The Council must give prior approval for any commitment of sums of an aggregate value over £500,000 at a meeting. Exceptionally, approval of expenditure of sums of an aggregate value over £500,000 but less than £1million may be given by the Chief Executive and Registrar together with two Council members one of whom must be the Chair. Any such commitments must be reported to the next meeting of the Council.

Where an urgent decision is required, approval can be provided by correspondence as provided for in the Council's Standing Orders.

Where the Council has made the decision, the Chair will sign on behalf of the Council.

## Council

### Audit Committee report

**Action:** For information.

**Issue:** Reports on the work of the Audit Committee.

**Core regulatory function:** Supporting functions.

**Strategic priority:** Strategic priority 4: An effective organisation.

**Decision required:** No decision 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: Fionnuala Gill  
Phone: 020 7681 5842  
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Chair: Marta Phillips

- Context:**
- 1 Since the last report to Council, the Audit Committee met on 25 April 2017.
  - 2 The Committee welcomed the Chair of the Committee's appointment as a Council member with effect from 1 May 2017. The Chair of Council confirmed that she would continue as Chair of the Audit Committee for the forthcoming year in her new capacity.

- Four country factors:**
- 3 None directly arising from this report.

**Discussion      **Audit Committee training and effectiveness****

- 4 Committee members had an informal session on committee effectiveness and training needs. A number of topics were identified for short focused training sessions and these will be taken forward over the year.

**Internal audit work programme 2016–2017**

- 5 The Committee considered an end of year report on progress on the internal audit work programme 2016–2017. The Committee was pleased to note that delivery of the programme was complete. There was one audit report outstanding on procurement and ICT contracting. A final version of this report will be provided to the Committee when available.

**Internal audit work programme for 2017–2018**

- 6 The Committee considered a revised version of the internal audit work programme for 2017–2018, which it had commented on at its last meeting. The Committee was content that its comments had been taken into account.
- 7 In considering the work programme the Committee highlighted the need to ensure that any Internal Audit involvement in Transformation be carefully scoped to avoid duplication with other assurance activity.

**Internal audit recommendations**

- 8 The Committee considered progress made on clearing internal audit recommendations and commended staff on the good progress made since the beginning of the financial year.
- 9 The Committee noted a number of outstanding recommendations in relation to the organisation's approach to quality. Noting that a quality strategy, which would address some aspects of the recommendations, would be considered by the Council in June 2017 in seminar session, the Committee requested that an update on all

the outstanding quality-related recommendations be brought back to its next meeting.

### **Annual review of risk management effectiveness**

- 10 The Committee considered an end of year review of the effectiveness of risk management during 2016–2017, which provided a helpful assessment about process and changes made during the year to how risk was reported. The Committee requested that in future risk reporting should also focus on outcomes and in particular whether any significant unanticipated risks had emerged or whether any anticipated risks had materialised.
- 11 In discussion the need for organisational resilience was highlighted as particularly important during a period of major change. The Committee was pleased to note that directors were actively engaging in contingency planning at the request of the Chief Executive. The need to actively promote robust risk assessments and discussions across the organisation was also highlighted.

### **Draft Internal Audit Opinion 2016–2017 and Annual Governance Statement 2016–2017**

- 12 The Committee reviewed the draft internal audit annual opinion and report for 2016–2017. The Committee was pleased to note the Internal Auditor's view that there had been marked improvement, while recognising the importance of further improvement in relation to risk management and internal controls.
- 13 The Internal Auditor had used a standard definition which referred to governance, risk management and internal controls. The Committee asked that the Internal Auditor amend the report to clarify that the areas in need of further improvement were risk management and internal controls and not governance. Subject to this clarification, the Committee accepted the opinion as a fair and accurate reflection of the current position.
- 14 The Committee also considered a draft of the annual governance statement for inclusion in the statutory annual report and accounts. Some suggestions and additions were proposed by the Committee which will be taken on board in the next iteration.

### **Whistleblowing annual review and report 2016–2017**

- 15 The Committee considered an annual report on the use of the whistleblowing policy during 2016–2017. There had been one invocation of the whistleblowing policy during 2016–2017, the outcome of which had been reported to the Council.
- 16 The Committee welcomed the fact that training on the use of the whistleblowing policy had been provided for the Executive and Leadership team and was now being rolled out to frontline

managers. Feedback from the training was being used to inform a refresh of the policy and guidance later in the year.

- 17 An audit of the effectiveness of the policy would take place in Autumn 2017 in accordance with parameters previously agreed by the Audit Committee.

### **Anti-fraud, bribery and corruption annual review and report 2016–2017**

- 18 The Committee considered a report on issues and actions in 2016–2017 in relation to fraud, bribery and corruption.
- 19 The Committee was pleased to note that there had been anti-fraud training for key staff. However there was a need to guard against complacency in relation to risks around fraud and bribery across the organisation. The Committee asked the Executive to ensure that there was ongoing awareness-raising with all staff. In particular, the Committee asked the Executive to look carefully at the NMC's major contracts to ensure there were no areas of risk exposure.

### **Serious Event and Data Breaches report**

- 20 The Committee considered a report on serious events and data breaches during the period 7 January 2017 to 19 March 2017.
- 21 The Committee was pleased to note that learning from complaints and Serious Event Reviews was being fed into the design of the Transformation programme to ensure that the potential for human error is removed as far as possible.
- 22 The report continued to provide helpful insight into issues in the organisation. The Committee requested that trend data and analysis be provided in future reports to provide further insight.

### **Plans for Internal Audit tender**

- 23 The Committee considered plans for retendering the current internal audit contract, which expires in April 2018. The Chair of the Audit Committee and Derek Pretty agreed to be part of the tender evaluation process.

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

- 24 No public protection issues arising directly from this report.

#### **Resource implications:**

- 25 No resource implications arising directly from this report.

#### **Equality and diversity**

- 26 No direct equality and diversity implications resulting from this report.

**implications:**

**Stakeholder engagement:** 27 None.

**Risk implications:** 28 No risk implications arising directly from this report.

**Legal implications:** 29 None identified.



## Council

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

- Action:** For information.
- Issue:** Reports action taken by the Chair of the Council since 29 March 2017 under delegated powers in accordance with Standing Orders.
- There has been one Chair's action to sign and seal the Nursing and Midwifery Council (Fitness to Practise) (Amendment) Rules 2017.
- Core regulatory function:** Supporting functions.
- Strategic priority:** Strategic priority 4: An effective organisation.
- Decision required:** None.
- Annexes:** The following annexe is attached to this report:
- Annexe 1: Chair's action—Signing and sealing of the Nursing and Midwifery Council (Fitness to Practise) (Amendment) Rules 2017.
- Further information:** If you require clarification about any point in the paper or would like further information please contact the author or the director named below.

Secretary: Fionnuala Gill  
Phone: 020 7681 5842  
[fionnuala.gill@nmc-uk.org](mailto:fionnuala.gill@nmc-uk.org)



### Chair's Action

Under NMC Standing Orders, the Chair of the Council has power to authorise action on minor, non-contentious or urgent matters falling under the authority of the Council (Scheme of Delegation, paragraph 4.6). Such actions shall be recorded in writing and passed to the Secretary who maintains a record of all authorisations made under this paragraph. The Chair is required to report in writing, for information, to each Council meeting the authorisations which have been made since the preceding Council meeting.

Each Chair's action must set out full details of the action that the Chair is requested to authorise on behalf of the Council.

<b>Requested by:</b>  Fionnuala Gill Secretary to the Council	<b>Date:</b>  26 April 2017
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#### **Signing and Sealing of the Nursing and Midwifery Council (Fitness to Practise) (Amendment) Rules 2017**

On 11 April 2007, the Council took a decision by correspondence to approve the amendments to the Rules and make the Nursing and Midwifery Council (Fitness to Practise) (Amendment) Rules 2017. Full details of the decision by correspondence process can be found at **annexe 1**.

Based on the above decision, the Chair is asked to sign and seal the Nursing and Midwifery Council (Fitness to Practise) (Amendment) Rules 2017, which can be found at **annexe 2**.

Signed: 

(Chair)

Date: 26 April 2017



## Decision by correspondence

**NMC/17/23      Proposal to make the Nursing and Midwifery Council (Fitness to Practise ) (Amendment) Rules 2017**

1.            On 3 April 2017 a notice was circulated:
  - (a) attaching a memorandum recommending that the Council, following its agreement in principle on 29 March 2017 to the proposed changes to the Fitness to Practise Rules 2004, make the Amendment Rules that will allow Case Examiners to give advice, issue warnings, and recommend undertakings;
  - (b) attaching a copy of the Nursing and Midwifery Council (Fitness to Practise) (Amendment) Rules 2017;
  - (c) advising the Council that it had the power to decide matters by correspondence, in accordance with procedure set out in the Standing Orders;
  - (d) inviting Council members to respond by noon on 11 April 2017 indicating whether or not they agree the amendments to the Rules.

2.            The Council's decision as at noon on 11 April 2017 was to approve the amendments to the Rules and make the Nursing and Midwifery Council (Fitness to Practise ) (Amendment) Rules 2017.

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

Signed:

Janet Finch

Date:

11.04.17.