

Meeting of the NMC Council

to be held from 09.30 to 12.30 on Thursday 23 May 2013
in the Council Chambers at 23 Portland Place, London W1B 1PZ

Agenda

Mark Addison CB
Chair of the NMC

Matthew McClelland,
Assistant Director,
Governance and Planning
(Secretary to the Council)

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the public session of the Council held on 25 April 2013
and outstanding actions from previous meetings | |

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9 **Financial update**

NMC/13/94

Director of Corporate Services

Council will receive a presentation on this item

Matters for decision

10 **Developing the NMC's strategic direction**

NMC/13/95

Chief Executive and Registrar

Matters for discussion

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NMC/13/96

12 **Council forward work plan**

NMC/13/97

Director of Corporate Governance

LUNCH

The next public session of the Nursing and Midwifery Council is currently scheduled to be held on Thursday 20 June 2013 at 9.30am at the Nursing and Midwifery Council, 23 Portland Place, London W1B 1PZ.

Meeting of the Council
 Held at 09:30 on 25 April 2013
 at 23 Portland Place, London W1B 1PZ

Minutes

Present

Members:

Mark Addison CB	Chair
Alison Aitken	Council Member
Dr Kuldip Bharj OBE	Council Member
Sue Hooton OBE	Council Member
Lorna Jacobs	Council Member
Grahame Owen	Council Member
Nicki Patterson	Council Member
Carole Rees-Williams	Council Member
Ruth Sawtell (until 10.45am)	Council Member
Bea Teuten	Council Member
Professor Jane Tunstill	Council Member

Lay advisors:

Louise Scull	Lay Advisor to Council
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NMC officers:

Jackie Smith	Chief Executive and Registrar
Katerina Kolyva	Director of Continued Practice
Lindsey Mallors	Director of Corporate Governance
Sarah Page	Director of Fitness to Practise
Alison Sansome	Director of Registration
Mark Smith	Director of Corporate Services
Matthew McClelland	Assistant Director, Governance and Planning (Secretary to the Council)
Paul Johnston	Council Services Manager (minutes)

The meeting of the Council commenced at 9.34am.

Minutes

NMC/13/67 Welcome from the Chair

1. The Chair noted that this was the last meeting of the currently constituted Council, and welcomed members of the audience. He noted that members of the audience would be able to raise questions prior to discussion on the item regarding professional indemnity insurance (PII) as well as the allocated time for questions from observers.
2. The Chair extended a particular welcome to Alison Sansome, who had started her role of Director of Registration on 2 April 2013.

NMC/13/68 Apologies for absence

1. Apologies were given by Professor Judith Ellis MBE and David Pyle.
2. In addition, Ruth Sawtell left the meeting at 10.45am.

NMC/13/69 Declarations of Interest

1. It was noted that registrant members of Council had an interest in Item 12 – Professional Indemnity Insurance. However, this did not constitute a prejudicial interest and they would be permitted to remain and discuss the item.
2. Dr Kuldip Bharj OBE declared an interest in Item 13 – NMC QA framework, as she was employed by a HEI, but would be permitted to take a full part in discussions.

NMC/13/70 Minutes of previous meetings

1. The minutes of the Council held on 21 March 2013 were agreed as a correct record.

NMC/13/71 Summary of actions

1. Members noted the summary of actions and noted:
 - the item on making decisions on voluntary removal during fitness to practise (FtP) investigations (minute NMC/12/166) would be held at Council on 12 September 2013.
 - the item on equality and diversity (minute NMC/13/20) would be considered by Council following its reconstitution.

NMC/13/72 Report of decisions taken by the Chair since the last Council meeting

1. The report was noted.

NMC/13/73 Francis report

1. The Chief Executive introduced the report.
2. The Chair of the Midwifery Committee said that the Committee had discussed the Francis report recommendations on 17 April 2013 and provided a summary of their discussions. The Committee felt that the NMC's response should recognise the NMC's regulatory remit of four countries and the two professions of nursing and midwifery.
3. The Midwifery Committee had also asked for a focus on continuing professional development as well as pre-registration. In addition, evidence from the pilots of healthcare assistant training and their impact on the code should be taken into account in developing the initial NMC response. The Committee also recognised the importance of the response reflecting feedback from stakeholders.
4. Members said that it was important for the NMC to be involved to identify the outcomes for the pilots that would indicate success. Officers agreed on this point.
5. Members noted that in order to ensure best use of the pilots, it was important that findings from the pilots be published, disseminated and the proposed actions arising from the findings were widely visible.
6. Members reiterated the importance of ensuring that the NMC, in going forward, focussed on continuing improvement in its core functions.

NMC/13/74 Risk register

1. The Director of Corporate Governance introduced the report, noting that the risk on overseas registration had been re-assessed and considered lower risk following the completion of the overseas registration process review.
2. Members highlighted the risk around the Francis report (Risk T28) and said that the recorded actions did not reflect the considerable work undertaken to manage the risk. Members suggested that the work had served to reduce the associated risk. It was noted that the risk rating had been deliberated upon by Directors, who remained cognisant of the concerns expressed previously by Council around the risk. Officers agreed that it was now appropriate to reconsider the risk rating.

3. Members asked if the risk relating to reconstituted Council (Risk T17) should be reduced. Officers replied that this would be revisited. Officers added that the last risk was added to the register in February 2013, but that those on it were revisited and consideration of new risks was part of the process.
4. Officers also agreed that, whilst the risk register was a useful tool for spot analysis, identification of trends in the numbers of risks deemed low, medium and high would assist in the identification of long term patterns.

Action: Include a trend analysis on movement of risks over the short term in future risk register reporting
For: Director of Corporate Governance
By: 23 May 2013

NMC/13/75 Chief Executive's report

1. The Chief Executive presented the report, which reflected the progress made by the NMC over the past year. Whilst challenges remained, the report demonstrated a significant number of improvements in recent months. Members praised NMC staff for the work they had undertaken over the last year.
2. Members asked how key performance indicators (KPIs) would be reviewed. The Chief Executive said that the reconstituted Council would be receiving a smaller set of KPIs that would focus on, and serve to facilitate, improved performance.
3. Members asked what was being done to address consistently high staff turnover rates. Officers responded that turnover rates were decreasing slightly, and the current rate was in part attributable to non-voluntary turnover as part of the NMC's restructuring. Members asked if there were figures for cross-comparison with other healthcare regulators. Officers replied that although the issue applied to many such bodies, the NMC's turnover rates were high in comparison.

NMC/13/76 Fitness to Practise performance report / Report from Fitness to Practise Committee

1. The Director of Fitness to Practise presented an annual summary of performance. The positive performance on the interim order and investigation KPIs showed progress, although further improvements were still required. The amended interim order processes, which had recently been approved by Council, would serve to facilitate those improvements.
2. In terms of adjudications cases, the NMC would be able to achieve over 190 cases every month according to forecasting. However, it

was also recognised that achieving targets up until September 2013 would remain challenging.

3. The Chair of the Fitness to Practise Committee added that the work on interim orders was highly significant in terms of public protection. The Committee had welcomed the increase in daily hearings from an average of 14 to 22, as well as the fact that other KPIs were now being met. The Committee had felt that adjudications remained a challenge. There were now over 1800 cases at the adjudication stage whilst the number of part heard cases also remained high. However, the use of section 60 requests had the potential to make a difference.
4. Members asked if there were plans to hold regional road shows to encourage FtP referrals. Officers responded that this would be part of raising the profile of the NMC, and that the possibility of these events would be revisited.
5. Members raised the fact that the adjudications target of 1800 cases had not been met this month. Officers replied that there would be another analysis of the situation at the end of June 2013 based on a significant sample of cases. The NMC's assumptions regarding post-Francis referral rates would lead to a re-examination of targets if correct.
6. The Chair of Council wished to record the Council's thanks to the Chair and members of Fitness to Practise Committee for their work in overseeing the improvements made by the directorate.

NMC/13/77 Monthly financial reporting

1. The Director of Corporate Services presented the report, which focused on the end of year position. Draft statutory accounts would be circulated for comment to the Finance and IT Committee and Audit Committee members on 29 April 2013.
2. The Chair of Council reflected registrants' concerns regarding fee levels and whether the NMC was providing value for money. Officers replied that the NMC had achieved a number of efficiency savings, most significantly in Fitness to Practise and through bringing FtP legal provision in-house. Other savings had been achieved from restructuring. Officers recognised that reporting of efficiency savings needed to be further improved and would reflect this in financial reporting to reconstituted Council.
3. The Chair of Council wished to record his thanks to the Finance and IT Committee and its predecessor the Finance Review Group for their work in supporting these improvements.

NMC/13/78 Professional indemnity insurance

1. The Chair opened the item to questions from observers prior to Council discussion. Ms Louise Silverton (Royal College of Midwives) welcomed the proposals, and expressed the RCM's gratitude for NMC support in the commissioning of the Flaxman report.
2. Ms Erika Thompson (Independent Midwife) asked several questions, which were as follows:
 - Did the NMC feel that monitoring PII was their role, or should it be the responsibility of local supervising authorities?
 - Did the NMC have systems in place to monitor PII, and would these lead to an increase in registrants' fees?
 - Given the fact that the NMC could not advise on the issue, what information should independent midwives give to clients?
 - When would the proposed system be in place?
 - Would the NMC have to contact all members to check if they had PII, given that some have already signed intention to practice forms without PII.
 - Would midwives who were temporarily out of employment need to be removed from the register and then be readmitted once back in employment, and if so how would this be monitored?
3. Ms Odette Abououf (Independent Midwife) observed that a number of independent midwives had declined a number of clients on the basis of continued uncertainty about the impact of PII. She asked why an extension for consultation was not granted, and highlighted the potential impact of PII on independent midwives. Roger Goss (Patient Concern) added concerns over the unwillingness of some providers to provide PII coverage.
4. Ms Meg Miskin-Garside (Independent Midwife) raised concerns that there remained a lack of clarity as to how the revised PII arrangements would be implemented. She asked if a zero hours contract from the NHS would allow independent midwives to remain on the register or if those not covered would be removed.
5. Ms Katrina Caslake (Independent Midwife) stated that it was her understanding that practices which had obtained the right to practice were subcontracted to NHS. There were concerns therefore that independent midwives would work for considerably less and be restricted by NHS protocols, leading to them having to take on a higher number of patients.
6. Following questions from observers, Council received a presentation from the Director of Registration.
7. Members noted that PII requirements were the result of a transposition of an EU-wide directive into legislation, leaving the

NMC with no option on compliance. They added that self-employed independent nurses also have to ensure that they obtained PII. Close work with the RCN, RCM and other organisations such as UNISON would be required to ensure that nurses working in the private sector received a clear message. In response, officers informed Council that they were working with other regulators to ensure a single approach that advises employers on how to deal with this legislation was taken.

8. The Chair of the Midwifery Committee reported on discussions by the Committee on 17 April 2013. The Committee had consulted with a wide range of stakeholders. The Committee had expressed many of the views expressed during this discussion, and had made recommendations based on the broad principles of policy regarding the auditing and monitoring of PII. The use of the intention to practice system and annual analysis had been proposed by the Committee. The Committee had also highlighted the central role of communications and ensuring that all registrants realised the implications of PII regardless of their workplace, and should ensure that PII covered the full scope of their practice and the time period in question. The question of liability for individuals who were not covered had also been discussed, although the Committee realised that ultimate responsibility lay with registrants.
9. Members also raised the potential risks around ensuring the NMC's IT systems were able to ensure that all registrants met the necessary PII requirements. Officers replied that work would be undertaken to identify the systems needed to support the policy and that the deadline of October 2013 meant the matter was being resolved urgently. The Chief Executive agreed to report back to Council on 20 June 2013 on the progress being made on PII.

Decision:

Council agreed to the principles as set out in Annexe 2.

Council agreed to the drafting of legislative amendments to Order and to Rules to implement those policy principles.

Council agreed to authorise the NMC to put together implementation plan for consideration by Council in June.

Action:	Present the concerns raised at Council with the Department of Health as part of the consultation process
For:	Chief Executive and Registrar
By:	15 May 2013
Action:	Report to Council on progress being made regarding professional indemnity insurance
For:	Director of Registration

By: 20 June 2013

NMC/13/79 NMC quality assurance framework for nursing and midwifery education and local supervising authorities

1. The Director of Continued Practice wished to thank the Chairs of the Midwifery and Education Committees for their assistance in compiling the document. She also thanked Patient Concern for their assistance as part of the Public Engagement Forum. Public and patient input would also be used to support the NMC in developing communications aimed at a wider audience. The Quality Assurance Reference Group's work was also praised.
2. The Chair of the Midwifery Committee added that assurance had been provided on the process in place to compile the framework. In terms of amendments, the Committee had agreed that Sections 29.3 and 37.3 should be split between the education and LSA functions to ensure clarity.
3. Subject to the correction of minor typographical errors, Council agreed to the NMC QA framework.

NMC/13/80 Questions from observers

1. Ms Katrina Caslake (Independent Midwife) noted that indemnity insurance was necessarily costly for healthcare professionals as it ensured long-term indemnity. Ms Caslake asked whether lapses or gaps in employment would have an impact on the cost of insurance. Officers said they would examine this point. Louise Silverton, Royal College of Midwives, noted that public healthcare providers had extensive "run-off" cover but it was unclear to what extent that applied to private employers.
2. Ms Odette Abououfe (Independent Midwife) asked what would happen in circumstances where registrants had been removed or self-removed from register, and subsequently found employment. Officers responded that the NMC did not believe that this would be contentious.
3. Ms Erika Thompson (Independent Midwife) said that independent midwives had experienced problems around trying to put together cases which would be attractive to insurers and required information from the NMC to develop these cases. The Chief Executive and Registrar requested direct correspondence to resolve the matter.

NMC/13/81 Revised corporate complaints processes

1. The Chief Executive and Registrar presented the report, which reflected improvements in the process for handling complaints. The report noted that the number of complaints had risen in the last year,

partly as a consequence of the fee rise but also because of the improved processes within the NMC for capturing complaints accurately.

2. Officers informed Council that a new Assistant Director with responsibility for dealing with corporate complaints had recently been put in post and this would further improve the NMC's handling of complaints.

Action:	Update to Council on revised corporate complaints processes to be given
For:	Director of Corporate Governance
By:	20 June 2013

NMC/13/82 Draft annual governance statement

1. The Chair noted that the Audit Committee report had been taken previously in the meeting (see minute NMC/13/84). The draft statement would be presented to reconstituted Council alongside the annual accounts later in 2013.
2. The Chair of the Fitness to Practise Committee asked if Chairs of individual committees could be allowed to see a draft of the section relating to their committee in the overall effectiveness review prior to its completion. This was agreed.
3. The Chair of Council also requested that the draft statement be amended to reflect the issues faced by the NMC in the past year. This was agreed.

NMC/13/83 Transition planning

1. The Director of Corporate Governance reported that the NMC had identified a number of main risks at the start of the transition to reconstituted Council. The planning process had sought to mitigate those risks and ensure an efficient handover of responsibilities.
2. Although this was the last meeting of Council, members' responsibilities as trustees did not finish until midnight on 30 April 2013. As a result, it was proposed that any required work would be taken under Chair's actions unless the urgency of the matter required communications with members.
3. The Finance and IT Committee had made a recommendation relating to financial training for new members. Officers informed the meeting that this would be taken forward as part of six month planning. Members also requested that members of reconstituted Council received information regarding the language and processes involved in fitness to practise.
4. Council was also informed that a joint seminar between Council and

the Midwifery Committee was proposed for October 2013, and it was envisaged that this could become an annual event.

5.

The transition planning report was noted.

NMC/13/84 Feedback from committee chairs of meetings held since last Council

1.

The Audit Committee report was taken after item NMC/13/73 in a variation to the published agenda.

2.

The Chair of Audit Committee outlined the discussions held at the Audit Committee held on 19 April, most notably:

- The Audit Committee was of the view that reconstituted Council should review compromise agreements over the last 18 months, to ensure new Council can develop clear policy and statement on the issue of “gagging clauses”. There was a desire to consider how the NMC received patient and public feedback.
- The Audit Committee also welcomed the appointment of new internal auditors.

3.

The annual report to Council was also presented, with specific reference to the following matters:

- Risk management
- Discrepancy between WISER and CMS IT systems
- Risks to the integrity of the NMC’s register
- Inconsistent learning from Serious Events
- The Audit Committee’s review of effectiveness

4.

In addition, paragraph 32 of the annual report set out the risk and assurance issues for reconstituted Council to take forward.

5.

Members asked how links could be made between risk and assurance issues and the new QA strategy being developed. Officers referred Council to the Assistant Director for QA, with the QA strategy to be presented to Council in June 2013.

6.

In addition to the comments made earlier in the meeting, the Chair of the Midwifery Committee reported that observers were now being invited to their meetings. The Chief Executive reported that the Education Committee had discussed government initiatives around students serving as healthcare support workers and the need for improved communication around preregistration standards.

7.

The Chair of Council thanked the Chairs of Audit, Midwifery and Fitness to Practise Committees for their work.

NMC/13/85 Draft agenda for the Council meeting on 23 May 2013

1. The draft agenda was noted.

The date of the next meeting is to be 23 May 2013.

The meeting ended at 12.41.

Council

Summary of actions

Action: For information.

Issue: A summary of the progress on completing actions agreed by the meeting of Council held on 25 April 2013 and progress on actions outstanding from previous Council meetings.

Core regulatory function: Supporting functions.

Corporate objectives: **Corporate objective 7:** “We will develop effective policies, efficient services and governance processes that support our staff to fulfil all our functions.”

Decision required: To note the progress on completing the actions agreed by the Council held on 25 April 2013 and progress on actions outstanding from previous Council meetings.

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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Summary of actions outstanding

Brought forward actions (Council meetings prior to 25 April 2013)

Minute	Action	For	Report back to: Date:	Progress
12/163	Develop strategy for IT future requirements	Director of Corporate Services	Council 18 July and 24 October 2013	Added to forward plan (agenda item NMC/13/98)
12/166	Review the effect of the revised guidance and criteria for making decisions on voluntary removal during fitness to practise investigations	Director of Fitness to Practise	Council 12 September 2013	Qualitative and quantitative data is being gathered to assess the effect of this and a report will be prepared for September Council.
12/206	Produce a number of target outcomes for engagement work to enable monitoring by Council	Director of Corporate Governance	Council 21 November 2013	Added to forward plan (agenda item NMC/13/98)
12/212	Prepare a series of options on revalidation for Council consideration	Director of Continued Practice	Council 12 September 2013	Added to forward plan (agenda item NMC/13/98)

31 January 2013

13/11	Report results of research and data analysis to Fitness to Practise Committee and Council in relation to the development of further guidance around the meaning of impaired fitness to practise	Director of Fitness to Practise	Council 18 July 2013	Initial analysis was considered by the Fitness to Practise Committee on 23 April 2013. This will be taken forward by Council. The Midwifery Committee has also expressed an interest in this matter, with actions taken to be reported back to a future meeting
13/18	Report ICT strategy to Council in May	Director of Corporate Services / Secretary to the Council	Council 23 May 2013	This action will in future be subsumed within action 12 / 163
13/20	Report progress on the NMC's equality and diversity objectives and action plan	Director of Corporate Governance	Council 20 June 2013	Added to forward plan (agenda item NMC/13/98)

21 February 2013

13/34	Provide detailed engagement plan at Council in April	Director of Corporate Governance	Council 21 November 2013	This action will in future be subsumed within action 12 / 206
13/36	Revise HR and OD strategy as necessary to ensure alignment with wider Francis Report recommendations on organisational culture	Director of Corporate Services	Council 20 June 2013	This and the below action will in future be consolidated as one action
	Report to reconstituted Council on progress of development of the HR and OD strategy	Director of Corporate Services	Council 20 June 2013	Not yet due

21 March 2013

13/55	Reporting to reconstituted Council to include information on efficiency savings as a proportion of the total budget	Director of Corporate Services	Council 20 June 2013	This item has been added to the Council forward work plan (under the monthly “financial monitoring” report)
13/60	Re-examine the Midwifery Committee’s Terms of Reference as part of the governance review	Assistant Director, Governance and Planning	Council 20 June 2013	Added to forward plan (agenda item NMC/13/98)

Actions arising from open session Council meeting on 25 April 2013

Minute	Action	For	Report back to: Date:	Progress
13/74	Include a trend analysis on movement of risks over the short term in future risk register reporting	Director of Corporate Governance	Council 23 May 2013	A six month analysis has been included in agenda papers
13/78	Present the concerns raised at Council with the Department of Health as part of the consultation process	Chief Executive and Registrar	Council 23 May 2013	Response to consultation was issued 8 May 2013, including concerns raised by Independent Midwives UK
13/78	Report to Council on progress being made regarding professional indemnity insurance	Director of Registration	Council 20 June 2013	Added to forward plan (agenda item NMC/13/98)
13/81	Update to Council on revised corporate complaints processes to be given	Director of Corporate Governance	Council 18 July 2013	Added to forward plan (agenda item NMC/13/98)

Actions for Committees

The following decisions were referred to the committees constituted by the previous Council.

Council will be asked to decide on future governance arrangements in due course but is asked to note the actions delegated by the previous Council.

Appointments Board

No current actions arising.

Audit Committee

No current actions arising.

Education Committee

No current actions arising.

Finance and IT Committee

Minute	Action	For	Report back to: Date:	Progress
12/163	Develop strategy for IT future requirements	Director of Corporate Services	Finance and IT Committee 30 May 2013 Council 23 May, 18 July and 24 October 2013	Interim report taken to Council in January. Added to forward plan (agenda item NMC/13/98)

Fitness to Practise Committee

Minute	Action	For	Report back to: Date:	Progress
12/166	Review the effect of the revised guidance and criteria for making decisions on voluntary removal during fitness to practise investigations	Director of Fitness to Practise	Fitness to Practise Committee TBC Council 12 September 2013	Qualitative and quantitative data will be gathered to assess the effect of this
12/199	Monitor FtP11, estimate of adjudication level to be completed each month	Director of Fitness to Practise	Fitness to Practise Committee Standing item	Included in FtP Committee monitoring
13/33	Report to Fitness to Practise Committee on issues emerging from the amendment in policy on panel composition for interim order hearings	Director of Fitness to Practise	Fitness to Practise Committee September 2013	Not yet due
13/47	Include Plain English accreditation for the Fitness to Practise Directorate in the future work of the Fitness to Practise Committee	Secretary to the Committee	Fitness to Practise Committee 23 April 2013	Agenda item on Plain English deferred at meeting on 23 April 2013

Midwifery Committee

Minute	Action	For	Report back to: Date:	Progress
13/60	Officers to re-examine the Midwifery Committee's Terms of Reference as part of the governance review	Assistant Director, Governance and Planning	Midwifery Committee 26 June 2013	Not yet due. Following a decision to instate an annual event involving co-operation between the Midwifery Committee and Council, a joint seminar will be held October 2013.

Remuneration Committee

No current actions arising.

Council

Francis report - update

Action: For information.

Issue: This paper provides a further update on matters arising out of the Report of the Mid Staffordshire NHS Foundation Trust Public Inquiry (the Francis report).

Core regulatory function: Fitness to Practise, Registrations, Education, Standards.

Corporate objectives: The recommendations in the report are relevant to all the NMC's Corporate Objectives.

Decision required: None.

Annexes: The following annexes are attached to this paper.

- Annexe 1 – Previous Council paper - February 2013 - Mid Staffordshire NHS Foundation Trust Public Inquiry report
- Annexe 2: A blueprint setting out the groups of key NMC outcomes and indirect outcomes arising out of the report

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

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Context:**Background**

- 1 On Wednesday 6 February 2013 the report of the Mid Staffordshire NHS Foundation Trust Public Inquiry (the Francis report) was published. The Chair of the Public Inquiry was Robert Francis QC.
- 2 The background and contents of the Francis report were summarised in a paper which went to the February 2013 Council meeting and is attached to this paper as **Annexe 1** by way of further information for the reconstituted Council.
- 3 We issued an initial press statement in response to the report and published the Chair's response to the Secretary of State's letter.
- 4 Thereafter the NMC was represented at a number of System Forum and seminar meetings at the Department of Health (DH). We provided DH with a summary of the actions we had taken since 2009 related to Francis recommendations and, following the discussion at the February Council meeting, our provisional views on the recommendations that may affect our work.
- 5 A further paper was prepared for the March 2013 Council meeting which provided an update on how the work involved in fully considering, responding to and implementing the recommendations which may directly or indirectly affect the work of the NMC would be approached. A blueprint outlining the key post-Francis outcomes for the NMC was annexed to that paper. An updated version of this blueprint is attached as **Annexe 2** to this paper.
- 6 DH published its initial response to the Francis report on Tuesday 26 March 2013 and the Secretary of State made a statement in the House.
- 7 DH were keen to reach a consensus on the key issues in its response, where this was possible, and engaged closely with key organisations, including the NMC, prior to the publication of its response.
- 8 In line with our agreed course of action, we issued a short press statement in response to the publication of the DH response.
- 9 The Council was provided with a full update on this response in a paper which went to its April 2013 Council meeting (agenda item NMC/13/73). The key points to note are summarised below.

**For
Information**

Summary of DH response - Patients First and Foremost

- 10 As we had anticipated, the response was thematic and addressed the key messages in the report rather than each individual recommendation.
- 11 The full response can be found at the following link:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/170701/Patients_First_and_Foremost.pdf.
- 12 The response comprised a foreword from the Secretary of State for Health followed by a Statement of Common Purpose which was signed by all the key organisations in the English health and care system, including the NMC.
- 13 The response recorded the actions already taken by the NMC since 2009 related to the Francis recommendations and the work already underway to achieve the key outcomes outlined at the March Council meeting.
- 14 The responses to the other key recommendations of relevance to the NMC were in line with the NMC's provisional views. In particular the response:
- 14.1 did not support the registration of healthcare assistants by the NMC but instead supported minimum training standards and a code of conduct.
 - 14.2 recognised that a medical model of revalidation may not be appropriate for the NMC.
 - 14.3 did not support the introduction of a new registered status of older person's nurse but instead highlighted the need for appropriate training for all nurses in this field.
- 15 The response also raised a number of new issues which may involve or affect the work of the NMC, and which were not specific recommendations made in the Francis report itself including:
- 15.1 a proposal that, starting with pilots, every student in England who seeks NHS funding for nursing degrees should first serve up to a year as a healthcare assistant.
 - 15.2 a commitment by DH to consider the conclusions of Don Berwick's review of safety and what further action might be taken by the NMC, the GMC and other professional regulators before deciding on the appropriateness of a duty of candour with criminal sanctions on individual registrants below board level.
- 16 The Council is not yet required to make any decisions on these issues but may be asked to do so at a later date when the detail of

these proposals has been further explored and understood. In the meantime we are engaging constructively with the DH and others to ensure a common understanding as to the concerns that need to be addressed and the most appropriate way forward. In doing so, we are bearing in mind our role as a four-country regulator and our existing powers to take action in the event of serious professional misconduct.

Further external developments

17 DH has also instigated a number of separate reviews and initiatives in Francis-related areas:

17.1 The Camilla Cavendish review - relating to health care support workers

17.2 The Ann Clwyd/Tricia Hart Complaints Review

17.3 The NHS Bureaucracy review

17.4 The Duty of Candour working group

17.5 A steering group led by Health Education England (HEE) to take forward the proposed pre-degree care experience pilots referred to in 15.1 above

17.6 The Compassion in Practice implementation plans recently issued by the Chief Nursing Officer.

18 We have been contributing to each of these reviews and initiatives and look forward to engaging further in relation to each of these important areas and will update Council when the outcomes are known.

19 The Council will also be pleased to note that we are still in discussions with DH with a view to revising our “outdated legislative framework that is too slow and reactive in tackling poor care by individual professionals.”¹ These discussions are specifically considering the power to review investigation stage decisions that need to be put right and other means of improving the effectiveness of our fitness to practise processes.

Progress on Francis-related work-streams

20 As we reported to Council previously, many of the recommendations in the Francis report are in line with our existing business and improvement plans and are being taken forward as part of existing projects under our current change programme including:

20.1 appropriately raising our public profile, increasing our pro-

¹ “Patients First and Foremost” (Department of Health, March 2013) page 19

activity and improving means of referral.

- 20.2 introduction of an employer liaison model and a review of our fitness to practise thresholds to support our aim to make our fitness to practise processes more proportionate.
 - 20.3 a review of our education standards, Code and professional standards in the light of the Francis recommendations and any new duties created.
 - 20.4 introduction of a proportionate and affordable scheme for revalidation.
- 21 Council will note that the Francis report was considered by the Education, Midwifery, Fitness to Practise and Audit Committees in recent months and their various comments and recommendations were fed back to Council and are informing the work that is being taken forward.
 - 22 We have completed an initial mapping exercise of Francis recommendations against our pre-registration nursing education standards 2010 and midwifery pre-registration education standards 2009. Council can be reassured that the standards broadly cover most of Francis recommendations particularly in relation to the time spent by nurses and midwives in practice during their training and the content of courses with regard to communication and the values of dignity, compassion and care.
 - 23 We have recognised that more work is needed to implement the key outcomes relating to improved internal information and data gathering and improved joint working and intelligence sharing with other regulators and we are developing a new project team to lead on the development of a new corporate data strategy.
 - 24 We have also started engaging with other key stakeholders in this area, including CQC, to reach a clearer understanding of how closer joint working can support and facilitate the sharing of intelligence in both directions to improve the performance of our respective regulatory functions.
 - 25 We are working on the interdependencies between the new Francis-related initiatives and those already underway, such as revalidation. We are still satisfied that any of the further issues that have now been identified can be properly placed under one of our existing work-streams, allowing us to pick them up quickly if needed.
 - 26 Progress on all these Francis-related issues is being co-ordinated and monitored by the responsible officer in order to inform our full response to the Francis report in due course and enable Directors and Council to be kept up to date with the progress being made.
 - 27 We are also continuing to progress a number of Fitness to Practise

cases relating to Mid-Staffs employees and to review the evidence given to the Inquiry.

Next steps for us

- 28 We will continue to contribute to all the initiatives arising out of the report which have an impact on our work and carefully review the responses from other organisations. This will enable us to identify any further issues that will need to be decided by the newly constituted Council and will require engagement with others.
- 29 We are currently aiming to publish our full response to the Francis report, including our “action plan” in July 2013, in order to give the newly constituted Council an opportunity to properly consider any outstanding issues and recommendations.

Public protection implications:

- 30 This paper is for information only.

Resource implications:

- 31 This paper is for information only.

Equality and diversity implications:

- 32 Under the Equality Act 2010, we have a requirement to analyse the effect of our policies and practices and how they further the equality aims.
- 33 This paper is for information only. Equality impact assessments will be undertaken as part of each project before any final decisions are reached.

Stakeholder engagement:

- 34 This paper is for information only. Appropriate stakeholder mapping and engagement with key stakeholders will be planned and undertaken as part of each project.

Risk implications:

- 35 This paper is for information only. The full risk implications can be assessed as part of each project.

Legal implications:

- 36 None at present.

Council

Mid Staffordshire NHS Foundation Trust Public Inquiry report (Council, 21 February 2013)

Action: For information and discussion

Issue: This paper provides a brief summary of the recommendations in the Report of the Mid Staffordshire NHS Foundation Trust Public Inquiry which may directly or indirectly affect the work of the NMC.

Core regulatory function: Fitness to Practise, Registrations, Education, Standards

Corporate objectives: The recommendations in the report are relevant to all the NMC's Corporate Objectives.

Decision required: 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 On Wednesday 6 February 2013 the report of the Mid Staffordshire NHS Foundation Trust Public Inquiry (the report) was published. The Chair of the Public Inquiry was Robert Francis QC.
- 2 This paper provides a brief summary of the recommendations in the report which may directly or indirectly affect the work of the NMC.
- 3 The full report is in three volumes with an executive summary; it runs to 1782 pages and includes 290 recommendations. The recommendations are not prioritised but are grouped by theme and some of the recommendations are directed to different organisations to take forward.
- 4 Chapter 12 is concerned with Professional Regulation and includes details of the roles played by the NMC and the GMC. Chapter 21 deals with standards and values. Chapter 23 is about Nursing and covers issues of education, standards, training, management and whistle-blowing and Chapter 24 is concerned with leadership in healthcare.

Summary of key findings

- 5 The report states that, building on the report of the first inquiry, the story it tells is first and foremost of appalling suffering and that this was primarily caused by a serious failure on the part of the Trust Board. It did not listen to its patients and staff and it failed to tackle a negative culture.
- 6 All the other organisations involved receive some criticism. The plethora of agencies, scrutiny groups, commissioners, regulators and professional bodies, who were expected to provide checks and balances to prevent serious systematic care, failed to do so, despite numerous warning signs. *'This elaborate system failed dramatically in the case of Stafford'*. *'The system as a whole failed in its most essential duty – to protect patients from unacceptable risks of harm and from unacceptable, and in some cases inhumane, treatment that should never be tolerated in any hospital'*.
- 7 On the issue of whether Mid Staffs was a one-off or is happening everywhere - the Inquiry did not look at other incidences or organisations which may have had poor care, despite being asked to do so from members of the public. It concludes that it cannot say whether other instances have or do occur elsewhere, but points to other independent reports (CQC, Patients Association, Alzheimer's Society) that indicate this is not an isolated case.
- 8 The report also concludes that as the system failed to spot and stop Mid Staffs, and as other organisations indicate there may be other areas of poor care, it is possible that the events at Mid Staffs could be replicated. It follows that the recommendations it makes are

significant for the whole system.

- 9 The report does not seek to blame individuals but rather makes the point strongly that to do so would be to miss the point. *‘To place too much emphasis on individual blame is to risk perpetuating the illusion that removal of particular individuals is all that is necessary. That is certainly not the case here. To focus...on blame will perpetuate the cycle of defensiveness, concealment, lessons not being identified and further harm’.*

Comments on the NMC

- 10 The report makes a number of specific comments about the role of the NMC including the following:
- 10.1 the NMC is largely reactive to individual complaints against identifiable individuals
 - 10.2 there was a lack of referrals to the NMC from concerned professionals
 - 10.3 there was no Trust policy for referrals to the regulators
 - 10.4 there is a need to improve cross regulatory referrals and memorandums of understanding
 - 10.5 there is a need for the NMC to develop a closer working relationship with CQC
 - 10.6 there was a lack of patient awareness of NMC procedures
 - 10.7 there was a failure by the NMC itself to properly define its role
 - 10.8 the apparent complexity and time consuming nature of FTP processes

Overall Conclusion

- 11 The report reaches an overarching conclusion that “a fundamental culture change is needed’ to put patients first, ‘which can largely be implemented within the system that has now been created by the new reforms’.
- 12 The other main theme of the recommendations is a greater cohesion and culture across the system. The report concludes that ‘This will not be brought about by yet further “top down” pronouncements but by the engagement of every single person serving patients’.

NMC’s initial response

- 13 The NMC released a statement from Jackie Smith stating: *“We welcome today’s landmark report. What happened at Mid*

Staffordshire NHS Foundation Trust was tragic and avoidable. We were part of a system which went badly wrong, and we sincerely apologise to those many people and their families who suffered."

- 14 The NMC also welcomed a commitment made by the Prime Minister in his Commons statement on the report to ask the Law Commission to advise on our regulatory framework. The statement also made clear that the NMC would take time to consider the report properly and to respond.

Fitness to practise investigations

- 15 The Council should also note that the NMC has a number of open fitness to practise investigations involving registrants working at the Trust during and after the period covered by the Inquiry. Many of these investigations were opened pro-actively by the NMC following publication of the first Francis report.
- 16 The new report will now be reviewed carefully and proper consideration will be given as to whether any new investigations need to be opened in relation to the actions or failures of any individuals on our register.

For Discussion

Summary of recommendations

- 17 The report contains a large number of recommendations that can be broadly summarised as covering the following themes:
- 17.1 Foster a common culture that puts patients first
 - 17.2 Develop fundamental standards understood and accepted by patients and staff
 - 17.3 Provide professionally endorsed and evidenced based compliance against these standards which staff agree with
 - 17.4 Ensure openness, transparency and candour throughout the system about matters of concern
 - 17.5 Ensure that the regulators police the standards
 - 17.6 Make everyone who provides care – individuals and organisations – are accountable
 - 17.7 Proper accountability for senior managers
 - 17.8 Enhance recruitment, training, education and support, especially of nurses to include shared values and common culture
 - 17.9 Continuous improvement of measuring and understanding

performance of individuals, teams and organisations

Specific recommendation relating to the NMC and nurses

- 18 The most significant recommendations relating to the NMC are set out below.
- 19 In relation to our fitness to practise role the report recommends a more pro-active approach, with a raised profile with the public, direct involvement in the investigation of systemic concerns and a closer working relationship with CQC.
- 20 The report also recommends a system of revalidation for nurses similar to the revalidation model introduced by the GMC including responsible officers and employment liaison officers.
- 21 In relation to nursing, the report recommends a greater emphasis on practical training, ward nurse managers being out on ward not in office, values based recruitment and aptitude testing for compassion in recruitment and a key nurse for each patient
- 22 The report recommends a system of standards and registration for health care assistants run by the NMC, with a separate uniform and a code of conduct
- 23 The report also makes the following recommendations which may indirectly affect the work of the NMC:
 - 23.1 the introduction of a statutory duty of candour policed by CQC
 - 23.2 the merger of CQC and Monitor, to be carried out in a measured way by moving Monitor's current functions over to a stronger CQC
 - 23.3 a split in the functions of the Royal College of Nurses.
 - 23.4 greater involvement of the professions in standard setting so that the system standards are owned and supported by the professions

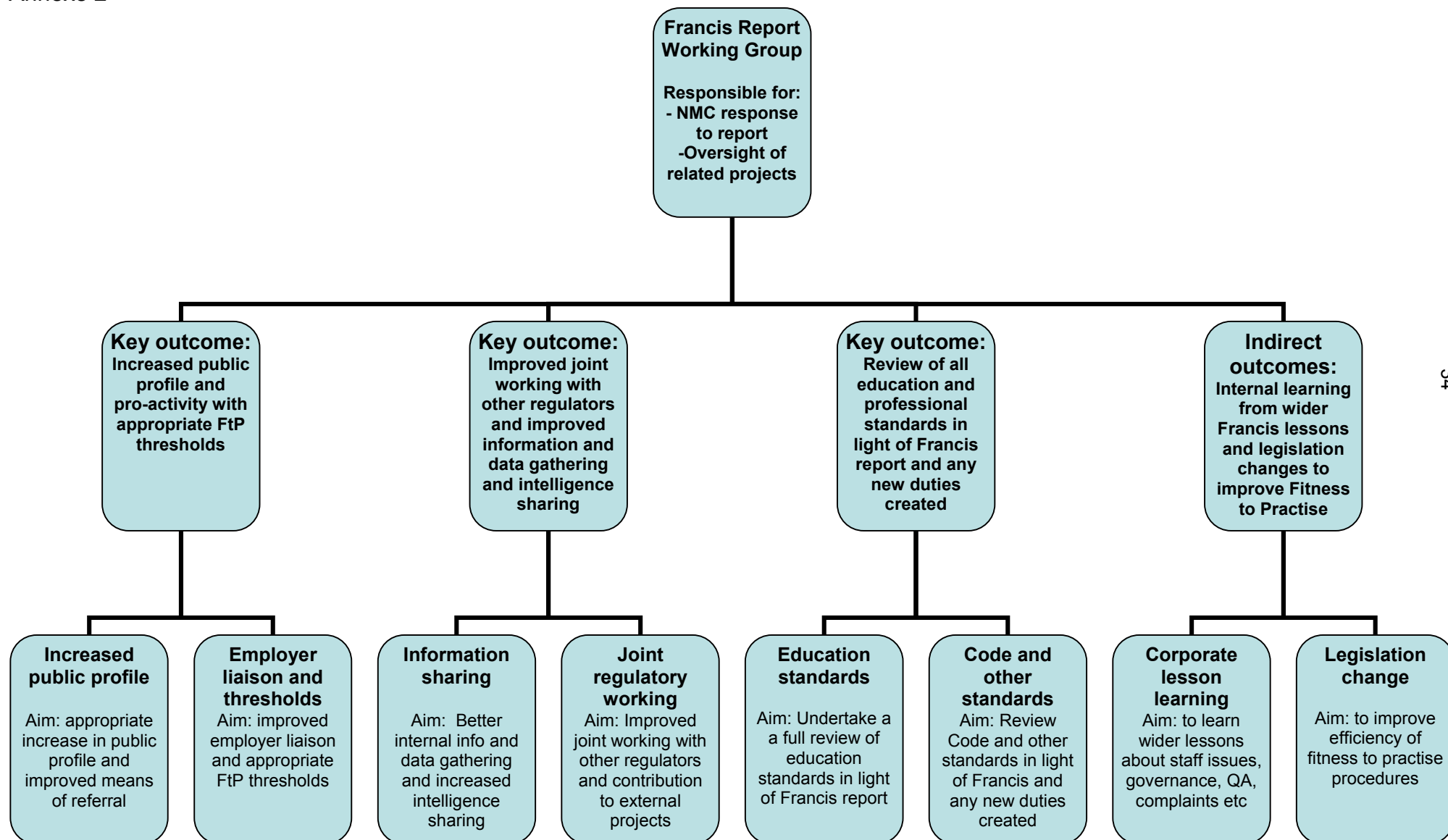
Timing and implementation

- 24 The report recommends that all organisations reflect on the report and its recommendations and that:
 - 24.1 each individual organisation should announce at the earliest practicable time its decision on the extent to which it accepts the recommendations and implementation, and on at least an annual basis, report on progress.
 - 24.2 DH should publish an annual report on progress collating all

the information as well.

- 24.3 the Health Select Committee should use progress on implementation as part of their reviews of organisations in their normal business.

Public protection implications:	25	This paper is for information only.
Resource implications:	26	This paper is for information only. Once initial decisions have been made about the possible actions the NMC wishes to take in response to these recommendations, then actual or estimated costs can be provided.
Equality and diversity implications:	27	Under the Equality Act 2010, we have a requirement to analyse the effect of our policies and practices and how they further the equality aims.
	28	This paper is for information only. Once initial decisions have been made by the Council about the possible actions the NMC wishes to take in response to these recommendations, then equality impact assessments can be undertaken before any final decisions are reached.
Stakeholder engagement:	29	This paper is for information only. Once initial decisions have been made by the Council about the possible actions the NMC wishes to take in response to these recommendations, then appropriate stakeholder engagement can be planned and undertaken.
Risk implications:	30	This paper is for information only. Once initial decisions have been made by the Council about the possible actions the NMC wishes to take in response to these recommendations, then the full risk implications can be assessed.
Legal implications:	31	None



Council

Risk register

Action: For discussion.

Issue: Embedding risk management across the NMC.

Core regulatory function: The risk register covers all of our core regulatory functions.

Corporate objectives: The NMC corporate objectives provide the context for the identification and management of risk.

Decision required: No decision is required but the Council is invited to note the risk register and discuss changes and movements in the assessment of risks.

Annexes: The following annexes are attached to this paper:

Annexe 1: Risk register

Annexe 2: Risk profile showing distribution of top and general risks

Annexe 3: Trend analysis of movement of risks over the last six months

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 refreshed approach to how the NMC identifies and manages risk was approved by the Audit Committee in January 2013. The refreshed approach is currently being rolled out across the NMC and we are using this process to identify risks and frame them in a new format. Following the completion of this work, the risk register will be presented in the new format at the June 2013 Council meeting. Until then, we are continuing to use the existing risk framework and risk register structure.
 - 2 Risk is scored on a 5 x 5 matrix on the basis of impact and likelihood. Risks scored at eight or below are green rated. Risks scored between nine and 15 are amber rated. Risks scored at 16 and above are the top risks and are red rated. All risks on the register are reviewed by the Directors' Group on a monthly basis. All red rated top risks are reported to Council at every meeting, together with any risks that have been downgraded to amber since the last meeting (Annexe 1).
 - 3 At present there are 23 risks on the risk register, 19 of which are amber rated and four of which are red rated. The risk profile at Annexe 2 maps the current distribution of risk.
 - 4 At the April 2013 Council meeting, it was agreed that the analysis of trends in the numbers of risks deemed to be green, amber and red would assist Council in assessing progress in managing risks over time. A trend analysis of movement of risks over the last six months is included at Annexe 3.
- Discussion**
- 5 Since the Council last considered the risk register at its April 2013 meeting, the 'mitigation' and 'future action' sections of the risk register have been updated where appropriate.
 - 6 Risk T17 (reconstituted Council) is down by five and is now amber and rated at 15. This is due to the delivery of the induction programme on 1 and 2 May and the fact there is some continuity in Council membership.
 - 7 Risk T28 (Francis report) is down by eight and is now amber and rated at 12. This is due to strengthened mitigation being in place and the changing external environment.
 - 8 Risk T26 (Professional Indemnity Insurance) is down by four and is now amber and rated at 12. This is due to Council having approved the high level policy in April 2013. Further work has been done on the development of a project plan.
 - 9 These amber ratings mean that these risks will be moved to the general risk part of the register.

10 Since the last Council meeting a new risk has been added to the risk register (G40) around revalidation.

Public protection implications:

11 Public protection implications are considered when rating the impact of risks and determining action required to mitigate risks.

Resource implications:

12 Internal staff time has been accommodated as business as usual.

Equality and diversity implications:

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

Stakeholder engagement:

14 The risk register is in the public domain.

Risk implications:

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

Legal implications:

16 Failure to identify and effectively manage risks potentially exposes the NMC to legal action.

NMC RISK REGISTER

Top risk

No	Entry date (approximate)	Ref	Type	Risk	Impact	Likelihood	Risk Rating	Movement	Mitigation	Future action	Owner	Review date	Target completion date
T29	Feb-13	CG	Reputation	NMC PROFILE - The risk, highlighted in the Francis Report, that the NMC's lack of public profile impedes the organisation from carrying out its core function of public and patient protection	4	5	20	0	<ul style="list-style-type: none"> Public commitment to engagement agreed by Council and now published Patient and Public Engagement Forum being communicated with and meeting regularly Simplified guidance on how to make a referral 	<ul style="list-style-type: none"> Robust key stakeholder engagement delivery plan is being developed Key stakeholder engagement meetings being arranged now and throughout the year Strengthen engagement with 'watchdog' external organisations such as Healthwatch England; Care Quality Commission and equivalents; National Voices etc. by end of 2013 Strengthen engagement with appropriate patient focused third sector organisations Meet with members of the Health Select Committee by end of 2013 CEO undertaking programme of stakeholder liaison, including speaking engagements Scoping work for employer liaison officers 	Lindsey Mallors	31/05/2013	31/03/2014
T23 (G32)		R	Safeguarding	INTEGRITY OF THE REGISTER - The risk that the register is not accurate and therefore does not give information which safeguards the public	5	4	20	0	<ul style="list-style-type: none"> Discrepancies between register and CMS reconciled through agreed internal audit process (ongoing) Daily update reports being run and checked Training being delivered to FtP staff Standard operating procedures in place New stabilised overseas process now in operation (strengthened following independent review) 	<ul style="list-style-type: none"> Internal quality control checks to continue Daily update reports to be further refined Report of recent independent audit to Audit Committee in January 2013. Recommendations accepted and work has begun on implementation Registration Review is due to be reviewed by Change Management Portfolio Board and is focused on issues related to integrity of the register 	Alison Sansome	31/05/2013	30/06/2013
T24	Oct-12	CS (IT)	Safeguarding	LOSS OF SENSITIVE DATA - There is a risk that we fail to safeguard sensitive data or there are further breaches of security due to inadequate controls or processes resulting in legal penalties and/or loss of public confidence	5	4	20	0	<ul style="list-style-type: none"> Comprehensive, prioritised and risk assessed action plans developed to address gaps, validated by third party expert in ISO27001 implementation, and being implemented Information Governance Security Group in place with cross-organisational representation Deployment of programme of laptop encryption Improved communications to staff and policies updated Extension of mandatory training to temps, contractors and panellists 	<ul style="list-style-type: none"> Implementation of the Information Security Improvement Programme, tackling highest risk areas as priority Final completion of laptop encryption programme Implementation of new email encryption solution in progress Monitoring and enforcement of mandatory training 	Mark Smith	31/05/2013	31/12/2014
T25	Oct-12	CS (HR)	Staff	STAFF TURNOVER - The risk that high turnover destabilises the organisation with high costs in terms of lost productivity and recruitment and loss of organisational knowledge.	4	4	16	0	<ul style="list-style-type: none"> HR and Organisational Development Plan in place and being implemented Improved employee engagement in place, focused on face to face communication Workshops undertaken in specific risk areas e.g. FtP Learning and development programme launched to staff and staff survey released 	<ul style="list-style-type: none"> Implement pay and grading review and pensions review and ensure enhanced level of engagement Implement the learning and development programme for 2013-2016 and review impact Respond positively and proactively to the staff survey outcomes Development of succession planning for CEO and senior management team 	Mark Smith	31/05/2013	30/09/2013
T17 (G33 and G37)	Aug-12	CG	Governance	RECONSTITUTED COUNCIL - The risk of corporate memory loss at Council level due to the reconstituted Council not being familiar with the corporate agenda and therefore not able to make decisions effectively	5	3	15	Down by 5	<ul style="list-style-type: none"> Transition plan in place from current to reconstituted Council Phased induction planned to familiarise new members with their role and NMC business Induction programme delivered on 1 and 2 May 2013, including coverage of trustee responsibilities, role of members, understanding of NMC business and business cycle 	<ul style="list-style-type: none"> Induction and knowledge transfer to continue throughout first six months of reconstituted Council 	Lindsey Mallors	31/05/2013	01/05/2013

Key
CE - Chief Executive
CG - Corporate Governance
CP - Continued Practice
CS - Corporate Services
FtP - Fitness to Practise
R - Registration

NMC RISK REGISTER

Top risk




No	Entry date (approximate)	Ref	Type	Risk	Impact	Likelihood	Risk Rating	Movement	Mitigation	Future action	Owner	Review date	Target completion date
T26	Jan-13	R	Safeguarding	PROFESSIONAL INDEMNITY INSURANCE - The risk that the NMC fails to implement the PII requirement by the DH deadline of October 2013	4	3	12	Down by 4	<ul style="list-style-type: none"> Council approved high level policy in April 2013 NMC response to DH consultation submitted Project plan established 	<ul style="list-style-type: none"> Preparation of business case to make necessary changes to WISER Recruitment of project manager in progress - internal resource leading on project in the short term Drafting of internal policy document to begin late May. This will inform information for stakeholders and the NMC's own consultation 	Alison Sansome	31/05/2013	30/04/2013
T28	Feb-13	CE	Strategic	FRANCIS REPORT - MID-STAFFS INQUIRY - The risk that implementation of recommendations in the Francis report is not aligned with the NMC's current focus and priorities	4	3	12	Down by 8	<ul style="list-style-type: none"> Support externally for retaining focus on our current improvement plan, especially from DH Council has considered Francis recommendations and agreed next steps in line with current priorities Council approved budget for priorities planned for 2013 - 2014 	<ul style="list-style-type: none"> Regular and continued close contact with DH via the Mid Staffs Forum Francis will be a standing item on Council agenda for the foreseeable future Detailed response to Francis being developed alongside current priorities 	Jackie Smith	31/05/2013	31/03/2014
G40	May-13	CP	Safeguarding	REVALIDATION - The risk that the NMC fails to deliver an effective system of revalidation within agreed timescales	4	3	12	NEW RISK	<ul style="list-style-type: none"> External stakeholder engagement via: <ul style="list-style-type: none"> Strategic Discussion Group Task and Finish Group Internal stakeholder engagement via NMC Revalidation Programme Board 	<ul style="list-style-type: none"> Launching external perception survey Testing and piloting 	Katerina Kolyva	31/05/2013	31/12/2015

Key
CE - Chief Executive
CG - Corporate Governance
CP - Continued Practice
CS - Corporate Services
FiP - Fitness to Practise
R - Registration

Annexe 2

Risk profile as at 15 May 2013

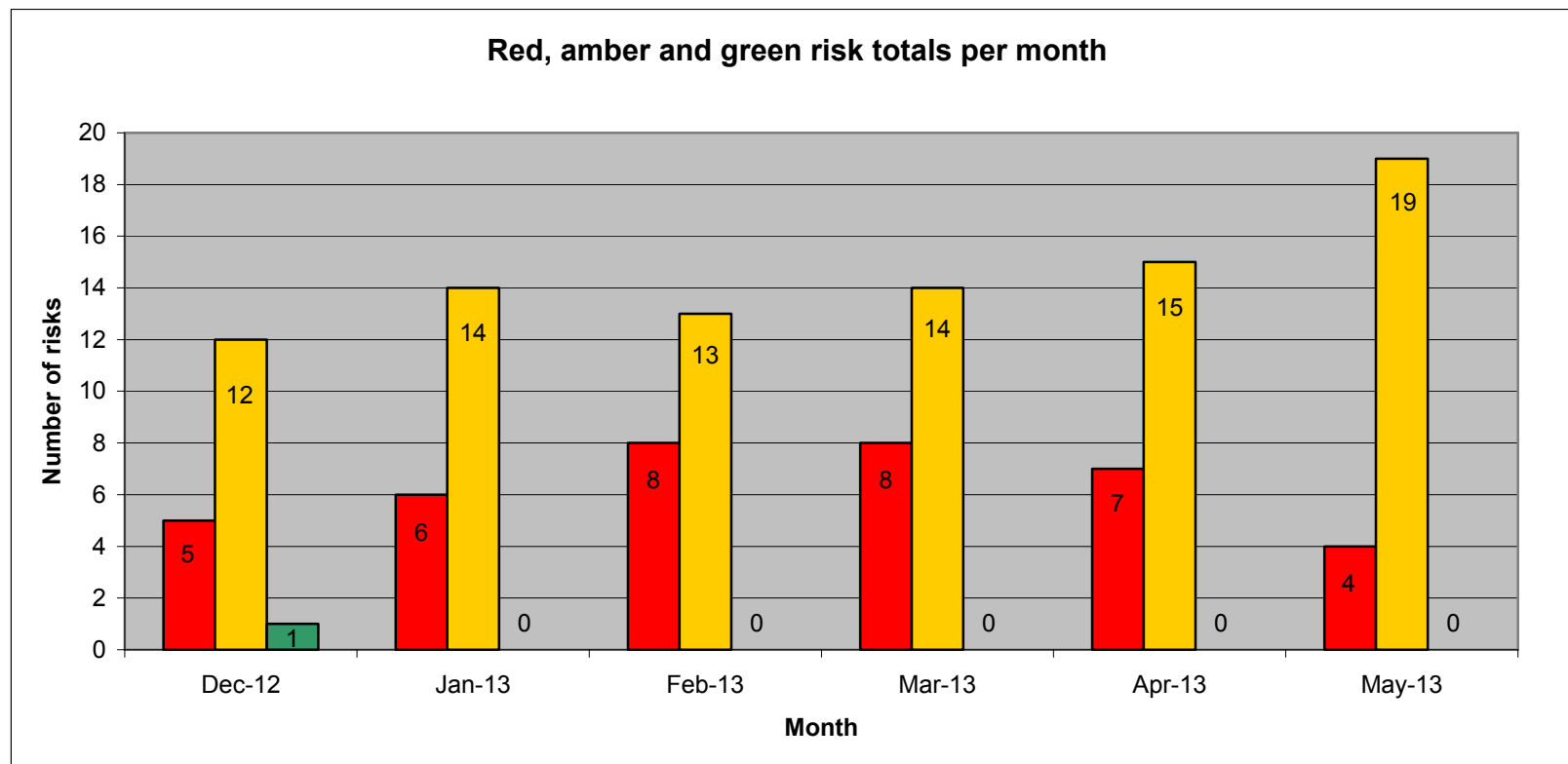
Impact	Critical	5		1	6	2		
	Major	4			9	1	1	
	Moderate	3			2	1		
	Minor	2						
	Insignificant	1						
	Score		1	2	3	4	5	
			Very low	Low	Medium	High	Very high	
			Likelihood					

Risk scores: 1-8  9-15 *  16-25 

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

Annexe 3

Trend analysis of risk movement as at 15 May 2013



Council

Chief Executive's report

Action: For discussion.

Issue: This paper reports on key strategic developments and performance against the NMC's Corporate Plan 2013-2016.

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

Corporate objectives: This paper reports against all of the NMC's corporate objectives.

Decision required: No decision is required but the Council is invited to note and discuss progress, including the Change Programme and Portfolio Delivery high level plan (Annexe 1) and progress against our Key Performance Indicators for 2013-2014 (Annexe 2).

Annexes: The following annexes are attached to this paper:

- Annexe 1: Change Programme and Portfolio Delivery high level plan
- Annexe 2: Progress against our Key Performance Indicators (KPIs)

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

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- Context:**
- 1 This paper is a standing item on the Council's agenda and reports on key developments against the Corporate Plan 2013-2016. It reports under the headings of our eight corporate objectives from the Corporate Plan 2013-2016.
 - 2 As part of our work to refresh performance reporting, we have developed a high level set of six KPIs. The KPIs focus predominately on our 'business as usual' activities and aim to capture the critical success factors with regard to discharging the NMC's role to protect patients and the public through efficient and effective regulation. We will report to Council on these six KPIs on a quarterly basis.
 - 3 Each of the six high level KPIs will be supported by a small number of supporting performance indicators which are currently being developed and which will be considered by directors on a regular basis. At future meetings of Council, this report will include, by exception, any significant matters arising from the supporting indicators.
 - 4 Periodically, the full set of KPIs and supporting performance indicators will be reported to Council to provide a clear line of sight into the NMC's operations and performance.

- Discussion**
- 5 In this section, key developments are reported under the relevant corporate objective contained in our Corporate Plan 2013-2016.

Objective 1: We will safeguard the public's health and wellbeing by keeping an accessible register of all nurses and midwives who are required to demonstrate that they continue to be fit for practise.

Professional Indemnity Insurance

- 6 In April Council agreed the high level policy for the introduction of a requirement to hold an appropriate indemnity arrangement in order to become registered with the NMC. An NMC response to the Department of Health's public consultation on the legislation that will introduce this requirement has been submitted to meet the 17 May deadline.

Registration

- 7 The processing of overseas applications recommenced on 2 April 2013 following the pause instituted in January 2013. Work continues on the overseas backlog which currently stands at 307, down from a high of 900. The team continues to familiarise itself with the new process.
- 8 We held six registration appeal hearings in April. Of the six hearings, the Registrar's decision was upheld in five of the appeals. This

compares with a monthly average in 2012-2013 of 3.25 appeals heard per month. In anticipation of the reconstitution of Council more appeals were scheduled in April than in previous months. We have 28 registration appeals pending.

Objective 2: We will set appropriate standards of education and practice and assure the quality of education programmes and the supervision of midwives so that we can be sure that all those on our register are fit to practise as nurses and midwives.

Standards development

- 9 We are revising our standards for the preparation of supervisors of midwives for consultation. The changes are principally to bring the standards in line with the new Midwives Rules and Standards.

Standards compliance

- 10 In April 2013, Council agreed the NMC Quality Assurance (QA) framework for nursing and midwifery education and Local Supervising Authorities for midwifery and ratified the contract award recommendation regarding the preferred bidder for the provision of UK wide QA services. We are now working on transition to our new outsourced contract so that changes are embedded before the September 2013 start date.

Revalidation

- 11 We have discussed and agreed with our external stakeholder group, the key principles of an effective system of revalidation that will have a positive impact on protecting the public by amalgamating the standards for nurses and midwives.
- 12 We have worked with our solicitors FFW to look at current legislation and the possibility of introducing a robust revalidation model aligned with the legislation.
- 13 We have established the NMC Revalidation Board with representation from various functions across the NMC to understand the cross functional elements. This Board will meet on 3 June.

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

- 14 We have introduced a new process for interim orders, which aims to ensure that fewer initial hearings are adjourned in order for the nurse or midwife involved to prepare. We have provided information and training for all panel members, legal assessors and staff in

preparation for the implementation.

- 15 We have also launched our updated guidance for panels on interim orders, conditions of practice, and indication sanctions.
- 16 April saw the start of our lean review of the panel member experience. This review will result in revised arrangements for our panel members, which will maximise efficiency and improve customer service.
- 17 We have begun discussions with the Department of Health about legislative changes that are focused on improving public protection and decision making at the investigation stage.
- 18 Our panel recruitment, induction and training work is continuing. We have training sessions for all panel members in May and June 2013. We are also completing recruitment of panel chairs. The deadline for applications has closed and the short listing and interview process will now follow. We expect the new chairs to start sitting from July 2013, which will enhance our capacity to deal with more cases.
- 19 We are continuing to focus on our adjudication caseload, with the aim of reducing the number of cases awaiting a hearing. We have carried out one of a series of targeted reviews of the caseload, which aims to identify those cases where we can consider alternative means of disposal that meet the public interest.

Objective 4: We will improve our understanding and use of diversity data, embedding equalities good practice, so that we are inclusive and treat people fairly.

- 20 We are currently reviewing progress against our action plan for NMC equality objectives for 2012-2013 and refreshing the action plan for 2013-2014.
- 21 We are undertaking an equality impact assessment of our proposals for enforcing the five year rule (the period within which the NMC must be notified of nursing and midwifery qualifications).

Objective 5: We will maintain open and effective regulatory relationships with patients and the public, other regulators, employers and the professions that help us positively influence the behaviour of nurses and midwives to make the care of people their first concern, treat them as individuals, and respect their dignity.

Engagement with professional bodies, unions, educators and other regulators

- 22 On 4 April, the Chief Executive and the Chair attended a regular meeting with representatives of RCN, RCM, UNISON and

Unite/CPHVA. Matters of mutual interest were discussed, including the report of the Francis Inquiry.

- 23 On 5 April, the Chief Executive had a teleconference with colleagues from the Scottish Government Health Department (SGHD) to update the SGHD on key NMC issues.
- 24 On 8 April, the Chief Executive met with Jane Cummings, Chief Nursing Officer for England. This is a regular meeting to discuss matters of mutual interest and update on key NMC issues, including the Francis report, the Government's initiative on student nurses working as healthcare assistants and how the NMC works with Jane Cummings and Viv Bennett, DH Director of Nursing and the Government's Principal Adviser on Public Health.
- 25 On 9 April, the Chief Executive met with Samantha Peters, Chief Executive of the General Optical Council to discuss key regulatory issues including the Law Commission work.
- 26 On 16 April, the Chief Executive met with Ian Cumming, Chief Executive of Health Education England to discuss our future working relationship and the pilot on student nurses working as healthcare assistants.
- 27 On 16 April, the Chief Executive attended the monthly meeting of the Chief Executives Steering Group comprising representation from the health regulatory bodies, the Professional Standards Authority, the Department of Health, the Law Commission and the Health Education England.
- 28 On 17 April, the Chief Executive met with Colonel David Bates, Defence Nursing Adviser, to discuss how the NMC can engage with the Army Nursing Services on revalidation.
- 29 On 18 April, the Chief Executive met with Baroness Julia Cumberlege to discuss the NMC's progress on developing revalidation.
- 30 On 22 April, the Chief Executive met with David Behan, Chief Executive of the Care Quality Commission to discuss the development of a closer working relationship between the two organisations and the establishment of bi-monthly meetings between both chief executives.
- 31 On 22 April, the Standards Compliance Manager attended the Royal College of Nursing Congress and attended a number of sessions and discussions, including the future of regulation and how nurses can maintain and enhance the trust of the public and show that they really do care.
- 32 On 26 April, the NMC was represented by a member of our communications team at the health professional regulators' learning

circle. The circle meets quarterly and is a forum for sharing experiences and ideas and for looking at ways we can practically work together. This particular meeting included planning to have a joint stand at the next Citizens Advice Bureau conference and updating content of the existing PPI good practice handbook for UK health care regulators, first published in 2006.

- 33 We have set up two Revalidation stakeholder groups with representation from Governments and education commissioning bodies at the four country level, NHS employers, unions, RCN, RCM, CNOs and the Council of Deans. These groups will continue to meet every two months until the end of 2013.
- 34 We continue to participate in risk summits and quality surveillance groups to share intelligence and manage risks around settings causing concern.

Engagement with public and patient groups

- 35 On 11 April, an NMC representative attended the launch of Healthwatch England. The role of Healthwatch is about “taking grass roots concerns and translating them into something meaningful to the people commissioning and providing the service”. Following on from this launch, we will be having discussions with Healthwatch England on how the NMC can work with Healthwatch and we will be attending the Healthwatch National Conference on 20 June in Birmingham.
- 36 On 18 April, the Chief Executive met with Julie Bailey of Cure the NHS as part of ongoing engagement following the publication of the Francis Inquiry report.
- 37 On 24 April, an NMC representative attended the Westminster Health Forum Keynote seminar “Healthwatch England and Local Healthwatch – implementation, integration and putting patients at the heart of the NHS”.
- 38 Members of the Patient and Public Engagement Forum met new Council members for an informal lunch as part of their induction on 2 May.
- 39 We are planning a seminar at the end of June which we will be run in partnership with the Richmond Group of Charities and the General Medical Council. This seminar will reach a wider audience of patient and public groups and will discuss the healthcare complaints system.
- 40 We are planning a Patient and Public Engagement Forum event in Scotland and are working with the Health and Social Care Alliance Scotland (the ALLIANCE).

Objective 6: We will develop and maintain constructive and responsive communications so that people are well informed about the standards of care they should expect from nurses and midwives, and the role of the NMC when standards are not met.

- 41 We have developed a brief document introducing our work on revalidation to communicate both internally and externally. We are also developing a section for revalidation on our website to be launched mid May 2013.
- 42 As well as publishing our new framework for the provision of UK wide quality assurance services, we are developing summary materials about quality assurance and an information leaflet for patients and service users.

Objective 7: We will develop effective policies, efficient services and governance processes that support our staff to fulfil all of our functions.

Change programme

- 43 The purpose of our change programme, which is overseen by the Change Management and Portfolio Board, is to deliver the necessary changes to make us a modern, effective, efficient and economic regulator that has the trust and confidence of patients and the public.
- 44 We are currently reshaping the structure of our change programme to make it more streamlined, effective and inclusive.

ICT

- 45 The ICT Strategic Delivery Programme remains on course and is now moving from the planning stage to implementation on some of the key enabling projects, including initial plans for the upgrade of our telephony system, the design for the new email system and upgrade of the document retention system, TRIM.

Finance

- 46 We have completed the final management accounts for the financial year ended 31 March 2013, which were presented to Council in April. The statutory accounts are currently being audited and will be presented to Council at the June meeting.
- 47 We completed an upgrade of our payment software which allows us to comply with the requirement to send Real Time Information to

HMRC on a monthly basis, and has also allowed us to strengthen our internal controls over payments.

- 48 Total demonstrable savings of over £2M have been achieved through procurement and the Central Travel Unit over the financial year. This includes £1.1m savings against standard rail and air fares and £121k against London hotel costs for panellists. We have also reached agreements with our landlords to no longer pay VAT on our premises at Kemble Street and George Street, due to our charitable status.

Internal audit

- 49 We appointed new internal auditors from April 2013 and are currently helping them to get to know the NMC. A priority task is development of a robust assurance framework for the NMC, together with development of a three year internal audit strategy and work programme for 2013-2014.

Governance review

- 50 In response to the Professional Standards Authority (formerly CHRE) Strategic Review, a governance review of Council and committee structures was successfully concluded, as planned, in April. The independent review report recommended changes to Council and committee structures and other key governance processes such as the scheme of delegation. The report will be presented to Council to consider and make decisions around the implementation of its recommendations.

Professional Standards Authority

- 51 We submitted our response to the Professional Standards Authority's draft annual performance assessment of the NMC for 2012-2013 on 29 April. The final performance report will be published at the end of June and Council will receive a full report at its July meeting.

Objective 8: We will build a culture of excellence by attracting, retaining and developing high quality staff to deliver our services.

- 52 The learning and organisational development plan for 2013-16 has been approved and is being rolled out this month.
- 53 The staff survey 2013 was launched on 22 April with initial feedback anticipated by the end of May.
- 54 The performance and development review (PDR) process has started and will be completed by 31 May.
- 55 The FtP senior team has considered the results of research carried

out by Learning and Development into the FtP induction programme, and will be updating and implementing revisions to the programme.

56 The pay and grading review continues to progress to plan, with substantive details expected at the end of May. The newly appointed members of the Staff Consultation Group have been trained in their roles.

Public protection implications:

57 Public protection implications arising from the activities in this paper are addressed as part of individual workstreams and projects.

Resource implications:

58 The resource implications of the various workstreams and projects are described in the monthly financial monitoring report on the meeting agenda.

Equality and diversity implications:

59 Equality and diversity is addressed as part of individual workstreams and projects, with equality impact assessments carried out as appropriate.

Stakeholder engagement:

60 Stakeholder engagement is detailed, as appropriate, in the body of this report.

Risk implications:

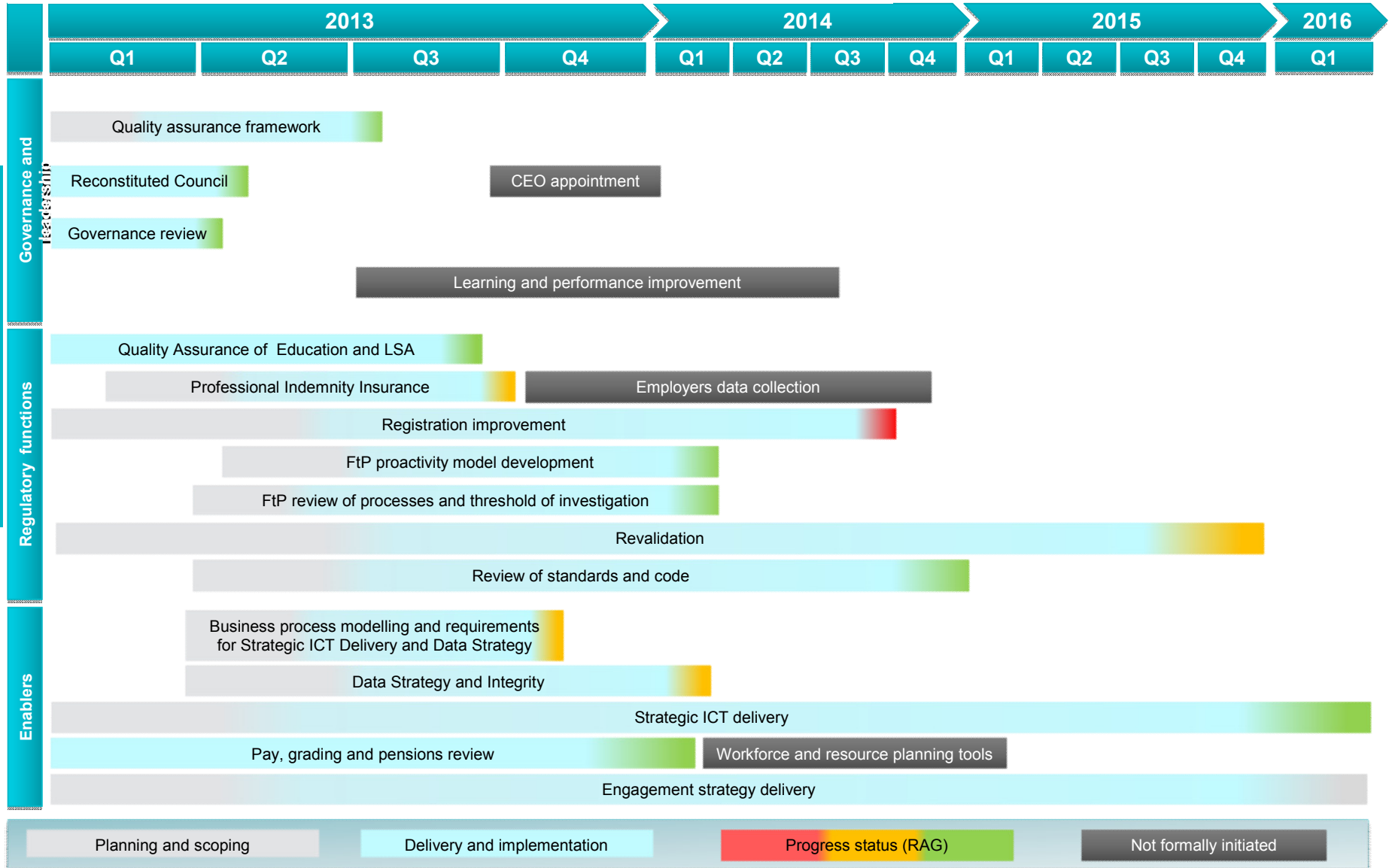
61 Any high level corporate risks that arise from the activities described in this paper, which are currently rated as red, are detailed in the risk register which is included elsewhere on the meeting agenda.

Legal implications:

62 Legal implications that arise from the activities in this paper are addressed as part of individual workstreams and activities.

Change Programme and Portfolio Delivery

Version 22, 29 April 2013



Progress against our key performance indicators (KPIs)

This is a performance report outlining progress against our six high level set of KPIs for the financial year 2013 - 2014.

KPI 1					
Key performance indicator:	Percentage of registration applications completed within 90 days.				
Rationale:	<p>The KPI measures the time taken for the Registration directorate to process initial applications from receipt of the application through to the entry of the applicant to the register.</p> <p>In the short term we are able to measure receipt of completed initial paperwork through to entry to the register. Over time we will refine this to enable us to isolate NMC processing time and a separate record of time with the applicant.</p> <p>Relates to increased efficiency in Registration and improved customer service / communication.</p>				
Definition:	<p>The KPI will measure the time elapsed between receipt by the NMC of a new application and where appropriate the applicant joins the register. Ultimately we hope to develop reporting to include processing time (based on "stopping the clock" when information or decisions are required from the applicant for any reason).</p>				
<p>Corporate goal 1, objective 1 We will safeguard the public's health and wellbeing by keeping an accessible, accurate register of all nurses and midwives who are required to demonstrate that they continue to be fit to practise.</p>					
Historical figure (Average for the previous year / Year end figure)	March 2014 target	February	March	April (current month)	On target? (current month compared to target)
N/A	90%	N/A	N/A	88%	Amber

Commentary:

April is the first month for reporting on this new KPI. The current time period of 90 days includes all NMC processing time as well as time that the application is with the applicant. Over time we will work with IT to isolate the NMC processing time as separate from time with the applicant. This will enable us to report a far more specific measure of the time it takes the NMC to process an application from receipt to registration.

KPI1 is comprised of two work streams, UK and EU/Overseas. Guideline processing figures for April 2013 are as follows:

UK - 99.75% within seven days.
EU/Overseas - 36% within 90 days.

Red/Amber/Green rating:

Based on 10% variance threshold:

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

Amber = current month figure is between 80-89%.

Red = current month figure is 79% or lower.

KPI 2					
Key performance indicator:	Percentage of interim orders (IOs) imposed within 28 days of receipt of referral.				
Rationale:	A measurement of how quickly we protect the public in the most serious cases by applying restrictions to a nurse or midwife's practice.				
Definition:	Percentage of interim orders imposed within 28 days of the referral received date.				
Corporate goal 1, objective 3 We will take swift and fair action to deal with individuals whose integrity or ability to provide safe care is questioned, so that the public can have confidence in the quality and standards of care provided by nurses and midwives.					
Historical figure (Average for the previous year 2012-13)	March 2014 target	February	March	April (current month)	On target? (current month compared to target)
64%	80%	63%	83%	79.5%	Amber
Commentary:					
Red/Amber/Green rating:					
Based on 10% variance threshold: Green = current month figure matches or is higher than the target figure of 80%. Amber = current month figure is between 70-79.9%. Red = current month figure is 69.9% or lower.					

KPI 3					
Key performance indicator:	Percentage of cases progressed through the investigation stage.				
Rationale:	Measures how quickly we investigate cases.				
Definition:	The percentage of investigations which have been completed within 12 months of the referral received date.				
<p>Corporate goal 1, objective 3 We will take swift and fair action to deal with individuals whose integrity or ability to provide safe care is questioned, so that the public can have confidence in the quality and standards of care provided by nurses and midwives.</p>					
Historical figure (Average for the previous year 2012-13)	March 2014 target	February	March	April (current month)	On target? (current month compared to target)
68%	90%	80%	86%	87%	Amber
Commentary:					
Red/Amber/Green rating:					
<p>Based on 10% variance threshold:</p> <p>Green = current month figure matches or is higher than the target figure of 90%. Amber = current month figure is between 80-89%. Red = current month figure is 79% or lower.</p>					

KPI 4					
Key performance indicator:	Percentage of cases progressed through the adjudication stage to the first day of a hearing or meeting within 6 months.				
Rationale:	Measures how quickly we progress cases to a hearing or meeting from the point of referral to adjudication.				
Definition:	The percentage of cases which have reached their first day of a hearing or meeting within six months.				
<p>Corporate goal 1, objective 3 We will take swift and fair action to deal with individuals whose integrity or ability to provide safe care is questioned, so that the public can have confidence in the quality and standards of care provided by nurses and midwives.</p>					
Historical figure (Average for the previous year 2012-13)	December 2014 target	February	March	April (current month)	On target? (current month compared to target)
39%	90%	40%	24%	50%	Red
Commentary:					
The target date of December 2014 for this KPI is a condition attached to the Department of Health's £20m grant.					
Red/Amber/Green rating:					
Based on 10% variance threshold:					
Green = current month figure matches or is higher than the target figure of 90%.					
Amber = current month figure is between 80-89%.					
Red = current month figure is 79% or lower.					

KPI 5						
Key performance indicator:	Available free reserves.					
Rationale:	<p>The NMC's budget and financial strategy is predicated on a gradual restoration of minimum available free reserves to a target level of £10 million by January 2016. This KPI measures how close we are to our plan for achieving this target.</p> <p>Also demonstrates delivery against meeting the target for available free reserves as agreed with the Department of Health.</p>					
Definition:	The level of available free reserves at month end with budgeted available free reserves for that month end.					
Corporate goal 3, objective 7						
We will develop effective policies, efficient services and governance processes that support our staff to fulfil all our functions.						
Historical figure (March 2013)	March 2014 target	February 2013	March 2013	April 2013 (current month)	April 2013 target	On target? (current month compared to April target)
£7.4m	£7.2m	£8.8m	£7.4m	TBC*	£7.0m	TBC*
Commentary:						
<p>The target figure for March 2014 is similar to that of March 2013 and will fluctuate each month based on the pattern of budgetary expenditure. Based on the financial plan, more movement towards restoring the minimum reserves level of £10m will be made in 2014-15.</p> <p>The actual available free reserves level at the end of April 2013 was £Xm* compared to a planned level of £7.0m.</p> <p>*information not available at time of writing, but will be presented at the Council meeting.</p>						
Red/Amber/Green rating:						
<p>Green = the current month figure matches or is above the April target figure. Amber = within 5% of the April target figure. Red = greater than 5% of the April target figure.</p>						

KPI 6						
Key performance indicator:	Staff turnover rate.					
Rationale:	<p>The level of staff turnover has been consistently high and represents a high risk and cost to the NMC and an indicator of a sub-optimal organisational culture.</p> <p>A number of initiatives included within the Human Resources and Organisational Development Strategy are aimed at retaining staff, hence this KPI being a key measure of the effectiveness of that strategy.</p>					
Definition:	<p>The number of employees leaving in the previous 12 months as a percentage of the average number of employees over that period, excluding end of fixed term contracts.</p> <p>The rate is impacted by the number of leavers and size of workforce, the latter being based on budgeted headcount.</p>					
Corporate goal 3, objective 8						
We will build a culture of excellence by attracting, retaining and developing high quality staff to deliver our services.						
Historical figure (March 2013)	March 2014 target	February 2013	March 2013	April 2013 (current month)	April 2013 target	On target? (current month compared to Apr target)
32.7%	26.3%	32.7%	32.7%	33.1%	33.1%	Green
Commentary:						
<p>The target figure for March 2014 is based on projected staffing levels as set out in the budget for the year. As the figure is a rolling 12 month average, depending on the prior year pattern of leavers, it will increase in some months, as in April 2013, and decrease in others.</p> <p>The actual and budget figures for April are both 33.1%, slightly up on recent months for the reason explained above.</p>						
Red/Amber/Green rating:						
<p>Green = the current month figure matches or is below the April target figure. Amber = within 1% of the April target figure. Red = where there is a difference of greater than 1% of the April target.</p>						

Council

Developing the NMC's strategic direction

Action: For decision.

Issue: Following the reconstitution of the Council, it is opportune to consider afresh the NMC's strategic direction. This paper outlines a proposed approach for discussion and decision.

Core regulatory function: Supporting functions.

Corporate objectives: Supports the achievement of all the NMC's corporate objectives.

Decision required: The Council is invited to discuss the proposed approach to developing the NMC's strategic direction (paragraph 13) and to determine which of the options in paragraph 9 to proceed with.

Annexes: Annexe 1: Outline timetable.

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 At present, the NMC's principal strategy is defined in the Corporate Plan, which sets out the organisation's mission, values, goals, and objectives, and outlines the intended deliverables for the planning period. The NMC currently plans on a three year rolling period. Typically, the annual business planning cycle begins in September / October when the Council revisits the corporate goals and objectives. Thereafter, each directorate develops a draft business plan. The overarching Corporate Plan is developed with the Council, usually through discussion in seminar session, and is agreed by the Council in March together with the budget. The Corporate Plan 2013-2016 was approved by the Council in March 2013.
 - 2 Following the reconstitution of the Council, it is opportune to consider afresh the organisation's strategic direction, to take account of key internal and external drivers and to ensure that a clear framework is in place to guide the sustainable delivery of the NMC's regulatory functions. The Council will play a crucial role in shaping and setting the strategic direction. This paper outlines a proposed approach for discussion and decision.

Discussion: *Horizon and scope*

- 3 The present three year corporate planning cycle is helpful in guiding short term deliverables. For the purposes of long term strategic planning, the Council may wish to consider a 10 year horizon.
- 4 The typical elements of a long term strategic plan which the Council may wish to (re-)articulate in the first instance are:
 - 4.1 Vision: a long term view of what the NMC wishes to be at the end of the planning horizon.
 - 4.2 Mission: the fundamental purpose of the NMC (taking account of the NMC's constitutional obligation to protect patients and the public).
 - 4.3 Values: the shared standards which guide decision-making and organisational culture at the NMC.
 - 4.4 Top-level strategy: the principal goals and objectives which the NMC is intended to achieve by the end of the planning period.
- 5 Following agreement of the long term strategic direction, further work will be required to:
 - 5.1 Align (and, where necessary, develop) corporate strategies to the long term strategic direction.
 - 5.2 Define more detailed medium and short term goals and

objectives (using suggested 7 and 3 year horizons respectively) to drive the annual corporate planning process.

- 5.3 Implement a revised annual planning process to deliver the long term strategic direction and supporting corporate strategies.

Consultation

- 6 Wide consultation at appropriate points will assist in formulating a long term strategic direction that better meets the needs of interested parties. Consultation with the following groups is likely to be of particular relevance:
 - 6.1 Patients and the public.
 - 6.2 Registrants.
 - 6.3 Employers.
 - 6.4 Approved education institutions.
 - 6.5 NMC employees.
 - 6.6 Other regulators.
 - 6.7 The Department of Health.

Inputs

- 7 Since the CHRE Strategic Review, considerable progress has been made in refocusing the NMC on its core regulatory purpose and in seeking operational improvements. Several work-streams will provide useful inputs to the Council in determining the strategic direction. These include:
 - 7.1 Horizon scanning undertaken by the Council in October 2012.
 - 7.2 A draft vision document drawn up through a series of staff consultation events in autumn 2012.
 - 7.3 The Change Management Programme Board, including recent work to start 'Shaping the Future'.
- 8 In summary, consistent themes arising from these are ensuring the NMC achieves its core regulatory purpose and modernising the way in which NMC works to ensure that it can deliver its regulatory functions proportionately, efficiently, and economically. Consideration should also be given to relevant guidance, standards, and codes of practice, including the PSA Standards of Good Regulation.

Process

- 9 The Council will play an active and crucial role in setting the NMC's strategic direction. In accordance with the conventions of good governance, the Chief Executive and Directors will play an equal and complementary role in shaping scenarios and developing strategic options for the Council to deliberate. There are two options for undertaking the development work:
- 9.1 Engage external consultants, whose expertise and independence could be advantageous, but would result in additional expenditure and additional time involved in the contracting process.
- 9.2 Manage the process 'in house', which would make use of the skills and experience of staff and would be less expensive, but could divert resources from other priorities.
- 10 Whichever option Council prefers, it would be advantageous to establish a project board, chaired by the Chief Executive and including some Council members, to oversee the development of strategic options and consultation with interested parties. Input from the full Council would be sought at seminars and strategic away days before draft strategy is presented for discussion and decision in open session.

Timetable

- 11 The timetable for setting the strategic direction will need to align with the annual business planning cycle. As noted above, the annual planning cycle currently operates between October and March in order to ensure that an agreed corporate plan is in place for the start of the financial year on 1 April. Taking this into account, the recommended course is to aim to start implementing the new strategic direction from 1 April 2014. This will mean concluding the review by autumn 2013. Whilst the speed of development will be an advantage in some respects, it poses some risks, in particular the attenuated timescale for the 2014-17 business planning cycle.
- 12 An outline timetable can be found at **annexe 1**.

Recommendation

- 13 The Council is invited to discuss the proposed approach to developing the NMC's strategic direction and to determine which of the options in paragraph 9 to proceed with.**

Resource implications

- 14 Whichever option the Council chooses, there will be staff costs associated with managing the process, as well as expenditure associated with undertaking consultation and conducting the away day. It is anticipated that these costs will be contained within the

existing budgets. An early estimate is that to engage external consultants, should the Council choose to do so, would be likely to cost around £100-150,000, depending on the scope of the assignment. Any appointment would be made in accordance with the NMC's financial regulations.

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|---|----|---|
| Equality and diversity implications: | 15 | The process for developing the strategic direction will need to take account of the NMC's responsibilities for equality and diversity, including undertaking equality assessments as appropriate and ensuring the strategy is consonant with the equality objectives. |
| Stakeholder engagement: | 16 | Consultation with interested parties will be an integral and essential part of the process as outlined above. |
| Risk implications: | 17 | <p>Developing the NMC's long term strategic direction is intended to mitigate any risk that the organisation will not be able to deliver its regulatory functions effectively in the long term. There are potential risks associated with the proposal including:</p> <p>17.1 the possible diversion of resources from other activities.</p> <p>17.2 the shortened timescale for the 2014-2017 planning round.</p> <p>17.3 the alignment of the strategic direction to internal and external drivers and the needs of stakeholders. These will be scoped more fully once the process is agreed.</p> |
| Legal implications: | 18 | The strategic direction will need to be aligned with the NMC's purpose and functions under the Nursing & Midwifery Order 2001. |

Annexe 1

May 2013	<ul style="list-style-type: none"> • Council decides process.
May – June 2013	<ul style="list-style-type: none"> • Project group established. • Consultants appointed (where applicable).
June – September 2013	<ul style="list-style-type: none"> • Development of long term strategic options. • Consultation with interested parties. • Discussion at Council seminars.
October 2013	<ul style="list-style-type: none"> • Discussion at Council away day leading to choice of preferred option.
October – November 2013	<ul style="list-style-type: none"> • Development of medium and short term objectives.
November 2013	<ul style="list-style-type: none"> • Council decides long term strategy. • Council decides medium and short term objectives.
November 2013 – February 2014	<ul style="list-style-type: none"> • Development of directorate business plans and overarching corporate plan 2014-2017 (aligned to new aims and objectives).
February 2014	<ul style="list-style-type: none"> • Discussion of draft overarching corporate plan at Council seminar.
March 2014	<ul style="list-style-type: none"> • Council determines corporate plan 2014-2017 (aligned to new aims and objectives).
April 2014 onwards	<ul style="list-style-type: none"> • Implementation of corporate plan. • Further development of medium term objectives. • Alignment of corporate strategies. • Review of business planning process.

Council Schedule of Business June – September 2013

Standing items

- Minutes and matters arising
- Chair's action
- Francis report
- Risk register
- Chief Executive's report
- FtP performance report
- Financial report
- Committee reports
- Schedule of business
- Questions from observers

Thursday 20 June 2013

- Governance review (for decision)
- Annual report and accounts (for decision)
- QA Strategy (for decision)
- Professional indemnity insurance (for information)

Thursday 18 July 2013

- PSA performance report response (for decision)
- Pensions, pay and grading review (for decision)
- Response to Francis report (for decision)
- ICT Strategy (for information)
- Health Select Committee report: stock take (for discussion)

Thursday 12 September 2013

- NMC model for revalidation (for decision)
- Approach to development of standards (for decision)
- Appointment of FtP Panel members (for decision)
- Update on process of voluntary removal introduced in January 2013 (for information)
- FtP thresholds (for discussion)