

Annual Report and Accounts 2023-2024 and Strategic Plan 2024-2026

Nursing and Midwifery Council

Annual Report and Accounts 2023–2024 and Strategic Plan 2024–2026

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Foreword

The Nursing and Midwifery Council (NMC) has taken some important regulatory actions as well as managed significant organisational challenges during the past year. As a regulator and employer, we have become acutely aware of the need to learn and improve, to do better for the professionals on our register, the public we serve and each other.

Our main priority was to reduce our fitness to practise caseload safely and swiftly to protect the public. Despite process improvements and the dedication of colleagues, we did not meet our target of fewer than 4,000 cases by 31 March 2024. This was in part because of an increase in referrals but it is also true that overall, we are taking too long to deal with individual cases. We recognise the impact this has on everyone involved: referrers, witnesses and their families, the professionals under scrutiny and NMC colleagues. As a result, we are making the biggest additional investment in a decade to support a plan that will ensure we can continue making decisions that keep people safe, but in a more timely and considerate way that will be sustainable into the future.

2023–2024 was a hugely challenging year for the professionals on our register, our partners and the public, in the context of the wider health and social care sector across the four countries of the UK. Workforce pressures, widespread industrial action, an ageing population and rising demand for health and social care – including complex, individual needs and choices – all carry increased risk. This means increased agility and adaptation is required from nursing and midwifery professionals when caring for people and their families.

We welcome the contribution that all registered professionals make to the health and wellbeing of the public.

As of 31 March 2024, there was a record high of 826,418 nurses, midwives and nursing associates on our register (2022–2023: 788,638).

Protecting the integrity of this growing register has never been more important to safeguard people and communities. In March 2023, a significant concern arose around fraudulent activity at a third-party computer-based test centre to which we responded swiftly and robustly. We are now learning from this to help strengthen controls and processes for how we support internationally trained registrants to join the NMC register, and we remain vigilant across this area of regulation.

Our quality assurance (QA) of nursing and midwifery education programmes ensures that education institutions deliver NMC approved programmes that prepare students for the standards required for entry to the register. We approved five new education institutions, bringing the total to 98 and covering more than 1,900 undergraduate degree programmes and post-registration programmes serving 120,000 students overall. We also acted when our standards were not met. To ensure that the integrity of the register was maintained, and that we discharged our role in public protection, we took the unprecedented decision to withdraw approval of a midwifery training programme at Canterbury Christ Church University.

In managing the challenges of 2023–2024, we recognised there is more we need to do to strengthen our QA function and make sure we are proactively identifying issues and taking action in a timely and proportionate way. We're improving our QA approach and working collaboratively with key stakeholders.

We continued to support nursing and midwifery professionals to practise safely and our colleagues to perform at their best. We consulted on developing approaches for the further regulation of advanced practice, supported professionals' revalidation, expanded our Welcome to the UK programme and published our first insight report to help influence positive changes within the sector. Initiatives benefiting NMC colleagues included our new People Plan with enhanced training, pay reward and policy changes to improve experiences and opportunities.

We actively invite independent, objective scrutiny, as part of our commitment to being a learning organisation. When whistleblowing concerns about our culture and effectiveness as a regulator were raised internally and later published in *The Independent*, we took them seriously. They reflect issues we know we need to tackle around our regulatory processes and how we foster a diverse, inclusive and discrimination-free workplace and psychological safety for all our colleagues. We have instituted independent investigations to examine the concerns raised, will report the findings transparently and act on the recommendations made.

We understand the importance and significant impact on people of the challenges we face. We embrace the opportunity to achieve the best for people including our NMC colleagues, and are laying the foundations to make

the difference we need to become a better employer and a better regulator. We know that reforming our legislation will help us achieve this and we will continue to work with the UK Government to develop a new legal framework that will modernise how we regulate.

These and other factors have guided the reprioritisation of our plans for 2024–2026, focused on the most significant risks to our work and areas where improvement will have the biggest positive impact on people's experiences of our role. We will monitor and review our progress against our corporate plan, remaining sensitive to the wider landscape and adapting where needed to ensure that we continue to deliver our regulatory duties.

We would like to thank all those who helped deliver what we achieved last year and who will partner with us in the future. This includes our dedicated colleagues, Council members, the professionals on our register and their employers, and the engagement and insights of our partners, our Professional Strategic Advisory Group, Midwifery Panel and Public Voice Forum. With all their help we will continue to focus on achieving safe, effective and kind care that is equitable, person-centred and rooted in the lived experience of the people and communities we serve.

Sir David Warren
Chair
3 July 2024

Andrea Sutcliffe
Chief Executive
and Registrar
3 July 2024



Our role

We are the independent regulator for nurses and midwives in the UK and nursing associates in England.

Our objectives are set out in the Nursing and Midwifery Order 2001 (as amended).

The overarching aim of the Council is the protection of the public by:

- a. protecting, promoting and maintaining the health, safety and wellbeing of the public
- b. promoting and maintaining public confidence in the professions regulated under the Order
- c. promoting and maintaining proper professional standards and conduct for members of those professions.

Our regulatory responsibilities are to:

- **maintain the register** of nurses and midwives who meet the requirements for registration in the UK, and nursing associates who meet the requirements for registration in England
- **set the requirements for the professional education** that supports people to develop the knowledge, skills and behaviours required for entry to, or annotation on, our register
- shape the practice of the professionals on our register by **developing and promoting standards** including our Code, and promoting lifelong learning through revalidation
- **investigate and, if needed, take action** where serious concerns are raised about a nurse, midwife or nursing associate's fitness to practise.

Our governing body, our Council, is made up of six lay people and six professionals on our register. Our work is overseen by the Professional Standards Authority for Health and Social Care, which reviews the work of regulators of health and care professions. We are accountable to Parliament through the Privy Council. We are also a registered charity and seek to ensure that all our work delivers public benefit.

Our vision is safe, effective and kind nursing and midwifery practice that improves everyone's health and wellbeing. As the independent regulator of more than 826,000 nurses and midwives in the UK, and nursing associates in England, we have an important role to play in making this vision a reality.

We are here to protect the public by upholding high professional nursing and midwifery standards, which the public has a right to expect. That is why we are improving the way we regulate, enhancing our support for colleagues, professionals and the public, and working with our partners to influence the future of health and social care.

Our core role is to **regulate**. We set and promote high education and professional standards for nurses and midwives across the UK, and nursing associates in England and quality assure their education programmes. We maintain the integrity of the register of those eligible to practise.

And we investigate concerns about professionals – something that affects very few people on our register every year.

To regulate well, we **support** nursing and midwifery professionals and the public. We create resources and guidance that are useful throughout professionals' careers, helping them to deliver our standards in practice and address challenges they face. We work collaboratively so everyone feels engaged and empowered to shape our work.

We work with our partners to address common concerns, share our data, insight and learning, to **influence** and inform decision-making and help drive improvement in health and social care for people and communities.

Our five strategic themes guide how we prioritise and phase our work, as well as new investment in people and other resources. They are:

1. Improvement and innovation
2. Proactive support for our professions
3. More visible and better informed
4. Engaging and empowering the public, professionals and partners
5. Greater insight and influence.

Our values underpin everything we do. They shape how we think and act.

We are fair

We treat everyone fairly. Fairness is at the heart of our role as a trusted, transparent regulator and employer.

We are kind


We act with kindness and in a way that values people, their insights, situations and experiences.

We are collaborative

We value our relationships (both within and outside of the NMC) and recognise that we are at our best when we work well with others.

We are ambitious

We take pride in our work. We are open to new ways of working and always aim to do our best for the professionals on our register, the public we serve and each other.



Performance review 2023–2024

Maintaining an accurate and transparent register

Key activity in 2023–2024: We worked with qualified nurses and midwives in the UK, and nursing associates in England, to support them to join our register. Our register increased by 4.8 percent, supporting the health and care sector to provide safe, kind and effective care to people and communities. We also addressed concerns about our third-party computer-based test activity to protect the public and ensure those on our register are suitably qualified.

Our register is one of the main ways we protect the public. Only those people who are on our register may practise as a registered nurse, midwife or nursing associate. To join our register, individuals must demonstrate their character and practice meets our standards for care that improves everyone's health and wellbeing.

Addressing concerns about our computer-based test to ensure we protect the public

It is essential that our registration processes ensure professionals can provide safe, kind and effective care for the public when they join the register. One way in which an internationally educated professional can demonstrate they meet our standards is by taking a computer-based test (CBT), which assesses their clinical and numeracy competency.

In March 2023, Pearson VUE, our CBT provider, alerted us to anomalous data at one of its third-party CBT test centres, Yunnik Technologies Test Centre in Ibadan, Nigeria. Pearson VUE immediately stopped testing at this centre while we investigated the issue. Most of the individuals who sat their CBT at the centre are not considered to have joined our register fraudulently. However, objective and independent analysis of the data clearly indicates that the overall pattern of test-taking was statistically significantly quicker than at other test sites, and we suspect some people fraudulently obtained their CBT, probably by use of a proxy tester (where someone takes the test on behalf of someone else). We therefore took the decision to invalidate all tests taken at the site (affecting 1,955 individuals), irrespective of the time taken to complete the test.

Where we had additional concerns that people had achieved their test score fraudulently, we took the following action.

- We referred 48 professionals on our register to an independent panel to decide whether they gained fraudulent entry to the register, with the first hearings taking place in March 2024.
- We determined that 669 applicants had more likely than not, obtained their test result fraudulently. These applications are referred to an Assistant Register once complete. So far, almost all of the applications considered by the Assistant Registrar have been refused on the basis that the character requirements are not met.

For the remaining applicants and professionals on the register, there are no concerns about fraud, so either their cases will be closed or their application will resume once a new test has been taken successfully.

Additionally, we have permanently exited out of all third-party-operated CBT test sites and Pearson VUE has implemented enhanced security and monitoring controls. Our internal auditor also undertook an advisory audit of our anti-fraud arrangements across our registrations function. They found that extensive controls were in place to tackle individual fraudulent activity and made some suggestions to further strengthen our controls in this area, particularly in relation to fraud attempted on a larger scale.

We have kept employers and key partners, including trade unions and other support groups, updated while we have worked through this issue. Importantly, we have encouraged them to support individuals affected and proactively tackle any incidents of racism or discrimination that may have arisen.

Our register

As of 31 March 2024, there were 826,418 nurses, midwives and nursing associates on the permanent register. This represents an increase of 4.8 percent since March 2023 and is a record high. This is encouraging overall, given the well-publicised pressure on health and care services at a time of rising demand for care.

In 2023–2024, we processed 29,754 UK registration applications (2022–2023: 26,585) and 31,037 international registration applications (2022–2023: 25,346).

We continually review the quality and content of our data and information. When improved data or additional information becomes available, we retrospectively update our previously published information. This means that when comparing data in our latest reports against some of our previous publications, you may see small changes in some data.

We have continued to help nursing and midwifery professionals to join the register quickly once they have demonstrated safe and effective practice.

- In 2023–2024, 99.5 percent of UK initial registration applications were processed within one day against our target of 97 percent (2022–2023: 99.0 percent).
- In 2023–2024, 97.4 percent of UK initial registration applications were completed where a concern was raised within 60 days against our target of 90 percent (2022–2023: 93.7 percent).
- In 2023–2024, 99.1 percent of internationally trained professionals' applications were assessed within 30 days against our target of 95 percent (2022–2023: 99.9 percent).

Since March 2020, we have maintained a temporary register made up of professionals with the skills and expertise to work in support of the Covid-19 emergency and to help tackle the Covid-19 backlog in elective care. With the end of the pandemic, the UK Government confirmed that temporary registration would end in March 2024 and we closed the register on 31 March 2024.

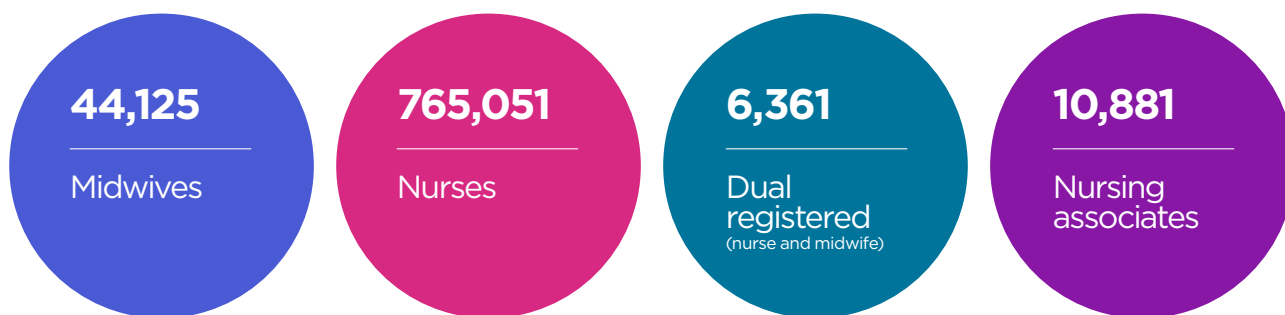
We recognise the invaluable contributions these professionals made and encouraged them to join our permanent register so that they could continue to support the health and wellbeing of people in their care. Of 22,133 who joined, 7,430 transferred to our permanent register.

“We remain incredibly proud of the nurses and midwives who joined the Covid 19 temporary register. The height of the pandemic was a frightening time for us all, but thousands of professionals stepped forward to help support essential health and care services. They have made a vital difference to people’s lives and we’re immensely grateful for their contribution, particularly in the Covid 19 vaccination programme.”



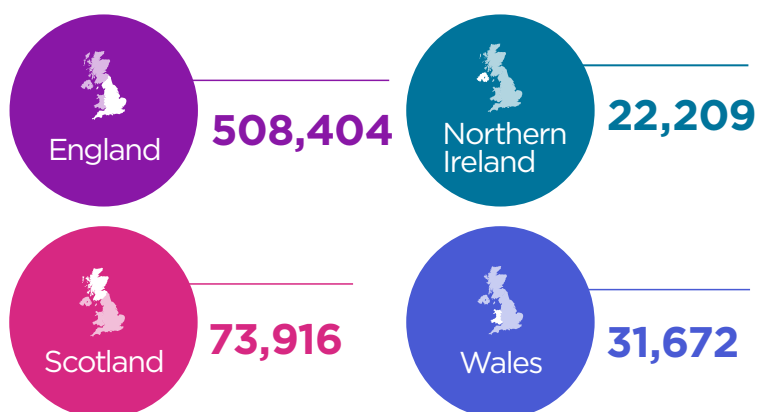
Andrea Sutcliffe,
Chief Executive and Registrar

Number of professionals on our permanent register by registration type at 31 March 2024



 **Total register 826,418**

Numbers of registered professionals by country or region of initial registration at 31 March 2024



How we have supported people to join our register

We want to make sure everyone who meets our standards can join our register and provide safe, kind and effective care for the public across the UK.

Our contact centre is the first point of call for many people who wish to join our register. The contact centre team also handles thousands of enquiries each year from professionals already on the register and those who may be looking to re-join after a period away.

In 2023–2024 there were 222,905 calls to the contact centre (2022–2023: 190,754). The team also received 40,432 emails. Our contact centre strives for excellent customer service and, on average for the year, 95 percent of people who got in touch with the contact centre and answered our survey said we treated them kindly (2022–2023: 96 percent).

This year, to support graduates to join the register and start practising as quickly as possible, we have attended events aimed at students and sent targeted communications to explain how to join.

We know that applying to register in a new country can be daunting for people and especially so in situations where people have been forced to move across borders. This can make meeting our requirements in the usual way particularly difficult. To better support people who find themselves in this situation we launched our policy on forcibly displaced persons in 2023–2024. This helps us to support eligible applicants through the registration process, while also ensuring they meet our standards and can provide the safe, effective and kind care people have the right to expect. We have also continued to run our Welcome to the UK programme, which aims to prepare internationally recruited professionals for the cultural and ethical differences of working in the UK. Through this work we hope to improve retention, the professionals’ experience and, most importantly, the care they provide.

How revalidation enhances professional development and care

In 2023–2024, 219,962 professionals successfully completed the revalidation process (2022–2023: 228,295), demonstrating that they continue to meet the requirements of safe and effective practice.

232,977 professionals were due to revalidate in 2023–2024, which means a revalidation rate of 94.4 percent in 2023–2024 (241,783 professionals or 94.4 percent in 2022–2023).

Revalidation gives us and the public the confidence that the professionals on our register continue to meet the requirements of safe and effective practice. The elements of the revalidation process provide the public with assurance that those providing their care regularly reflect on their practice, identify their learning needs and are continually developing. We consider lifelong learning to be an important part of our approach to regulation.

To support nurses, midwives and nursing associates with the revalidation process, we regularly engage with professionals and employers about our revalidation requirements and how they can meet them in the various settings in which they work, including providing resources to structure and record learning.

We share the data we collect on revalidation every year in our annual revalidation reports. You can read these reports [here](#).

We use this information to monitor how the process is going and see where we can make improvements to support the professionals on our register.

“I’ve found the templates and forms really useful and will continue to use them over the next two years until my revalidation and beyond.”



Claire,
Nursing associate

Setting robust professional and education standards

Key activity in 2023–2024: Through independent research and extensive engagement with the public, professionals and stakeholders from across the UK, we assessed what benefit to the public further regulation of advanced practice would bring. We also supported people to understand our standards, so that professionals and students are empowered to deliver the best possible care for people, and those receiving care know what to expect and what is best for them.

We set standards of education, training, proficiency, conduct and performance for nurses, midwives and nursing associates. We review and maintain these standards to ensure they keep pace with how health and care is changing, and to support professionals throughout their careers to deliver the highest standards of care across different fields of practice in line with our Code. We also set education standards, which must be followed by all approved education institutions. These education standards support students to gain the knowledge and skills required to deliver the best possible care for people and communities. We take action where our standards are not met or are at risk of not being met.

How we are supporting advanced practitioners to meet complex needs within health and care

During 2023–2024, we assessed the need for additional regulation of advanced nursing and midwifery practice. We know that these roles are beneficial for the public: professionals in these roles demonstrate advanced communications skills, make timely person-centred decisions and support people to seamlessly receive care across different specialities and settings. But we also know that the increased complexity of the care they provide carries increased risk to the public, especially as the number of roles grow. Our aim was to explore the risk to public protection and identify the proportionate regulatory response to ensure safe, kind and effective care.

To ensure that people are at the heart of this review we established an advanced practice public advisory group (PAG). The group comprised people with lived experience of receiving care from advanced practitioners, as well as representatives from charities and advocacy organisations representing specific communities.

They gave us invaluable insight, including that they felt that these more complex, autonomous roles with much higher accountability require a higher level of regulation. A video of the two co-hosts discussing the group can be found [here](#).

In March 2024, our Council considered a range of evidence and views, including independent research by The Nuffield Trust and the views of the PAG. Our Council concluded that additional regulation of advanced practice is needed for both nursing and midwifery professionals.

We are now developing a combination of approaches to additional regulation in collaboration with the public, professionals and our partners to ensure any proposed changes are in the best interests of people receiving care.

“I was aware of her role and thought it was marvellous because she was taking some of the strain off the GPs. Her knowledge was amazing. She took more time with me than a GP would as she explained her role.”



Member of the Public Advisory Group, sharing her experience of care from an advanced practice nurse.

Supporting people to understand and apply our standards

As well as setting standards, we also support professionals and students to better understand our standards, which empowers them to deliver the best possible care for people. A particular focus for 2023-2024 was providing guidance and support on the changes we made to our pre-registration education programme standards in January 2023. In March 2024, we also launched #OurCode, a video-led campaign aimed at encouraging students to share reflections on how the Code and the standards will underpin their future practice and guide their decision-making.

We also support those receiving care to understand our standards so they can know what to expect and access the care that is best for them. For instance, our For Every Pregnancy campaign was aimed at women receiving maternity care, increasing understanding of how midwives can work in partnership with women, so that women can reach informed decisions about their care. The campaign video has been viewed more than 129,000 times. You can find the video [here](#).

Working in partnership to shape our work

Engaging and empowering the public, the professionals on our register and our partners is key to delivering our work and improving health and care systems across the United Kingdom.

We aim to make the voice of the public and people who use health and care services central to everything we do. The Public Voice Forum enables members of the public to shape our strategic work. Members are from all four UK countries and from diverse walks of life and communities. Some live with long-term conditions, meaning they interact with professionals on our register regularly. Making sure we are hearing these voices is critical in developing, fine-tuning and embedding our standards, and in improving people's experiences of services through people's lived experience of health and social care. You can learn more about the work of the Public Voice Forum by watching the video in English [here](#) and in Welsh [here](#).

Beyond the forum, we benefit from the engagement and insights of our partners; Professional Strategic Advisory Group; Midwifery Panel and other advisory groups, where people shape specific projects through their expertise, professional and personal experiences. You can read more about the advisory group we set up to support our advanced practice review on page 15 of this report. We are grateful for the contributions people make to our work – they help us get things right.

We have also continued close, regular engagement with the professionals on our register, employers, educators, health and care leaders and other regulators.

We also maintained our relationships with the UK Government, devolved ministers and officials. This has helped us respond to challenges collaboratively and in consideration of how our decisions impact on professionals and people receiving care and their families across all four countries of the UK.

“We continue to receive very positive feedback from the NMC’s stakeholders about its engagement with them and its openness to collaboration.”



Professional Standards Authority (PSA)
Annual Monitoring Report of the NMC 2022–2023

Quality assuring nursing and midwifery education programmes

Key activity in 2023–2024: We approved five new institutions to run a nursing or midwifery programme, meaning more opportunities for students to enter the workforce and extending the provision of care to people across the UK. We also took regulatory action in response to serious concerns about the delivery of Canterbury Christ Church University’s midwifery programme. In managing the challenges of 2023–2024, we recognised there is more we need to do to strengthen our Quality Assurance (QA) function and make sure we are proactively identifying issues and taking action in a timely and proportionate way, so we began a review of our education QA function to ensure it is fit for the future.

We monitor education institutions to ensure that they are delivering programmes that prepare knowledgeable and skilled professionals to meet the complex health and care needs of people and communities. We do this by approving education programmes that meet our standards and by monitoring their compliance. We take action where our standards are not met or are at risk of not being met, so that the public can have trust and confidence in the quality of education, skills and competency of future nurses, midwives and nursing associates.

Review and improvement of our education quality assurance function

This year we procured a new quality assurance (QA) service provider which will enable us to be more agile and flexible in our approach. This will help us proactively identify issues and take action in a timely and proportionate way, reducing the potential impact on students and supporting them to develop the right skills and knowledge to deliver high-quality care throughout their careers.

In managing the challenges of 2023–2024, we recognised there is more we need to do to strengthen our QA function and make sure we are proactively identifying issues and working collaboratively with key stakeholders. To develop an improved approach, we commissioned an independent adviser to review the QA function to ensure it is fit for the future. The diagnostic phase of this review was completed in March 2024 and we will start to implement improvements across nine workstreams, including lessons learned from the concerns with Canterbury Christ Church University. Developing an improved approach to education QA is a priority within our corporate plan for 2024–2026.

Monitoring approved programmes to ensure public trust and confidence in the quality of education

Every year, approved education institutions (AEIs) must submit an annual self-report to show how they, along with their practice learning partners, continue to meet our standards and requirements.

As part of individual self-reporting, they also need to let us know how they are addressing and managing ongoing issues and concerns, so that we are assured that all approved programmes continue to equip students with the knowledge and skills they need to provide safe, kind and effective care to the public and their families.

This year we enhanced the self-reporting requirement by using data on students' experiences from the National Student Survey. Where that data identified potential issues, we sought assurance from the AEI on how they were responding. This helped ensure that issues were identified and rectified as early as possible, improving the experience for students and supporting them to develop the skills they need to deliver high-quality care for people when they qualify.

98 AEIs were required to submit an annual self-report for the academic year 1 September 2022 to the 31 August 2023. We are currently reviewing submissions and nine have been given full assurance, 60 need to resubmit and 29 do not need to re-submit but do require feedback that may result in further actions to provide assurance.

To provide additional assurance, we require new programmes to provide additional information to us and, where we have identified concerns, we place education providers and programmes under enhanced scrutiny.

Towards the end of 2023–2024, thematic concerns emerged from our monitoring activity and in March 2024 we wrote to all AEIs to seek assurances on the use of simulated practice learning in nursing programmes and the inclusion of reflection as part of all pre-registration programmes, particularly when being included as practice learning hours. We will be analysing the responses and we will take appropriate regulatory action where required.

When a concern is raised about a programme, we assess and categorise the concern so that we can make the appropriate regulatory intervention. During 2023–2024 we received a total of 254 new concerns, with 162 being categorised as minor, 85 as major and six as critical. With all critical concerns we have been working closely with the AEIs to ensure robust action plans and mitigations are in place and outcomes are monitored. There has been an increase in the total number of concerns over the last three years, with an additional 147 concerns in 2023–2024 compared to 2021–2022. The number of concerns being categorised as critical this year have also doubled since 2022–2023 (six in 2023–2024 and three in 2022–2023). We recognise the need to strengthen our QA function, and the review of the function and additional investment will help us make sure we are proactively identifying issues and making interventions as quickly as we can.

Improving safety in maternity for women, children and babies

Following significant engagement with Canterbury Christ Church University over serious concerns we had with the delivery of its midwifery programme, we informed the university in May 2023 of our final decision to withdraw approval. We took this decision due to the lack of assurance that students would be able to provide safe and effective care to women, babies and families at the point of registration.

Following withdrawal of the programme we worked closely with the university and NHS England to support the transfer of students to the University of Surrey so that they could complete their studies and provide care. To help support the regional workforce we have also approved the University of Greenwich to run its approved midwifery programme from its Medway Campus.

We have not had similar levels of concerns with Canterbury Christ Church University's nursing provision. However, we are aware that the university has been wrongly counting high levels of reflective time as practice learning.

The university has put in place mitigation plans which we approved for its students to make up their missing hours prior to registration. For those already on the register, work is being completed to review the deficit in hours each registrant had, and a review of the supervised work they have undertaken since finishing their programme.

Approving quality programmes

Over the past year we have approved five new education institutions to run a nursing or midwifery programme, increasing the number to 98 (2022-2023: 93) and covering more than 1,900 undergraduate degree programmes and post-registration programmes serving more than 120,000 students. This means more opportunities for students to enter the workforce and extending the provision of care to people across the UK.

Additionally, 2023-2024 is the second and final year for AEIs to seek approval of post-registration specialist community public health nursing (SCPHN) and community nursing specialist practice programmes that align to the new 2022 standards. The majority of AEIs who currently deliver these post-registration programmes are seeking approval in this second transition year. All AEIs post-registration programmes must be approved and delivered in line with the 2022 standards by 1 September 2024.

Responding fairly to fitness to practise concerns

Key activity in 2023–2024: We know that we are taking too long to progress fitness to practise cases and we are acutely aware of the additional stress and impact this has on all those involved. During the year, we made improvements to our fitness to practise processes and agreed an 18-month improvement plan that will be the biggest additional investment in fitness to practise for over a decade. This will improve how we work so that we can make timely, considerate and quality decisions to keep people safe in a way that is sustainable for the future.

One way we regulate professionals and maintain public safety is to investigate concerns about nurses, midwives and nursing associates – something that affects a very small number of the professionals on our register every year. When we receive a concern, we work to assess its nature, the context in which it occurred and whether the knowledge, education or behaviour of the professional falls below the standards we expect to deliver safe, effective and kind care to the public. We also engage with the nurse, midwife or nursing associate to understand what steps they have taken to strengthen their practice and prevent similar incidents from happening again.

In the small number of cases where we determine those standards have not been met, we will take action. In the most serious of cases, we will remove people from the register.

Improving our fitness to practise processes

We want our fitness to practise processes to be timely, considerate and straightforward for everyone involved. We know that we are taking too long to progress cases and we are acutely aware of the additional stress and impact this has on all those involved: referrers, professionals and NMC colleagues. To improve our processes and to help achieve a sustainable caseload, we developed a new Fitness to Practise Plan during 2023–2024. Launched in April 2024, this 18-month plan will be the biggest additional investment in fitness to practise for over a decade. Through it we will significantly increase resource levels and improve our processes through 30 targeted improvements, including the phased introduction of a new case management platform. This will improve how we work so that we can make timely, considerate and quality decisions to keep people safe in a way that is sustainable for the future.

As well as developing our 18-month plan, during 2023–2024, we also recruited an additional 41.8 full-time equivalent roles, strengthened the leadership in the directorate and made improvements to the ways we work – for instance, setting up case clinics to provide additional support to our teams and improving the online form which people use to make referrals to us. While these actions increased our decision-making capacity, we did not meet the targets we set at the start of the year, in part due to an increase in referrals.

While we have not managed to meet our targets this year, our new improvement plan will enable us to deliver sustainable long-term improvements to our processes. This will be monitored through a holistic measurement framework

that includes milestones, outputs, key performance indicators, people data and benefits monitoring. You can find more detail on our performance in 2023–2024 and our plans for 2024–2025 in our [Annual Fitness to Practise Report 2023–2024](#).

KPI Target: Reduce our caseload to 4,000 cases by April 2024

Result:
5,994 cases

KPI Target: Impose 80 percent interim orders within 28 days of opening the case.

Result:
67 percent

How we have supported people involved in fitness to practise

Our referrals helpline is a valuable tool for those who are thinking about raising a concern with us. In 2023–2024 we received 5,925 calls via the referral helpline. Through the helpline we explain who we are, whether we are the right organisation to deal with the concerns, how we can help people and what support we can offer them. Talking people through the steps of making the referral helps us to better understand what the concern is about and to investigate it appropriately. We launched the helpline in December 2022.

We also operate an employer advice line to support employers with concerns about performance and, where appropriate, provide advice about local management of those concerns to avoid unnecessary referrals. This year we received 1,162 requests for advice about individuals' fitness to practise. This continues to reflect the upward trend of calls received since the service was established in 2016.

Of the 1,162 requests for advice, 55 percent of the calls resulted in employers being advised they did not need to make a referral about a professional on our register at the time of the call.

Thirlwall Inquiry

Lucy Letby's crimes had a devastating impact on the parents of the babies she murdered and injured, and our thoughts and sympathies remain with them. Following the conclusion of the criminal trial in August 2023, we followed our fitness to practise process and in December 2023, Ms Letby was struck off our register. As we have a significant interest in the Thirlwall Inquiry and professional regulation has been explicitly referenced in the terms of reference, we have been designated as a core participant. We have provided written evidence on our role and the regulatory actions we have taken and will continue to assist the inquiry in whatever way we can. We will continue to learn lessons to ensure that public trust and confidence in us and the regulatory system are maintained.

Improving processes to make sure they are fair and effective for everyone

Key activity in 2023–2024: In response to concerns about our regulatory processes and our workplace culture, we commissioned independent, robust, transparent investigations into the concerns, and are committed to acting on the findings. We have also improved our own processes and supported our partners to do so too.

All nursing and midwifery professionals and students should be able to work and learn free from bias and discrimination. We know that this is not currently the case. As well as the impact this has on professionals, the fair treatment of professionals is linked to better care for members of the public and people who use services. We need to hold ourselves and partners accountable for our part in these disparities; ensuring that we are an inclusive organisation with regulatory processes that are fair for everyone.

During 2023–2024, whistleblowing concerns and findings from internal surveys emphasised the need for us to reflect on our workplace culture, our regulatory processes and how we foster a diverse, inclusive and discrimination-free workplace. We know creating and sustaining the right culture is a key enabler to us regulating and supporting professionals well. We know that we have got things wrong and we are committed to a rigorous, transparent and independent investigation of the concerns and to acting on the key findings.

We appointed Ijeoma Omambala KC in November 2023 to carry out investigations into the specific cases raised as part of the concerns about our regulatory casework and our handling of the whistleblowing concerns. The findings from the investigations are due to be published in summer 2024.

Separately, we appointed Nazir Afzal OBE and Rise Associates to carry out an independent review of our culture. The appointment of Nazir Afzal OBE and Rise Associates followed extensive involvement of our internal People and Culture Advisory Group, which has been established to provide challenge and advice to our Executive Board and Council. The People and Culture Advisory Group brings together colleagues from our staff networks, union and employee forum among others. The findings from the review are due to be published on 9 July 2024.

We are acutely aware of the need to do better for our colleagues, the professionals on our register and the public we serve. We recognise the serious impact this has had, and continues to have, on our colleagues and the people we work with. We are committed to learning from the findings and have begun work to develop robust action plans that will lead to sustained change. We will publicly report against these plans, including in next year's annual report.

Alongside this work we took a number of actions during 2023–2024.

To support our colleagues:

- We developed a new equality, diversity and inclusion (EDI) dashboard so that data and trends on key areas, such as pay gaps, are more accessible to colleagues. This helps ensure all colleagues can engage with and feel empowered to contribute to conversations about how we improve EDI across the NMC.
- We developed an NMC Empowered to Speak Up initiative, which launched in June 2024 to help develop a transparent, inclusive and open culture that empowers colleagues to share perspectives and raise concerns in the knowledge they will be listened to and acted on.
- We recognise the important work of our employee networks and invested in the development of a new operational framework that clarifies roles and responsibilities, leading to more effective collaboration and better outcomes for colleagues. In May 2024, in recognition of our work to build strong networks, we were awarded the Radius Certified Mark: “We invest in our employee networks”.

To strengthen our regulatory processes and support our partners:

- We progressed actions identified by our Ambitious for Change research, which considered why professionals with specific protected characteristics experience different outcomes from our regulatory processes. These actions included refreshing the EDI data we capture on employer referrals so that our teams can have targeted discussions with employers to help ensure there

is no bias or unfairness in their decision-making. The final phase of the research is an independent review of our decision-making in fitness to practise to better understand why certain groups may face different outcomes, with findings due in 2024–2025.

- We continued to collect, monitor and report on the diversity data of the professionals on our register and those using our regulatory services. This means we can take an evidence-based approach to tackling discrimination and inequality and to embedding the framework for improved decision-making.
- We worked with Approved Education Institutions (AEIs) to embed EDI into their curriculum practices, as we know that students with specific protected characteristics face disparities in their education outcomes.
- We updated our policy on reasonable adjustment for people using our services, such as professionals going through our fitness to practise process. This work supports people by removing barriers in our processes, enhancing accessibility and improving the customer experience.

We know there is much more we need to do to create a culture that is free from discrimination, advances equality, celebrates diversity, promotes inclusion and psychological safety and prioritises openness and learning in the interest of colleagues, professionals and the public. We will revisit our priorities in these areas in light of the findings of the review of our culture and Ijeoma Omambala KC’s investigations.

Supporting colleagues to thrive

Key activity in 2023–2024: We reformed our reward structures, built management capability and introduced a more consistent, ambitious approach to appraisals, as well as refreshed key policies and processes.

2023–2024 was the first year of our new People Plan and we have made significant progress. To support colleagues to perform at their best, we launched our new Ambitious Appraisals process with greater focus on accountability and consistency.

We also launched Management Essentials Training, which helps managers to develop the skills they need to be a manager at the NMC and ensures a consistent approach across the organisation. 250 managers took part in 2023–2024, with the majority of attendees reporting that it was invaluable to learn with a peer group. We also reformed our reward structures (further detail in our remuneration report) and refreshed key policies and processes to improve the experience of colleagues in the workplace.

Since October 2020 we have run a mentoring programme called Rising Together, which aims to address the

lack of progression for colleagues, particularly Black and minority ethnic colleagues, into more senior roles. This year, to strengthen this approach we developed the Rising Higher programme to provide additional support, workshops and coaching for colleagues that have completed Rising Together. We know that these programmes alone will not remove the barriers colleagues face, but they play an important role in supporting colleagues to dismantle some of the challenges in a collaborative way. This links to work in our wider Equality, Diversity and Inclusion Plan, and our People Plan, including the development of inclusive recruitment training and engagement work to target people from underrepresented backgrounds at job fairs and via social media.

The concerns raised about our culture (see page 23) have prompted an important and much needed period of reflection. In light of the recommendations from the independent investigations, we will be revisiting our priorities on People and Equality, Diversity and Inclusion. This is to ensure we are taking actions in the areas most needed to develop a culture that supports all colleagues to perform at their best.

“My experience with the programme has been truly enriching. Through networking opportunities and immersion in different processes, I have been able to broaden my knowledge and skill set significantly.”



Rising Together mentee

Environmental sustainability

Key activity in 2023–2024: We published our first environmental sustainability plan, which outlines our ambition to reduce our environmental impact, promote sustainable practice among nurses, midwives and nursing associates and build our resilience to climate risks.

We recognise the serious impact of the climate crisis and its effects on people’s health. We are committed to acting sustainably and supporting those working in the health and care sector to do so, particularly in reducing carbon emissions. We know this issue is important to nurses, midwives and nursing associates, and we want to encourage and support sustainable change across the sector, for the benefit of both the professionals on our register and the people they care for, for generations to come.

Earlier in 2024, we published our first [environmental sustainability plan](#). This outlines our ambition to (1) reduce our environmental impact, (2) promote sustainable practice among nurses, midwives and nursing associates and (3) build our resilience to climate risks.

While this plan sets an initial direction for this journey, it will require review and development as we adapt to changing circumstances. Key carbon targets in the plan include being carbon neutral across all emissions by 2030, being net zero for scope 1 and 2 emissions (definition in the table below) on all sites by 2035 and being net zero for all emissions by 2040. Our actual carbon impact, which is fairly standard for an organisation of our type and size, is set out in the following table. This reflects the first of our annual updates in impact since publishing our plan.

Tonnes of Carbon Dioxide equivalent (tCO ₂ e)	2022–2023	2023–2024
Scope 1 (direct emissions, for example, gas heating)	155	135
Scope 2 (purchased electricity emissions)	45	33
Scope 3 (indirect emissions by suppliers)	2,005	1,915
Total	2,205	2,083

Note: 2022–2023 emissions differ slightly to those in our environmental sustainability plan since they have been adjusted to reflect some subsequent methodological improvements in our measurements, including some changes made by the Government to standard emissions factors. This means that data above is calculated on a consistent basis.

We are targeting specific measures to improve this as part of our core business. Our electricity contract at 23 Portland Place has moved to a net zero carbon tariff from April 2024. In technology, our transfer of data to a net zero cloud provider will reduce

our operational emissions significantly and is already underway, as is scrutiny of our wider supply chain. We also monitor and measure the carbon impact of our investment portfolio and exclude investment in companies that produce fossil fuels.

Delivering our corporate plan in 2023–2024

Our corporate plan sets out our priorities for the year. It helps us to fulfil our regulatory functions and realise our vision of safe, kind and effective nursing and midwifery practice that improves everyone's health and wellbeing.

During 2023–2024, we made some important progress on our 2023–2025 two-year plan. We comprehensively engaged with stakeholders to explore whether to further regulate advanced practice, leading to the decision to develop a combination of approaches to additional regulation (see page 15). We also published our first ever annual insight report, [Spotlight on Nursing and Midwifery](#) to share insights around the quality and safety of care, and to help influence positive changes within the sector for the benefit of the professionals on our register and the public receiving care.

But there were also areas where we did not make the progress we wanted. We are hugely disappointed that we did not meet our target for improving the time it takes to manage concerns about nursing and midwifery professionals (you can find more detail on this on page 21). Concerns were also raised about our culture and effectiveness as a regulator (see further detail on page 23).

When the context changes, so must the plan. We carefully considered how best to respond to these challenges and decided that we should pause some work in our corporate plan so that we can refocus our efforts and deliver the best for people over the next two years (please read more on page 39).

Improvement and innovation

Corporate commitment

Reduce our fitness to practise caseload and make improvements to how we regulate to ensure that we process cases in a timely, safe, proportionate and efficient way.

Impact

This work will further reduce our fitness to practise caseload by improving our productivity, making sure that processing is timely and proportionate, while maintaining safety, and that we spend money effectively.

- People's fitness to practise cases will conclude safely and more swiftly.
- If we can't help people with their concerns, we will direct them at the earliest opportunity to other organisations who are better placed to help.
- We will support people more during the fitness to practise process. For example, through intermediary support to help them engage, or through clearer guidance on our website.

Status at 31 March 2024

Off track: You can read more about the action we are taking in response on page 21.

Corporate commitment

Tackle discrimination and inequality and promote diversity and inclusion to make sure that our processes are fair for everyone.

Impact

Through this work:

- We will be able to respond more effectively and provide reassurance to people by building the confidence, awareness and knowledge of all colleagues on EDI issues.
- We will help tackle the discrimination and inequality faced by professionals, which will in turn help address the inequalities in people's experiences of health and social care.
- We will engage with seldom-heard groups to help us understand, and work to address the barriers people experience that may prevent them from receiving good care.

Status at 31 March 2024

Some delays and uncertainties: You can read more about this work and the action we are taking on page 24.

This work will be revisited in light of the recommendations from the independent investigations, reflecting the serious findings in the reports.

Corporate commitment

Close the Covid-19 emergency register.

Impact

In March 2020, we created a temporary register made up of professionals we considered to be fit, proper and suitably experienced to work in support of the Covid-19 emergency. With the end of the Covid-19 pandemic, the temporary register was closed on 31 March 2024.

Status at 31 March 2024

Completed: You can find out more information on this work on page 12.

Corporate commitment

Work with the Department of Health and Social Care to deliver a substantial programme of regulatory reform to remove legal barriers that limit improvements in the way we regulate.

Impact

As society and nursing and midwifery practice have changed, our legislation, written in 2001, has failed to keep pace. It is overly prescriptive and is difficult to change. It is vital that our legal framework is updated soon so we have the right tools to regulate well, and so we can better support the professionals on our register to deliver the best possible care for people and communities. Reformed legislation will help us deliver better, safer regulation:

- Our register will be clearer and easier for the public to understand and people can be confident that everyone using the title 'nurse' is on our register.
- We will act more rapidly to protect the public if someone cannot meet the required standards of proficiency or conduct, while encouraging learning from genuine mistakes.
- We will strengthen our approach to quality assurance of nursing and midwifery education, so we will be able to intervene more effectively to make sure the high standards the public deserve are maintained.

Status at 31 March 2024

On track

Corporate commitment

Continue to ensure the objective structured clinical examination (OSCE) capacity meets demand and to explore ways of improving access.

Impact

In certain circumstances professionals can demonstrate they meet our standards by taking the OSCE. Providing the right level of OSCE capacity supports professionals to progress through our registration application process and gain UK registration, helping to boost nursing and midwifery care provision in the UK.

Status at 31 March 2024

Completed: Completed and ongoing monitoring is part of our business as usual.

Corporate commitment

Deliver policy and legislative change to enable new approaches to international registrations, including a further review of English language guidance to ensure that it is fair.

Impact

This work will ensure that suitably qualified internationally trained professionals have a clear and smooth path to our register, enabling the public to have increased access to safe, kind and effective care.

Status at 31 March 2024

On track

Proactive support for professionals

Corporate commitment

Review regulation of advanced nursing and midwifery practice.

Impact

We know that advanced practice roles are beneficial for the public. Through this work we reviewed whether specific regulation for these roles is needed to ensure safe, kind and effective care.

Status at 31 March 2024

On track: You can find out more information on this work on page 15.

Corporate commitment

Provide greater flexibility in nursing and midwifery pre-registration education and training by launching new standards for pre-registration education in the UK.

Impact

Our revised standards will give educators greater flexibility to organise and deliver their programmes, which will deliver the following benefits:

- It will widen participation in nursing and midwifery programmes through flexibility in admissions criteria, creating new, more inclusive opportunities for people to join the professions.
- Students will be able to develop their confidence and competence in various practice situations through increased simulated practice learning, which in turn will benefit the people they care for.
- Student midwives will need to gain experience of leadership and team working with different maternity providers, to enable them to experience different approaches to delivering holistic and person-centred midwifery care.

Status at 31 March 2024

On track

Corporate commitment

Implement a new data-driven and proportionate approach to education quality assurance which enables us to have a more holistic oversight of institutions and their programmes to make appropriate interventions.

Impact

Through this work we will enhance the ways we capture, record and analyse data on our approved education institutions and their programmes. This will enable us to make more targeted interventions where we identify potential concerns and strengthen our focus on equality, diversity and inclusion. We will be able to do more to ensure students are taught to our standards, which support them to provide safe, effective and kind care. We will use data and a greater insight into equality, diversity and inclusion concerns to make sure programmes are inclusive for all students.

Status at 31 March 2024

Off track: You can read more about the action we are taking in response on page 18.

More visible and better informed

Corporate commitment

Build trust in professional regulation through targeted campaigns to build an awareness of who we are, what we do and what we stand for.

Impact

We will deliver targeted campaigns to build engagement and trust with the public, nursing and midwifery students and professionals so that they will have a broader understanding of our role and how we regulate, support and influence.

Status at 31 March 2024

Some delays due to a pause: Some delays as audience insight work has been postponed due to pause in strategy development and due to stakeholder pressures. Decisions to delay were taken to ensure we achieved the best outcomes from our key messages.

Corporate commitment

Expand our national and local outreach to embed regulation, support and influence at local level.

Impact

Through this work:

- We will expand our support into a wider breadth of services and settings, supporting professionals to provide the best and safest care wherever they practise.
- We will help improve settings where people access care by creating a joined-up system, in which we share our learning and intelligence with other regulators, employers and wider stakeholders.
- We will support the professionals on our register by valuing their contributions, upholding standards for the professions and using our advice to avoid referrals we cannot act on.

Status at 31 March 2024

Some delays: Some delays as recruitment for expanding advisory capacity has been paused to address other priority activity.

Empowering and engaging

Corporate commitment

Create a modern and accessible website that effectively portrays our values, delivers our core services, and enhances our communications and engagement.

Impact

We want to create a modern and accessible website that effectively portrays our values, delivers our core services, and enhances our communications and engagement. We want to make it easier for people who use our website to find information about our services and understand how they work.

Status at 31 March 2024

Paused: This work has been paused so that we can focus our efforts on our newly agreed key priorities.

Greater insight and influence

Corporate commitment

Improve our insight and use it to enhance our regulatory impact and influence in the sector.

Impact

Through this work:

- We will share our insights to highlight issues that we know affect the quality and safety of care that people receive, such as workforce shortages and poor organisational cultures.
- We will improve our data about different audiences so that we understand the impact we have on people with different diversity characteristics, and address any disproportionality.
- We will work with our partners in health and social care to share data and insights to better understand and tackle issues of poor care, such as those in maternity.

Status at 31 March 2024

On track

Fit for the future

Corporate commitment

Deliver our People Plan that supports our colleagues to be engaged, retained and supported to deliver our strategy.

Impact

Based on NMC colleagues' feedback, we will implement key initiatives to address the issues that matter to them such as our rewards package, developing leaders and internal progression.

Status at 31 March 2024

While good progress was made in delivering actions against a refreshed plan (see page 25), we recognise this work will need to be reviewed and updated to reflect the serious findings of the independent investigations to ensure we deliver sustained improvements.

Corporate commitment

Improve the way we are structured so that we can deliver our strategy.

Impact

Through this work we will make targeted structural changes so we can deliver our functions more efficiently and effectively in the medium term, which in turn will support frontline professionals to deliver better care to the public.

Status at 31 March 2024

Paused: This work has been paused so that we can focus our efforts on our newly agreed key priorities.

Corporate commitment

Update the digital systems that support how we regulate to improve the experience for our customers and colleagues.

Impact

We want to make it easier for people to connect with us and for NMC colleagues to do their jobs, supporting nursing and midwifery professions to deliver safe, person-centred care. Modernising our digital systems improves our processes and the way people interact with us, which allows us to progress fitness to practise cases safely and swiftly which has a positive impact for the public and professionals on our register.

Status at 31 March 2024

On track

Corporate commitment

Deliver contemporary IT through our technology improvement programme and core business to improve our efficiency.

Impact

By ensuring our technology is fit for purpose we enable colleagues to do their jobs effectively, including responding promptly to enquiries from professionals, the public and other stakeholders. By investing in contemporary technology, we reduce our cyber security risk, which allows us to better protect data we hold on the public and the professionals on our register and make the best use of our resources (financial and people).

Status at 31 March 2024

Some delays: Some delays as elements of this work have been rephased.

Corporate commitment

Create modern workspaces that support wellbeing and collaboration.

Impact

We want to create an inclusive, accessible and safe environment for all colleagues, so that they can be 'best' in what they do. This enables us to attract and retain the best workforce and to provide an environment that accommodates colleagues from diverse backgrounds, which is a key part of our values and the sort of organisational culture we want to build.

Status at 31 March 2024

Some delays: The full refurbishment of 23 Portland Place has been paused so that we can focus our efforts on our newly agreed key priorities. We are progressing work to create more collaboration space and to make our reception area more welcoming for the public, professionals and stakeholders who visit us.

Corporate commitment

Implement an NMC sustainability and environmental plan.

Impact

We recognise the serious impact of the climate and ecological crisis. From heatwaves to air pollution, climate change and other environmental issues threaten human health in the UK and worldwide. We are, therefore, committed to acting in an environmentally sustainable way and supporting those working in the health and care sector to do the same, particularly in reducing the greenhouse gas emissions driving climate change.

Status at 31 March 2024

On track: You can read more about this work on page 26.

Corporate commitment

Implement the new Welsh language standards.

Impact

In line with the new requirements established by the Welsh Government, we have put in place mechanisms to support the promotion of Welsh language and culture and to enable our colleagues to understand and meet the needs of Welsh-speaking members of the public.

Status at 31 March 2024

Complete



Strategic Plan for 2024–2026

As our performance review highlights, the last 12 months have been a mixed picture of important regulatory action and significant organisational challenges. We have carefully considered how best to respond to these challenges by refocusing our efforts to build the right capacity to deliver the best for people across the next two years. We have identified five priority outcomes between now and 2026. We are also managing the most significant risks to our work that we are facing. This will help us realise our vision for nursing and midwifery and become a better NMC.

Ultimately, people who use health and social care services will have safer, better experiences if we make critical changes and improvements to key areas of our work, our culture and how we interact with people. We will monitor and review our progress against the plan, remaining agile to the wider landscape and adapting where needed to ensure that we continue to deliver our regulatory duties.

Outcome 1

We will progress fitness to practise decisions in a timely and sustainable way that keeps people safe.

We want our fitness to practise process to be timely, considerate, and straightforward for everyone involved. Referrers and professionals need to have their cases dealt with effectively and in a timely way, employers should understand when to refer their employees, and our people should feel proud to work for the NMC and be able to make a positive difference.

We will significantly change capabilities and systems by instituting a new 18-month plan with the biggest investment in fitness to practise for over a decade. This will improve how we work so that we can make timely, considerate and quality decisions to keep people safe in a way that's sustainable for the future.

Outcome 2

We will build an open, inclusive and high-performance learning culture with fairness and equality at its heart.

We want an open, inclusive culture that is free from discrimination, advances equality, celebrates diversity, promotes inclusion and aligns with our values of kindness, fairness, ambition and collaboration. This is key to enabling everyone to perform at their best and learn and grow in their roles, so that we uphold professional standards for nursing and midwifery care, and improve outcomes for people who use health and social care services.

Outcome 3

We will continue to modernise our systems and processes to be fit for the future.

We will ensure better, safer regulation for the benefit of the public with an improved register that's easier to use and understand. Our regulatory digital systems will be updated, making it easier for people to connect with us and for NMC colleagues to do their jobs, supporting nursing and midwifery professionals to deliver safe, person-centred care. Everyone will have confidence and trust that we're keeping their information safe and secure.

Outcome 4

We will inform and support the implementation of workforce strategies across the four UK nations, helping nursing and midwifery professionals deliver safe, kind and effective care.

Partners and the wider sector will benefit from our insight and be able to use it to inform and implement plans to address workforce challenges and improve care for people. The way we regulate will help nursing and midwifery professionals adapt to future challenges, including the changing needs of people who use services.

Outcome 5

We will strengthen processes and procedures to protect the integrity of our register so the public can continue to have confidence in the quality of care they receive.

The public and the professionals on our register will have trust and confidence in the quality of education, skills and competency of registered nurses, midwives and nursing associates to protect the public and deliver safe, effective and kind care to people and their communities.



Financial review

Income and expenditure

Our total income for 2023–2024 was £107.2 million (2022–2023: £102.9 million) and total expenditure was £108.3 million (2022–2023: £98.1 million). This has resulted in a net deficit of expenditure over income of £1.1 million (2022–2023: £4.8 million surplus) before the gains on our investments and the net movement on the actuarial gain and asset ceiling adjustment on the defined benefit pension scheme. After taking these into account, our total funds were £78.9 million (2022–2023: £76.8 million).

We had planned for a £8.0 million deficit in 2023–2024 before gains or losses on investments. The smaller deficit outturn is largely due to healthier income than anticipated, along with slightly lower expenditure across both our core business and on our corporate activities. Our expenditure on programmes and projects was also lower than anticipated due to timing of delivery, with some costs deferred into future years.

Income from registration and application fees was £103.3 million, ahead of the budget, and a significant 2.9 percent increase on the previous year (2022–2023: £100.4 million). This was driven by the number of nurses, midwives and nursing associates on our permanent register growing by 4.8 percent, to 826,418 at 31 March 2024, and by the increase in applications from international professionals. The continuation of both these increases in future remains uncertain in the context of an increasing age profile for the register and the general volatility in the number of international applications. The continuation of the temporary register until March 2024 did not have an impact on our fee income since the professionals on the temporary register did not pay a fee.

Our ‘other income’ includes £0.07 million (2022–2023: £0.11 million) from the Department of Health and Social Care (DHSC), reimbursing us for the costs of maintaining the temporary register.

Our total expenditure of £108.3 million was £2.8 million (2.5 percent) lower than we had budgeted but £10.2 million higher than the previous year. The year-on-year increase in expenditure was largely due to several significant cost drivers including additional investment in fitness to practise operations (aimed at caseload reduction) and the increase in inflation with its consequential impact on both payroll and non-payroll costs. The underspend against budget in 2023–2024 arose from several factors including slippage in recruitment to fill vacancies, and some deferral in project and programme spend. A smaller than budgeted increase in panellists’ holiday pay provision, due to change in the assessment method, was also a factor.

Note 5 to the accounts sets out our fully allocated costs for each charitable activity as required by the Charities Statement of Recommended Practice (SORP). This separates out the direct costs of each activity alongside the associated support costs that have been allocated using headcount or overhead usage. The commentary that follows is based on the direct cost column before allocation of support costs.

Direct costs of fitness to practise were £53.2 million, a significant increase on £48.0 million in 2022–2023. This has been driven by additional investment in this area required to improve the timeliness in dealing with cases safely and swiftly under a revised Fitness to Practise Plan.

This protects the public by delivering a greater volume of more timely and more proportionate decisions, and minimises the distress for those involved, and remains our key priority. It also creates significant financial demands as we move to improving further the timeliness in dealing with cases. This is the key driver behind our planned further investment in fitness to practise during 2024-2025 and 2025-2026. Recruitment challenges in the past two years have meant that investment in this area has been slower than anticipated and some costs have been deferred to later years. As a result, we have indicatively budgeted for deficits in the next two years as we work to reduce the time taken to complete cases, which requires a significant additional investment. This is made possible by our strong level of free reserves.

The direct costs of maintaining the register were £5.6 million in 2023-2024 (2022-2023: £5.5 million).

Overall support costs (including facilities, finance, people and technology) were £35.6 million (2022-2023: £32.3 million).

Pensions

The NMC has two pension schemes: a defined benefit scheme, which was closed to new entrants in November 2013 and closed to future accrual of benefits with effect from 1 July 2021; and a defined contribution scheme, into which all new employees are auto-enrolled.

NMC contributions to the defined contribution scheme are expensed in the year they are due.

The assets of the defined contribution scheme are attributable to individual employees and are not, therefore, shown in our accounts.

With respect to the defined benefit pension scheme for the purposes of our accounts and in line with FRS 102, its assets are revalued to market value and independent actuaries update their estimate of the value of the liability each year. The liability is estimated as the discounted present value of the pension benefits due to members of the scheme. The estimate of the liability depends on a number of standardised actuarial assumptions including expected mortality rates, inflation and yields on corporate bonds over a number of years into the future.

During the year, the market value of the defined benefit scheme assets reduced by £2.1 million and the liability reduced by £1.4 million, resulting in the scheme showing a net surplus of £14.5 million at the end of the year.

For a number of years up to and including 2020-2021 the net position on the defined benefit scheme shown in our balance sheet was a deficit, being the difference between the value of the scheme assets and the higher value of the pension liability. However, FRS 102 valuations since then (31 March 2022, 2023 and 2024) have shown a surplus with the value of the scheme assets being higher than the estimated liability. Legal advice has confirmed that recovery of the surplus by the NMC from the pension scheme is a very remote possibility. It could only happen once all the liabilities of the scheme have been discharged. FRS 102 states that “an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus”.

As a result, an asset ceiling adjustment has been applied to bring the net position to neither a surplus nor a deficit on the balance sheet.

This treatment of the surplus is only for the purposes of our accounts. The pension trustees, who are independent of the NMC, retain control over the scheme's assets and any surplus, however calculated, that relates to them.

During 2022-2023 a triennial review of the defined benefit scheme was also completed by the pension scheme trustees, based on its position at 31 March 2022. This was carried out by the actuary reporting to the trustees and was for the purpose of defining whether the NMC still needs to contribute recovery payments to the scheme to ensure that it has sufficient funds to meet expected liabilities. As required, this was done according to actuarial and The Pensions Regulator standards rather than in line with the FRS 102 requirements used for the accounts.

The result of this valuation also showed a surplus – even under very cautious assumptions designed to ensure the scheme has 'low dependency' on the employer.

As a result of this triennial review also showing a surplus, the independent pension trustees have agreed with us that recovery plan payments are no longer required. Under the previous recovery plan agreed with the pension scheme trustees, we paid £1.9 million in 2022-2023. This position will be reviewed at the next triennial review as at 31 March 2025.

Investments

Nurses, midwives and nursing associates pay their registration fee either annually or quarterly in advance. Together with our free reserves, this means that we hold significant cash balances.

In line with Council's investment policy, we have some £38.6 million invested in stock markets for the long term with a target rate of return of three percent above the Consumer Price Index (CPI) measure of inflation (CPI+3 percent) net of investment management costs.

While we recognise that investing in equities, funds and bonds carries risk, by investing through expert investment managers – whose performance is overseen and scrutinised by our Investment Committee – we expect that such investment will deliver an above-inflation return over the long term and thereby help to avoid or mitigate the need to increase our fees.

In 2023-2024, dividend and interest income from the portfolio, which is reinvested, was £0.9 million (2022-2023: £0.9 million), with an unrealised gain on investments of £3.1 million (2022-2023: £1.9 million loss) at the year end. The statement of financial activities shows investment management costs of £0.17 million (2022-2023: £0.16 million). The total value of the investment fund at the year end is £38.6 million. This is the same as the £38.6 million we have invested in total since inception in July 2020, being £33.0 million of capital invested and £5.6 million dividend and interest income reinvested.

As the unrealised gain indicates, performance this year has improved relative to last year, reflecting better market conditions. Given recent high inflation, we would have needed an annualised growth rate of 8.7 percent since the inception of our portfolio to achieve our long-term target rate of return of CPI+3 percent to March 2024. Our actual annualised growth rate since inception has been 6.03 percent. Nevertheless, with inflation falling, there is still a reasonable prospect of being able to achieve our long-term growth target in coming years.

We regularly review and update our investment policy, including its ethical and sustainability dimensions. Our current investment policy is available on our [website](#).

The interest earned on our bank deposits during the year was £2.9 million (2022-2023: £1.2 million). The increase compared to the previous year is because interest rates have been significantly higher in 2023-2024 than they were in 2022-2023. We have also been active in ensuring our cash is placed in high-yielding accounts at low-risk institutions.

Reserves

Our reserves policy, found in our [Financial Strategy](#), is to maintain free reserves within a target range. Free reserves are funds that are freely available to spend, so do not include restricted funds, tangible fixed assets, intangible fixed assets and amounts designated for essential future spending. We also set a minimum level for the aggregate forecast cash and investments balance over the coming financial year. The Council reviews the target range of free reserves and the minimum cash and investments balance at least annually.

The target minimum level of free reserves is set to ensure our sustainability, taking account of the security of our income stream, our cash and investment balances, and an assessment of the potential financial impact of risks faced by the NMC. The target maximum level of free reserves is set to ensure our resources are applied effectively, balancing the interests of the professionals on our register who finance us through the fees that they pay, and the public who benefit from our work.

In March 2024 the Council reviewed the latest position regarding the reserves policy and agreed that the target range of free reserves should remain zero to £25 million, and the minimum aggregate cash and investments balance should remain £20 million.

Our total reserves at 31 March 2024 were £78.9 million (2023: £76.8 million) and free reserves were £42.0 million (2023: £44.5 million). Although free reserves are significantly above the upper end of the target range, this reflects the need to provide for investment planned over the next two years. This planned investment in technology infrastructure and fitness to practise will directly improve our service to the public and to the professionals on our register. It will also produce significant annual cash savings through significant process efficiencies as we enhance our case management.

The strong level of reserves also supports the position of ongoing concern that is set out at note 1a to the accounts.

Sir David Warren
Chair
3 July 2024

Andrea Sutcliffe
Chief Executive
and Registrar
3 July 2024



Remuneration report

The Remuneration Committee's remit is to ensure there are appropriate systems in place for remuneration and succession planning at the NMC, as well as oversight of the People Plan and the Equality, Diversity and Inclusion Plan.

To fulfil this remit, the Committee considers the annual pay review for employees, as well as progress against the People Plan and the Equality, Diversity and Inclusion Plan, and any significant changes to the employee pay and grading structure or pension schemes.

The Committee approves reward packages for the Chief Executive and Registrar and Executive Directors on appointment and annual pay increases. The Committee reviews their performance annually, as well as having oversight of Executive succession planning.

The Committee also exercises oversight of Council and Partner member appointment processes and recommends to Council any changes to allowances paid to the Chair, Council members, Associates and Partner members (members of committees who are not Council members).

In reaching decisions on remuneration, the Committee considers a range of factors, including sector benchmarking, overall affordability and the need to

ensure our approach to pay attracts and retains colleagues fairly and effectively. These decisions have been taken using benchmarking data and insight from reward consultants.

Other areas of priority focus for the Committee in the year included considering progress against the People Plan and the Equality, Diversity and Inclusion Plan, particularly given the concerns raised about our culture. We are committed to acting on the findings of the investigations and will continue to review and amend our People Plan and Equality, Diversity and Inclusion Plan to ensure they support us to make sustainable changes.

In recognition of the role the Committee plays in overseeing the People Plan and the Equality, Diversity and Inclusion Plan, from 1 April 2024, the Committee was renamed People and Culture Committee and its terms of reference were revised to strengthen and clarify its role in this area.

The National Audit Office (NAO) audits the financial aspects of this report.

Council allowances and expenses

The Council is the governing body of the NMC and has ultimate decision-making authority as described in the annual governance statement. The Council members are the charity trustees.

Under the Nursing and Midwifery Order 2001, the Council is responsible for determining the allowances to be paid to the Chair of Council, Council members, Associates and Partner members.

To manage conflicts of interest, the Council has put in place arrangements for an Independent Panel made up of external experts to assess the appropriate level of allowances. The Council has agreed that it will either accept or reduce the level of allowance recommended by the Panel but will not increase it. The Remuneration Committee is responsible for overseeing the establishment of the Independent Panel and reviewing its findings for consideration by Council. The most recent review was considered by Council in July 2022.

In line with the findings of that review, Council agreed a three percent uplift to the Council member annual allowance (from £14,724 to £15,166), Partner member daily rate (from £286 to £295) and Associate annual allowance (from £10,296 to £10,605). This was the first increase since 2017. The Chair's allowance remained at £78,000. In recognition of the additional responsibility and time commitment for Committee Chairs, it was agreed that these roles could receive additional allowances. These allowances are determined by the Chair, in line with a process agreed by the Remuneration Committee. For 2023-2024, the Chair of the Audit Committee and the Chair of the Remuneration Committee each received an additional annual allowance of £2,000 and the Chair of the Investment Committee and the Accommodation Committee received a combined annual additional allowance of £500. Allowances paid to Council members and Associates in 2023-2024 amounted to £263,837 (2022-2023: £261,237). No extra-contractual payments were made to any Council, Associate or Partner member in 2023-2024.

Allowance payments to Council members, Associates and Partner members are made through payroll, with deductions for income tax and National Insurance.

Expenses directly incurred in the performance of duties are reimbursed in accordance with the Council's Travel, Accommodation and Expenses policy. Expenses are made up of travel, accommodation, meals and subsistence, and are incurred when members are carrying out their duties. The expenses received by members vary widely due to the costs of travel and accommodation for attending meetings from home locations across the UK, including travel from Wales, Scotland, Northern Ireland and parts of England which necessitate overnight stays. They also vary because some members undertake more activities that require travel, whereas others undertake more activities that can be undertaken virtually. Where any meetings are held in London, expenses are considered to be a taxable benefit in kind. The NMC pays the income tax and National Insurance arising through a PAYE settlement agreement with HMRC. All expenses incurred by Council members and Associates are included in table 1.

When Council meetings are in London, members attend evening meals with members of the Executive and those meals are considered to be a taxable benefit in kind. The NMC pays the income tax arising through a PAYE settlement agreement with HMRC. The value of the benefit is shown gross, including the attributable income tax.

Method used to assess performance

The Council regularly reviews its own effectiveness. It also has an agreed policy and process in place for reviewing performance of Council, Associates and Partner members. The performance review of the Chair of the Council is undertaken by the Vice-Chairs and includes a self-assessment by the Chair, peer assessment by Council colleagues and input from the Executive. A similar process is in place for individual Council and Associate members led by the Chair, and by the Committee Chair for Partner members.

Diversity of our Council members, Associates and Partner members

Age

4

41-50

9

51-60

7

61 and over

(2022-2023: 41-50: 2, 51-60: 10, 61 and over: 8)

Diversity data, on 31 March 2024, for our Council members, Associates and Partner members is shown below. In total there were 12 Council members, two Associates and six Partner members (31 March 2023: 12 Council member, two Associates, six Partner members).

Disability

18

No disability

1

Declared disability

1

Prefer not to say

(2022-2023: No disability: 18, Declared disability: 1, Prefer not to say: 1)

Sexual orientation

17

Heterosexual or straight

2

Gay or lesbian

1

Prefer not to say

(2022-2023: Heterosexual: 19, Prefer not to say: 1)

Ethnicity

14

White British

2

Indian

1

Bangladeshi

1

Black African

1

Black Caribbean

1

White Irish

(2022-2023: White British: 15, Black African: 1, Black Caribbean: 1, Indian: 1, White British/Irish – 1, White Irish: 1)

Religion or belief

12

Christian

5

None

1

Muslim

1

Prefer not to say

1

Sikh

(2022-2023: Christian: 11, None: 7, Prefer not to say: 1, Sikh: 1)

Gender

14

Female

6

Male

(2022-2023: Female 14, Male 6)

We changed our diversity monitoring categories from 1 April 2024 and these will be reported on in next year's report.

Table 1
Council allowances and expenses
(subject to audit by the NAO)

	2023-2024				2022-2023			
	Allowance (bands of £5,000) £'000	Taxable expenses (to nearest £100)	Total remuneration (bands of £5,000) £'000	Other expenses (to nearest £100)	Allowance (bands of £5,000) £'000	Taxable expenses (to nearest £100)	Total remuneration (bands of £5,000) £'000	Other expenses (to nearest £100)
Sir David Warren (Chair)	75-80	2,100	80-85	1,300	75-80	1,000	75-80	1,700
Sir Hugh Bayley (to 30 April 2023)	0-5 FYE 15-20	0	0-5	200	15-20	1,800	15-20	600
Professor Karen Cox (to 30 April 2023)	0-5 FYE 15-20	0	0-5	100	15-20	4,000	15-20	300
Lindsay Foyster (from 1 May 2023)	10-15 FYE 15-20	6,800	20-25	400	0	0	0	0
Claire Johnston	15-20	2,500	15-20	700	15-20	2,700	15-20	300
Eileen McEaney MBE	15-20	5,100	20-25	600	15-20	7,800	20-25	0
Dr Margaret McGuire OBE (from 1 May 2022)	15-20	4,500	15-20	1,400	10-15 FYE 15-20	7,400	20-25	400
Flo Panel-Coates (from 1 November 2023)	5-10 FYE 15-20	800	5-10	0	0	0	0	0
Nadine Pemberton Jn Baptiste (from 1 May 2023)	10-15 FYE 15-20	6,100	15-20	0	0	0	0	0
Marta Phillips OBE (to 30 April 2023)	0-5 FYE 15-20	0	0-5	100	15-20	1,300	15-20	300
Derek Pretty	15-20	3,700	20-25	700	15-20	5,300	20-25	800
Anna Walker CB	15-20	700	15-20	400	15-20	700	15-20	300
Ruth Walker MBE	15-20	4,600	20-25	500	15-20	9,500	20-25	700
Sue Whelan Tracy	15-20	4,700	15-20	300	15-20	3,200	15-20	0
Dr Lynne Wigans OBE	15-20	3,400	15-20	600	15-20	2,500	15-20	300

Associates

Jabulani Chikore (from 1 March 2023)	10-15	500	10-15	700	0-5 FYE 10-15	0	0-5	0
Tracey MacCormack (until 31 December 2022)	0	0	0	0	5-10 FYE 10-15	400	5-10	300
Dr Gloria Rowland MBE (until 31 December 2022)	0	0	0	0	5-10 FYE 10-15	400	5-10	200
Navjot Kaur Virk (from 1 March 2023)	10-15	2,500	10-15	700	0-5 FYE 10-15	500	0-5	0
Totals	263.8	47,800	311.7	8,500	261.2	48,700	309.9	6,100

Totals subject to rounding.

Senior management team remuneration and performance assessment

The Executive is the senior management team and comprises the Chief Executive and Registrar (Chief Executive) and Executive Directors, including those in acting or interim roles. All Executive Directors report directly to the Chief Executive. No Executive Directors are members of the Council or trustees of the NMC. Remuneration details are disclosed in full for all these individuals in table 2.

The Chief Executive and Registrar is the only employee appointed directly by and accountable to the Council. The Council has delegated authority to the Chief Executive to the extent described in the Scheme of Delegation (Annexe 1 to Standing Orders, paragraphs 6-11) and reflected in the annual governance statement later in this report.

Executive performance assessment

The Remuneration Committee reviews the performance of all members of the Executive annually. The Committee reviews reports from the Chair on the performance of the Chief Executive and Registrar. The Committee also reviews reports from the Chief Executive and Registrar on the performance of the Executive Directors.

Executive remuneration

The remuneration of the Executive is approved by the Remuneration Committee annually in line with the Executive pay framework approved in 2016 and updated in 2020 to reflect the new organisational structure and Executive Director roles within this.

The Executive's remuneration for 2023-2024 was agreed by the Remuneration Committee in February 2023. In line with advice from independent executive pay advisers, the Remuneration Committee concluded that for 2023-2024 the Executive should receive a 4.0 percent pay award.

This was a lower pay award than for other employees, which was an average of 7.6 percent including pay progression.

Andrea Sutcliffe was appointed Chief Executive and Registrar of the NMC on 14 January 2019. Her remuneration package for 2023-2024 included a base salary of £185,120, employer contributions to the NMC defined contribution pension scheme of £14,810, a one-off payment of £2,136 (as a compensatory payment for a reduction in annual leave¹) and benefits in kind of £735, giving rise to a total remuneration figure of £202,801.

The remuneration of the Executive team is set out in table 2. In total the Executive team (including interim Executive Directors and acting Executive Directors) were paid £1.408 million in 2023-2024 (2022-2023 £1.313 million).

As set out earlier in this report, when Council meetings are in London, members of the Executive team attend evening meals with Council and those meals are considered to be a taxable benefit in kind. The NMC pays the income tax arising through a PAYE settlement agreement with HMRC, and the value of the benefit is shown gross including the attributable income tax. The Executive team do not receive any other taxable benefits. In line with the limits and processes outlined in our policy for colleagues' expenses, Executive members can claim travel, accommodation and subsistence when undertaking business trips.

In 2023-2024, the NMC did not operate any performance-related pay or bonus arrangements. None of the Executive therefore received any performance bonuses. In line with our total reward strategy across the organisation, to better reflect our commitments to our registrants and the public, a stronger link between base pay and performance is being implemented for 2024-2025 onwards.

Andrea Sutcliffe's employment contract requires notice of six months to be given by either party to terminate the contract. For Executive Directors the period is three months.

¹ Previously three members of the Executive team were entitled to 33 days of annual leave, compared to the rest of the organisation who were entitled to 30 days. In aligning their annual leave entitlement with the rest of the organisation, as a compensation agreement, the Committee agreed to a one-off transition payment of the individual's day rate for three days.

Table 2

Executive team remuneration (subject to audit by the NAO)

	2023-2024					2022-2023				
	Salary (bands of £5,000) £'000	Taxable expenses (to nearest £100)	Pension benefits (to nearest £'000)	Total remuneration (bands of £5,000) £'000	Other expenses (to nearest £100)	Salary (bands of £5,000) £'000	Taxable expenses (to nearest £100)	Pension benefits (to nearest £'000)	Total remuneration (bands of £5,000) £'000	Other expenses (to nearest £100)
Andrea Sutcliffe Chief Executive and Registrar	185-190	700	15,000	200-205	5,200	175-180	800	14,000	185-190	3,100
Ruth Bailey ¹ Executive Director of People and Organisational Effectiveness (job share) from 7 November 2022	90-95 FYE 155-160	500	(1,000)	90-95	300	35-40 FYE 85-90	200	1,000	35-40	0
Lise-Anne Boissiere ¹ Executive Director of People and Organisational Effectiveness (job share) from 7 November 2022	105-110 FYE 145-150	200	15,000	120-125	200	35-40 FYE 85-90	100	5,000	40-45	300
Emma Broadbent ² Acting Executive Director of People and Organisational Effectiveness from 24 January 2022 to 30 September 2022	0	0	0	0	0	75-80 FYE 150-155	300	11,000	85-90	200
Sam Foster Executive Director of Professional Practice from 27 March 2023	175-180	700	23,000	200-205	20,300	0-5 FYE 175-180	100	0	0-5	0
Helen Herniman Executive Director of Resources and Technology Services	160-165 FYE 155-160	500	21,000	180-185	7,900	155-160 FYE 150-155	800	22,000	175-180	1,000
Lesley Maslen Executive Director of Professional Regulation from 8 August 2022	165-170	700	24,000	190-195	1,700	95-100 FYE 150-155	500	14,000	110-115	600
Matthew McClelland ³ Executive Director of Strategy and Insight	160-165 FYE 155-160	500	22,000	180-185	1,500	140-145	700	35,000	175-180	1,500
Tom Scott Interim Executive Director of Professional Regulation from 8 February 2021 to 6 May 2022	0	0	0	0	0	15-20 FYE 135-140	0	2,000	15-20	500
Jennifer Simnett Interim Executive Director of People and Organisational Effectiveness from 5 September 2022 to 31 December 2022	0	0	0	0	0	45-50 FYE 150-155	300	0	45-50	0

	2023-2024					2022-2023				
	Salary (bands of £5,000) £'000	Taxable expenses (to nearest £100)	Pension benefits (to nearest £'000)	Total remuneration (bands of £5,000) £'000	Other expenses (to nearest £100)	Salary (bands of £5,000) £'000	Taxable expenses (to nearest £100)	Pension benefits (to nearest £'000)	Total remuneration (bands of £5,000) £'000	Other expenses (to nearest £100)
Miles Wallace ⁴ Acting Executive Director of Communications and Engagement from 13 December 2021 to 30 September 2023	60-65 FYE 125-130	500	9,000	70-75	1,200	120-125	700	12,000	135-140	1,900
Geraldine Walters Executive Director of Professional Practice to 2 December 2022	0	0	0	0	0	115-120 FYE 165-170	400	9,000	125-130	2,100
Edward Welsh Executive Director of Communications and Engagement	135-140 FYE 155-160	0	17,000	150-155	700	130-135 FYE 150-155	200	17,000	150-155	0
Totals	1,259	4,451	144,515	1,408	39,000	1,166	5,331	141,103	1,313	11,200

1. Ruth Bailey and Lise-Anne Boissiere have job-shared the role of Executive Director of People and Organisational Effectiveness since joining the NMC on 7 November 2022. Ruth Bailey worked 0.6 FTE for the whole period. Lise-Anne Boissiere worked 0.6 FTE until August 2023 and 0.8 FTE from September 2023. Lise-Anne Boissiere is on secondment from the Department for Levelling Up, Housing and Communities until 6 November 2025.

2. Tom Scott was engaged as interim Executive Director of Professional Regulation to cover Emma Broadbent's absence. On her return, Emma Broadbent continued as Executive Director without portfolio, overseeing a change programme, while Tom Scott continued as interim Executive Director of Professional Regulation. Emma Broadbent assumed the role of Acting Executive Director of People and Organisational Effectiveness until she left the organisation. Jennifer Simnett was then appointed Interim Executive Director of People and Organisational Effectiveness until December 2022.

3. Matthew McClelland is a deferred member of the defined benefit scheme, and details of the value of his pension benefits in 2022-2023, including 50 percent (£15,402) of an agreed transitional payment of £30,804 on the closure of the defined benefit scheme to future accruals, are shown in table 2. The transitional payment was made as a contribution to the defined contribution pension scheme and the Remuneration Committee agreed that 50 percent of the payment could be made in 2021-2022 and 50 percent in 2022-2023. Matthew McClelland's pension benefits shown above represent employer contributions to the defined contribution pension scheme.

4. Miles Wallace was appointed Acting Executive Director of Communications and Engagement from 13 December 2021 to cover Edward Welsh's leave due to ill health. Edward returned to work in December 2022 on a phased return to work. Miles returned to his substantive post in October 2023.

5. Where salary bands are higher than the full year equivalent it is due to backdated pay rises or selling annual leave days.

6. Current directors are members of the defined contribution pension scheme, except Ruth Bailey, who has opted out (the negative pension contribution in 2023-2024 represents a refund of 2022-2023 contributions due to opting out); and Lise-Anne Boissiere, whose pension is a defined benefit civil service pension. The value of current directors' pension benefits, including Lise-Anne Boissiere's, are the employer contributions made into their pension funds. The disclosure for Lise-Anne Boissiere is a departure from the Government Financial Reporting Manual (FReM), which requires the inclusion of accrued pension benefits. The departure from the FReM was agreed by the Accounting Officer based on the current unavailability of the information. The calculation of the accrued pension benefits figures for 2023-2024 is subject to an exceptional delay following the application of the public service pensions remedy², which is also delaying the NMC obtaining the figures for 2022-2023 that were omitted from last year's report. The NMC intends to comply with the disclosure requirements in future.

7. Totals subject to rounding.

² www.gov.uk/government/collections/how-the-public-service-pension-remedy-affects-your-pension

Executive remuneration for 2024–2025

The Remuneration Committee considered Executive remuneration for 2024–2025 in February 2024. The Committee's consideration was informed by external benchmarking evidence and overall affordability. The Committee made the following decisions:

- The Committee approved a 1.5 percent increase for each Executive Director, with effect from 1 April 2024, which was consistent with the standard increase of colleagues in grade 10 and 11 roles. This is lower than the overall increase for employees – between 3.5 and 6.5 percent depending on grade, with lower grades receiving the greatest increase – because Executive Directors did not receive progression increases.
- The Chief Executive and Registrar accepted a lower annual increase of 1.4 percent to ensure their salary remained only £2,000 above the second highest paid Executive Director.
- The Committee agreed to an additional increase for the Executive Director of Professional Regulation before the annual increase was applied as they were paid at the lowest point in their pay scale compared with other Executive Directors.

Off payroll engagements and exit packages

In line with HM Treasury requirements, information must be published on highly paid and/or senior off payroll engagements at the year end, and the number and cost of exit packages agreed and paid during the year and the prior year. None of the Council or the Executive team are engaged off payroll. All off payroll engagements are assessed using the Government's employment status for tax calculator to identify the correct method of engagement.

Table 3**Off payroll engagements****Off payroll engagements as of 31 March 2024, for more than £245 per day and that last for longer than six months**

Number of existing engagements as of 31 March 2024	3
Of which:	
Number that have existed for less than one year at time of reporting	3
Number that have existed for between one and two years at time of reporting	0
Number that have existed for between two and three years at time of reporting	0
Number that have existed for between three and four years at time of reporting	0

For all new off payroll engagements, or those that reached six months in duration, between 1 April 2023 and 31 March 2024, for more than £245 per day and that last for longer than six months

Number of new engagements, or those that reached six months in duration, between 1 April 2023 and 31 March 2024	3
Of which:	
Number assessed as within IR35	0
Number assessed as outside IR35	3
Number engaged directly and are on the payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	1
Number of engagements that saw a change to IR35 status following the consistency review	1

Table 4

Exit packages (subject to audit by the NAO)

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Number of departures where special payments have been made	
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
Less than £10,000	7	5	3	0	10	5	0	0
£10,001 - £25,000	0	2	3	2	3	4	2	1
£25,001 - £50,000	0	1	0	0	0	1	0	0
£50,001 - £100,000	1	1	0	0	1	1	0	0
£100,000 - £150,000	0	0	0	0	0	0	0	0
Greater than £150,000	0	0	0	0	0	0	0	0
Total number of exit packages	8	9	6	2	14	11	2	1
Total cost £	82,680	137,761	60,414	39,641	143,094	177,402	38,894	23,500

As noted in table 4, two special payments were made to colleagues departing the organisation in 2023-2024. Special payments refer to special severance payments paid to employees and others that are above normal statutory or contractual requirements when leaving employment, whether they resign, are dismissed or reach an agreed termination of contract. In accordance with governance arrangements approved by the Council, the Chief Executive and Registrar and the Remuneration Committee (People and Culture Committee from 1 April 2024) are responsible for approving such payments in accordance with criteria agreed by the Council.

The two special payments made in 2023-2024 were approved in line with our non-contractual payments policy, on the basis that in the exceptional circumstances presented, approval was justified and defensible.

Remuneration and performance assessment of other employees

All employees have a six-month probation period on commencing employment and a notice period of one to three months, depending on their grade.

The remuneration of all employees is reviewed annually taking into account a range of information including employee turnover, recruitment activity and retention trends, benchmarking data and overall affordability. Based on this information the Council approved a standard rate increase in pay for all eligible employees of five percent with effect from 1 April 2023. This increase has also been applied to the minimum and maximum values of each of the staff pay grades introduced in October 2019. The Council approved this investment as evidence from benchmarking and reward consultants had confirmed that our pay ranges had fallen behind comparative organisations.

As part of the People Plan and total reward project, we also conducted a review of our total reward offering in consultation with independent external experts. Following their recommendations, we implemented changes from April 2023 to our pay scales, including narrowing the ranges and introducing a pay progression range for employees to progress through. This will be achieved through the introduction of pay increments linked to performance. This ensures that even the lower end of our pay ranges remains competitive to the external market, addresses colleagues'

concerns around unclear pay progression, and reduces any potential equal pay issues occurring in future years. This work cost an additional 2.3 percent of salary budget and was implemented in April 2023.

April 2024 represents the second year of the new structures and pay policy. The standard rate increase varied based on which pay grade, with lower grades receiving a higher standard rate increase of 2.5 percent and higher-graded colleagues receiving a standard rate increase of 1.5 percent. The overall cost of the standard rate increase will be 2.2 percent of salary budget and the progression increase will be a 2.9 percent increase of salary budget meaning a total increase budget of 5.1 percent.

In 2023 we transitioned to a new performance and development review process, moving to quarterly reviews and a cycle that ends in December each year. To enable full moderation and consistency checking of outcomes ahead of linking appraisals to pay outcomes, 2023 was a transition year and the process was not linked to pay for 2023–2024. In January 2024 we moved to our new appraisal and objectives setting process, which will now be linked to pay progression from April 2025.

UNISON is the recognised trade union with which we engage on agreed matters, including pay, terms and conditions of employment and ways of working.

Pension arrangements

Up until 30 June 2021, we had two active pension schemes: a defined benefit pension scheme and a defined contribution scheme.

Employees who joined the NMC before November 2013 were able to join the defined benefit pension scheme. The scheme was closed to employees joining the NMC after 1 November 2013. On 23 March 2021, following a consultation, the Council approved closure of the defined benefit scheme to future accrual of benefits with effect from 1 July 2021. This achieved the objectives of harmonising benefits for all colleagues, reducing the NMC's exposure to financial risk and enabling costs to be redirected to other expenditure.

Our current active pension scheme is a defined contribution pension scheme. Employees can opt to contribute to this scheme by salary sacrifice.

Employees in the scheme contribute a minimum one per cent of their salary which is matched by the NMC contributing eight percent (2022-2023: eight percent). From 1 April 2021, the NMC matched additional employee contributions up to a maximum total employer contribution of 14 percent. To receive an employer contribution of 14 percent, an employee would need to contribute at least seven percent. We encourage and support colleagues to reflect on how to best plan for their retirement and ensure they are taking full advantage of our pension scheme. At 31 March 2024, 1,069 employees (92.2 percent) were members of the defined contribution scheme (31 March 2023: 1,022, 94.2 percent). The decrease in employee percentage in the pension scheme is at least partly due to more new starters still being in their opt-out period at 31 March 2024.

Further information about remuneration and pensions is contained in notes 9 and 19 to the accounts.

NMC grading structure and pay differentials

Table 5

Employees by grade and gender on 31 March 2024

Pay Level	Male	Female	Male	Female	Male	Female
	Number of colleagues		As a percentage of all colleagues		As a percentage of pay level	
1-4	141	390	12.3%	34.0%	26.6%	73.4%
5-7	164	312	14.3%	27.2%	34.5%	65.5%
8-11	45	89	3.9%	7.8%	33.6%	66.4%
Executive Directors, including interim/acting	2	4	0.2%	0.3%	33.3%	66.7%
Chief Executive and Registrar (CE & R)	0	1	0.0%	0.1%	0.0%	100.0%
Total employees	352	796	30.7%	69.3%	30.7%	69.3%

Table 6

Employees by grade and ethnicity on 31 March 2024

Pay Level	White	Black and minority ethnic	Undisclosed or prefer not to answer	White	Black and minority ethnic	Undisclosed or prefer not to answer	White	Black and minority ethnic	Undisclosed or prefer not to answer
	Number of colleagues			As a percentage of all colleagues			As a percentage of pay level		
1-4	175	284	72	15.2%	24.7%	6.3%	33.0%	53.5%	13.6%
5-7	272	154	50	23.7%	13.4%	4.4%	57.1%	32.4%	10.5%
8-11	99	25	10	8.6%	2.2%	0.9%	73.9%	18.7%	7.4%
Executive Directors, including interim/acting	4	0	2	0.3%	0.0%	0.2%	66.7%	0.0%	33.3%
Chief Executive and Registrar (CE & R)	1	0	0	0.1%	0.0%	0.0%	100.0%	0.0%	0.0%
Total employees	551	463	134	48.0%	40.3%	11.7%	48.0%	40.3%	11.7%

Fair pay disclosures (subject to audit by the NAO)

Remuneration in the following calculation is based on annualised, full-time equivalent salary of all staff (not including contractor and agency staff) as at the reporting date. It does not include paid annual leave, employer pension contributions, taxable expenses or the cash equivalent transfer value of pensions.

The highest paid permanent employee in the NMC on 31 March 2024 is the Chief Executive and Registrar, Andrea Sutcliffe, and we have used her salary as the comparator when calculating the differential to the lower quartile, median and upper quartile remuneration of NMC employees.

- The highest salary in 2023-2024 (Andrea Sutcliffe: £185,120). When taking employees of the entity as a whole (excluding the highest paid director), the change in average salary from 2023-2024 to 2022-2023 was an increase of 5.17 percent due to the salary increase for all eligible employees – as part of the April 2023 pay review, where the average increase was 4.3 percent – and the increased demand in salaries from external candidates due to the more competitive recruitment market. No employees received performance pay or bonuses in either the current or previous financial year. On 31 March 2024 the range of remuneration at the NMC was £21,564 to £185,120 (on 31 March 2023: £20,395-£176,000).

- In 2023-2024, the highest remuneration was 4.41 times the median remuneration of NMC employees, which was £41,942. In 2022-2023, the highest remuneration was 4.37 times the median remuneration of NMC employees, which was £40,237. This represents a 0.04 increase in the median remuneration gap, year on year. The median remuneration salary has increased since 2022-2023 – as a result of the annual pay review and progression increase agreed in April 2023 – however the pay gap increased because Andrea Sutcliffe accepted her first salary increase in April 2023 since joining the NMC in January 2019.
- In 2023-2024, the highest remuneration was 5.61 times the lower quartile remuneration of NMC employees, which was £33,004. In 2022-2023, the highest remuneration was 5.68 times the lower quartile remuneration of NMC employees, which was £31,000. This is a 0.07 decrease in the lower quartile remuneration gap year on year. This was due to the focus on our lowest paid employees receiving the greatest increase in the April 2023 annual pay review.
- In 2023-2024, the highest remuneration was 3.11 times the upper quartile remuneration of NMC employees, which was £59,531. In 2022-2023, the highest remuneration was 3.07 times the upper quartile remuneration of NMC employees, which was £57,418. This represents an increase in the upper quartile remuneration gap of 0.04 year on year. The upper quartile remuneration salary increased since 2023-2024 due to the reduction in the width of our pay ranges and the introduction of pay progression.

Pay gap reporting

Since 2017, legislation has required us to publish our gender pay gap data; in addition, since 2020 we have also voluntarily published our ethnicity and disability pay gap data. This data provides insight into where we need to improve in order to offer inclusive employment opportunities regardless of gender, ethnicity and disability.

We have used the same methodology used for gender pay calculations to calculate both our ethnicity and disability pay gaps.

Our 2024 pay gap data is shown in the table below with 2023 data for comparison. Our 2023 results can also be found in our [Pay Gap reports](#).

Pay gap	As at 5 April 2024	As at 5 April 2023	UK average for 2023 ³
Gender - Mean	6.5%	8.1%	13.1%
Gender - Median	9.6%	14.6%	12.1%
Ethnicity - Mean	21.6%	21.6%	Insufficient declarations to calculate accurate figures.
Ethnicity - Median	30.9%	28.8%	
Disability - Mean	-9.4%	-6.1%	
Disability - Median	-10.6%	-7.8%	

Note: Ethnicity data for April 2023 does not match what was reported in last year's report as the CIPD (Chartered Institute of Personnel Development) has updated its methodology for calculating ethnicity pay gaps.

A more detailed narrative of these changes will be published in our Pay gap reports.

³ [Ethnicity pay reporting: guidance for employers - GOV.UK \(www.gov.uk\)](#)

Gender pay gap

Our mean gender pay gap on 5 April 2023 was 8.1 percent.

On 5 April 2024 this decreased to 6.5 percent. This decrease reflects an increase in female colleagues in our upper quartile (21 more females compared to April 2023) and an increase in male colleagues working in our lower quartile (17 more males in our lower quartile compared to April 2023).

Ethnicity pay gap

Our mean ethnicity pay gap as of 5 April 2023 was 21.6 percent. Our 2024 figures show that this has remained the same at 21.6 percent. Our analysis shows that over this period the average salary for white and Black and minority ethnic colleagues both increased by 4.7 percent.

Our median ethnicity pay gap as of 5 April 2023 was 28.8 percent. Our 2024 figures show that this has increased to 30.9 percent, an increase of 2.1 percentage points. Our analysis shows that over this period the median salary for a white colleague increased by 6.2 percent compared to an increase of 3.1 percent for a Black and minority ethnic colleague. This was mainly caused by two factors, the first factor being a decrease of 0.8 percentage points of white colleagues in our lower quartile roles. The second factor was even though the number of Black and minority ethnic colleagues working at the NMC increased by 32 colleagues with growth in all quartiles, the largest growth was in our lower quartiles. The number of Black and minority ethnic colleagues working in our upper quartile and upper middle quartile grew by 13, while the number of Black

and minority ethnic colleagues working in our lower and lower middle quartile grew by 19, lowering the position of our median salary.

We are committed to taking meaningful action and have already taken some important steps based on what we have learned. One such action is through our Rising Together mentoring programme. Rising Together is designed to build a culture encouraging collaboration, fairness and inclusivity to enable all colleagues to realise their potential. It creates an opportunity for colleagues to receive mentoring support, enabling them to progress in their careers and achieve professional growth. The programme aims to equip our leaders and managers to lead through an inclusive lens, have important conversations and for all colleagues to take ownership of self-development. The programme is now in its fourth year and has seen participant numbers increase year on year. During 2023-2024, to strengthen this approach we developed the Rising Higher programme to provide additional support, workshops and coaching for colleagues that have completed Rising Together. This launched in May 2024.

We are also aiming to narrow the ethnicity pay gap via NMC-wide and local interventions including creating targets. These targets include increasing the hire rate for Black and minority ethnic applicants at Grade 6 and above and increasing representation of Black and minority ethnic colleagues at the shortlisted stage in roles at grade 8 and above.

This has been supported by the development of inclusive recruitment training and forthcoming targeted training and support for colleagues on building their career and completing job applications.

Disability pay gap

Our mean disability pay gap on 5 April 2023 was -6.1 percent, and on 5 April 2024, it stands at -9.4 percent. This means that colleagues who have told us they are disabled are on average paid more than people who have not. This is a 3.3 percentage point increase in favour of disabled colleagues compared to April 2023. The main reason for this is there has been an increase in colleagues declaring a disability in our upper quartile and upper middle quartiles, with six more colleagues declaring a disability compared to in our lower and lower middle quartile where the number of colleagues declaring a disability increased by one.


We recognise that under-reporting of disability in the workforce may be a cause of the inverse disability pay gap here, as our data shows that people in our top pay quartile are more likely to tell us they are disabled than colleagues in our bottom pay quartile.

21.0 percent of our lowest paid colleagues have not shared any monitoring data about whether they are disabled or not, compared to 10 percent of our highest paid colleagues. Overall, non-declaration is down 0.9 percentage points compared to April 2023. We are pleased that non-declaration has reduced and will continue to take steps to reduce it further in 2024-2025.

We have taken steps, with the support of our Workaround network, to increase the number of colleagues sharing diversity monitoring data with a particular focus on disability.

Sir David Warren
Chair
3 July 2024

Andrea Sutcliffe
Chief Executive
and Registrar
3 July 2024



Statement of the responsibilities of the Council and of the Chief Executive and Registrar in respect of the accounts

The Nursing and Midwifery Order 2001 requires that annual accounts are prepared and audited. The Council and its Chief Executive and Registrar (as Accounting Officer) handle the preparation and approval of the accounts.

The accounts are prepared following the determination received from the Privy Council which requires the accounts to be prepared in accordance with the Charities Statement of Recommended Practice Accounting and Reporting (SORP) revised 2019 and that the accounts also comply with the applicable law and accounting standards issued (Appendix 1).

Under these requirements, and the separate legal requirements applying to charities registered in England and Wales, and to those registered in Scotland, the NMC must prepare accounts for each financial year which give a true and fair view of the state of the NMC's affairs and of its net movement in funds for that period.

In preparing these accounts they must:

- observe the applicable accounts determination issued by the Privy Council
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates on a reasonable basis
- prepare the accounts on a going concern basis unless it is inappropriate to presume the NMC will continue in operation
- state whether applicable accounting standards have been followed and disclose and explain any material departures in the accounts.

The Council and its Chief Executive and Registrar are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NMC and enable them to ensure that the accounts comply with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Nursing and Midwifery Order 2001. They are also responsible for safeguarding the assets of the NMC and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Privy Council has appointed the Chief Executive and Registrar as Accounting Officer for the Nursing and Midwifery Council. In their capacity as Accounting Officer, they are responsible for the execution of the Council's obligations under section 52 of the Nursing and Midwifery Order (as amended). In doing so, they are asked to consider the principles set out in Chapter 3 relating to the responsibilities of Accounting Officers and wider guidance contained in Managing Public Money (HM Treasury, 2013, with annexes revised March 2018).

So far as we know, there is no relevant audit information of which the NMC's auditors are unaware. We have taken all steps that we ought to have taken to make ourselves aware of any relevant audit information and to establish that the NMC's auditors are aware of that information. The Accounting Officer confirms that the annual report and accounts is fair, balanced and understandable and takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

Principal place of business

The NMC works across England, Northern Ireland, Scotland and Wales. Its principal place of business is:

23 Portland Place, London W1B 1PZ

Advisers

Independent external auditor

HW Fisher LLP, Acre House,
11-15 William Road, London NW1 3ER

Bankers

HSBC Bank Plc Space One, Floor 2
1 Beadon Road, London W6 0EA

Statutory auditor

Comptroller and Auditor General,
National Audit Office,
157-197 Buckingham Palace Road,
Victoria, London SW1W 9SP

Investment managers

Sarasin & Partners LLP, Juxon House,
100 St Paul's Churchyard,
London EC4M 8BU

Internal auditor

RSM Risk Assurance Services LLP,
25 Farringdon Street,
London EC4A 4AB

Solicitors

Capsticks Solicitors LLP,
1 St Georges Road, London SW19 4DR

Mills & Reeve LLP,
24 King William Street,
London EC4R 9AT

Addleshaw Goddard LLP,
60 Chiswell Street, London EC1Y 4AG

Trowers & Hamblins LLP, 3 Bunhill Row,
London EC1Y 8YZ



Annual governance statement

We are an independent statutory body.

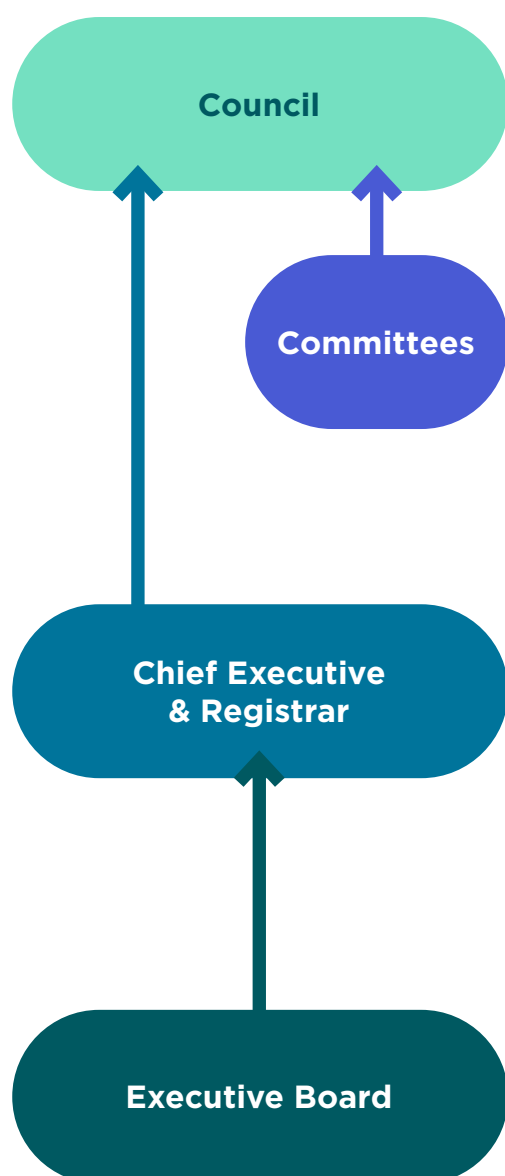
Our statutory objectives and responsibilities are set out in the Nursing and Midwifery Order 2001, as amended (SI 2002/253), (the Order).

We are also a registered charity; registered in England and Wales (1091434) and in Scotland (SC038362). Our charitable object reflects our overarching statutory objective: to protect and safeguard the health and wellbeing of the public. The Council takes account of Charity Commission (CC) and Office of the Scottish Charity Regulator (OSCR) guidance in making decisions; throughout this report we explain how our work demonstrates public benefit.

As a regulator, we expect the professionals on our register to uphold the highest professional standards and values. It is only right and proper that we hold ourselves equally accountable to maintain the highest standards of governance and uphold our values. We strive to meet the principles and recommended practice contained in the Charity Governance Code and the National Council for Voluntary Organisations Charity Ethical Principles, and our practice complies with the Cabinet Office Corporate Governance Code of Good Practice for central government departments to the extent that it is applicable.

The Council conducts its business in accordance with the seven principles of public life – selflessness, integrity, objectivity, accountability, openness, honesty and leadership (Nolan Principles) – and all our work is guided by our organisational values – fair, kind, ambitious and collaborative. We are committed to creating a workplace culture that embodies these values and our standards. We foster a learning culture: where we fall short, we are committed to responding openly and transparently, identifying learning and making improvements so that we can realise our vision: safe, effective and kind nursing and midwifery practice that improves everyone's health and wellbeing.

Governance structure



The Council is our governing body and the Council members are the charity trustees. Members of the Council are collectively responsible for ensuring that the NMC is well-run, solvent and delivers public benefit.

Committees support Council by fulfilling specific functions delegated by Council and set out in their terms of reference. These include providing additional scrutiny, advising on strategic development and overseeing implementation of strategies.

The Chief Executive and Registrar's role is to lead and manage the NMC's regulatory, professional, business and financial affairs within the strategic framework established by the Council. As the Accounting Officer, the Chief Executive and Registrar has personal responsibility for matters relating to financial propriety and regularity; keeping proper account of financial affairs; avoidance of waste and extravagance; and the effective use of resources.

The Executive Board is the key management decision-making body. The Board works with the Chief Executive and Registrar to develop and implement strategies, policies, business plans and budgets; ensure effective and efficient use of resources, finance and people; and identify and manage risk.

The Council

The Council is our governing body. Its remit is to (a) set our strategic direction and corporate objectives, in line with our core purpose; (b) ensure effective systems are in place for managing performance and risk; and (c) maintain probity in, and public accountability for, the exercise of our functions and the use of funds. Our Scheme of Delegation sets out which matters can only be decided by the Council.

In accordance with good governance, the Council undertakes regular reviews of its own effectiveness, including externally facilitated reviews. The most recent review took place in 2023–2024 and was undertaken by Campbell Tickell. As well as reflecting on current practice, the review also reflected on the impact regulatory reform will have on governance arrangements, including the likely move to a unitary board.

Overall, the review found that there is generally a good framework for the governance of the NMC, with a strong commitment to role modelling the organisation's values and delivering its purpose. The review recommended some changes to develop a more strategic approach and ensure the Council is making best use of its time. This included establishing a Finance and Resources Committee, formally extending the scope of the Remuneration Committee to reflect its wider people focus, reviewing the Council's meeting structure and schedule to ensure it best supports its strategic role, and continuing to evolve the NMC's approach to risk. These changes will be implemented in 2024–2025 and will be covered in detail in next year's annual governance statement.

To support the likely move to a unitary board, the review also made some recommendations to develop the relationship between the Council and Executive. These were embedded into the preparatory work that is already underway for regulatory reform.

Membership

The Council is made up of 12 members of which half must be professionals on our register and half must be lay members, as set out in the [Nursing and Midwifery Council \(Constitution\) \(Amendment\) Order 2008 \(SI 2008/2553\)](#). Lay members are people who have never been a registered nurse, midwife or nursing associate. As a UK-wide regulator, the Council's membership must include at least one member who lives or works wholly or mainly in each of England, Wales, Scotland and Northern Ireland.

The Chair and members of the Council are appointed by the Privy Council, following open and competitive selection processes. The Privy Council receives assurance from the Professional Standards Authority for Health and Social Care (PSA) on the robustness of our appointment or reappointment processes.

Council members receive a full induction on appointment and undertake individual appraisals annually. These inform future individual and collective development, as well as consideration of reappointments.

Council Associate scheme

The Council established an Associate scheme in July 2020 (Standing Orders, paragraph 3.7) to provide opportunities for individuals with the potential to develop the skills and expertise needed to be Non-Executive Directors, similar to a Non-Executive Director apprenticeship. Associates are involved in all aspects of the Council's work in a similar way to appointed Council members but are not trustees. The majority of Council decisions are made by consensus but on the rare occasion of a decision by formal vote, Associates do not participate. Associates receive a full induction on appointment and undertake individual appraisals annually.

Meetings

The Council is committed to openness and transparency and seeks to conduct as much business as possible at Open meetings which members of the public can attend. Matters can only be considered in Confidential meetings if they fall within an exemption set out in the Council's Standing Orders (paragraph 5.2.5). In addition to formal meetings, Council members and Associates attend monthly seminars, hold video conferences and participate in a wide range of other activities. These activities help ensure Council members have the insight they need to hold the Executive to account and make informed decisions.

Council member and Associate attendance 2023-2024

Member	Council attendance	
	Number of sessions eligible to attend*	% of sessions attended
Sir David Warren (Chair)	14/14	100
Sir Hugh Bayley (until 30 April 2023)	0	N/A
Professor Karen Cox (until 30 April 2023)	0	N/A
Lindsay Foyster	14/14	100
Claire Johnston	14/14	100
Dr Margaret McGuire OBE	12/14	86
Eileen McEneaney MBE	9/14	64
Flo Panel-Coates (from 1 November 2023)	4/6	67
Nadine Pemberton Jn Baptiste (from 1 May 2023)	10/14	71
Marta Phillips OBE (until 30 April 2023)	0	N/A
Derek Pretty	14/14	100
Anna Walker CB	11/14	79
Ruth Walker MBE	12/12	100
Sue Whelan Tracy	13/14	93
Dr Lynne Wiggins OBE	13/14	93
Associate		
Jabulani Chikore	7/7	100
Navjot Kaur Virk	10/14	71

*Includes public and confidential meetings that members/Associates were eligible to attend.

Council committees

Under Article 3 (12) of the Order, the Council may establish discretionary committees in connection with the discharge of its functions and delegate any of its functions to them, other than the power to make rules. The remit, membership and attendance record for each Committee is set out below. Committees also made a number of decisions by correspondence outside of the meetings identified below, where necessary and in accordance with Standing Orders.

Appointment of Council members to the Audit, Remuneration, Investment and Accommodation Committees is governed by the Council's Standing Orders and Scheme of Delegation, together with a set of principles adopted by the Council in 2015. Council committee membership is reviewed regularly. The Chair is an ex-officio member of all the Council committees, except Audit Committee and Appointments Board. On 11 April 2023, the Chair was appointed a full member of Remuneration Committee to reflect his regular attendance.

Audit Committee

Remit	The remit of the Audit Committee is to support the Council and management by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of the accounts and the annual report.
Key Activities	<p>Providing the Council with regular assurances as to the effectiveness of the systems and controls by:</p> <p>Reviewing the Annual Report and Accounts and the Annual Fitness to Practise Report and recommending to the Council the approval of those reports. The Committee also reviewed the reports from the External Auditor and NAO, and the Executive's responses to recommendations made by the auditors.</p> <p>Reviewing the accounting policies for the year to 31 March 2024.</p> <p>Reviewing risk management and assurance arrangements, including undertaking comprehensive reviews of the risks, mitigations and sources of assurance about core work.</p> <p>Approving the internal audit work plan for 2023-2024, reviewing internal audit report outcomes and overseeing action to progress closure of outstanding internal audit recommendations.</p> <p>Reviewing serious events and data breaches, to ensure organisational sharing and implementing learning to prevent recurrence.</p>

Key Activities (Continued)	Reviewing single tender actions and seeking assurance that proper procurement processes are being adhered to by the Executive and that any single tender actions are justifiable.	
	Monitoring the implementation and use of the internal Whistleblowing and Anti-Fraud, Modern Slavery, Bribery, and Corruption policies to be assured that any issues raised are comprehensively investigated and any action and learning is taken forward. As part of this work, they also review the Modern Slavery Statement.	
Membership	Member	Attendance
	Marta Phillips (Chair until 30 April 2023)	1 of 1
	Derek Pretty (Chair from 1 May 2023)	5 of 5
	Eileen McEneaney	5 of 5
	Sue Whelan Tracy	4 of 5

Remuneration Committee

Remit	Ensure that there are appropriate systems in place for remuneration and succession planning, including considering annual pay review for all employees, as well as progress against the People Plan, any significant changes to the employee pay and grading structure or pension schemes.	
Key Activities	Approving selection processes for two new Council members and the Chair and two new members of the Appointments Board.	
	Agreeing to recommend to Council the annual pay award for 2024-2025 and reviewing the total reward proposal.	
	Reviewing Executive reward and reviewing progress on the People Plan and internal aspects of the Equality, Diversity and Inclusion Plan.	
Membership	Member	Attendance
	Ruth Walker (Chair)	3 of 5
	Sir Hugh Bayley (to 30 April 2023)	0 of 1
	Dr Lynne Wiggins	5 of 5
	Anna Walker	5 of 5
	Sir David Warren (from 11 April 2023)	5 of 5

Investment Committee

Remit	The remit of the Investment Committee is to oversee the implementation of the Council's investment strategy; determine the allocation and movement of funds in accordance with the investment strategy; and monitor the NMC's investment portfolio. Decision-making and implementation of the investment strategy is delegated to the Investment Committee.	
Key Activities	<p>Reviewing the investment policy and scrutinising the investment managers' response to global economic volatility.</p> <p>Working with our investment managers to ensure environmental, social and governance issues are appropriately considered when managing the portfolio.</p>	
Membership The membership includes two non-Council (Partner) members who provide additional expertise and were appointed following open, competitive recruitment processes.	Member	Attendance
	Derek Pretty (Chair)	3 of 3
	Thomasina Findlay (Partner member)	2 of 3
	Sue Whelan Tracy	3 of 3
	Nick McLeod-Clarke (Partner member)	3 of 3
	Claire Johnston	2 of 3

Accommodation Committee

Remit	To oversee the implementation of the Council's Accommodation Plan within the financial and other parameters set by the Council.	
Key Activities	Considering how to progress plans to refurbish 23 Portland Place, particularly in light of Council's decision to pause the refurbishment to support the NMC to safely and swiftly reduce the fitness to practise caseload.	
Membership	Member	Attendance
	Derek Pretty (Chair)	2 of 2
	Anna Walker	2 of 2
	Dr Lynne Wiggins	2 of 2

Appointments Board

Remit	The remit of the Appointments Board is to assist the Council in connection with the exercise of any function relating to the appointment of Fitness to Practise panel Chairs and members and Legal Assessors to the Practice Committees (the Investigating Committee and the Fitness to Practise Committee) and the appointment of Fitness to Practise panel members to the Registration Appeals panel.	
Key Activities	<p>Recommended the appointment of new Panel Members and Legal Assessors to the Council.</p> <p>Approval of a new three-year plan for delivering high quality panels.</p> <p>Approval of the Panel Member training programme for 2024.</p> <p>Preparation for a selection process for new Panel Members which opened in June 2024.</p>	
Membership The Appointments Board is made up entirely of non-Council (Partner) members, appointed following open and competitive recruitment processes	Member	Attendance
	Jane Slatter (Chair)	7 of 7
	Robert Allan	6 of 7
	Surinder Birdi (from 1 July 2023)	5 of 6
	Angie Loveless (until 29 February 2024)	6 of 6
	Clare Salters (until 29 February 2024)	6 of 6
	Yasmin Ullah (from 1 March 2024)	1 of 1

The Chief Executive and Registrar

The Chief Executive and Registrar is appointed by, and accountable to, the Council. The Chief Executive and Registrar's role is to lead and manage the NMC's regulatory, professional, business and financial affairs within the strategic framework established by the Council.

As the Accounting Officer, the Chief Executive and Registrar has personal responsibility for matters relating to financial propriety and regularity; keeping proper account of financial affairs; avoidance of waste and extravagance; and the effective use of resources.

Executive Board

The Executive Board is the key management decision-making body. The Board's membership comprises the Chief Executive and Registrar and all Executive Directors (who are Key Management Personnel as defined by FRS 102). General Counsel was a regular attendee and from 11 December 2023 was made a member of the Board (General Counsel is not Key Management Personnel). The Board works with the Chief Executive and Registrar to develop and implement strategies, policies, business plans and budgets; ensure effective and efficient use of resources, finance and people; and identify and manage risk. The Board advises or makes recommendations to Council on those matters which are ultimately for the Council to decide. In doing so, the Board and Council work together in a spirit of collaboration, honesty and openness.

The Executive Board regularly reflects on its own operation and how business is conducted. In December 2023, to support the Board to have visibility and focus on the key risks and issues facing the organisation, the Board agreed a new approach to its meetings. Instead of meeting twice a month, from January 2024, the Board meets three times a month in different modes.

- **Core:** The focus of this meeting is strategy, performance, risk and horizon scanning.
- **Fitness to Practise:** The focus of this meeting is ensuring an organisation wide approach to our number one corporate priority: protect the public by reaching the right decisions in fitness to practise as swiftly and safely as possible and achieve a sustainable caseload.
- **Learning:** The focus of this meeting is the emerging findings from live issues (such as the whistleblowing investigations) as well as feedback and intelligence via our wider corporate learning sources, agreeing actions arising and monitoring implementation and progress.

For its Fitness to Practise and Learning meetings, the Board is joined by two or three Council members who act as critical friends; attending the meetings as an active participant but not as a member (reflecting that these are executive, operational meetings). Council members share their reflections on the progress of these key streams of work with the Council, both informally between meetings and formally at appropriate points at Council meetings.

Performance monitoring and data quality

The Council monitors our progress against our strategy, corporate plan and budget through quarterly performance reports presented at public meetings. These provide updates against our corporate commitments, key performance indicators (KPIs), our budget and investments and corporate risk exposure. In collaboration with the Executive team, the Council decides what performance information and data it wants to review so it can

make effective decisions about our performance and risk exposure. The Council considers the quality and content of performance reporting annually through business planning. Over the course of 2023–2024, we have started to strengthen and streamline our monthly reporting to the Executive Board, drawing attention to the most important discussion points on budget, performance and risk.

Risk management and internal control

The Council is responsible for establishing and maintaining a sound system of risk management and internal control, which is designed to manage rather than eliminate risk and provide reasonable assurance of effectiveness. The Council approved and updated the risk management framework in 2021. The Audit Committee provides assurance to the Council about the operation of the system of internal control and risk management. This includes overseeing the internal audit workplan and its findings, as well as undertaking regular targeted comprehensive assurance reviews to delve deeper into specific risk problems or assurance mechanisms. The Council considers corporate risk exposure at Open meetings on a quarterly basis and the full corporate risk register once a year.

The Chief Executive and Registrar is responsible for enabling an effective system of risk management and internal control and, together with the Executive Directors, for ensuring that the system is effective across the organisation. The Executive is responsible for identifying and evaluating risks, putting in place appropriate mitigations and monitoring and reporting progress. The Executive Board reviews corporate risk exposure monthly.

The risk framework sets out a clear structure and process for embedding risk management into our day-to-day work across all levels of the organisation. This includes through the use of risk registers, performance dashboards and the role of risk coordinators to champion risk management within a directorate, maintain the directorate risk register and periodically review team risk registers to identify compound risks.

We have continued to support this framework throughout 2023-2024 by using organisation-wide and bespoke training sessions and tailored workshops, and monthly engagement between risk coordinators and the corporate risk and performance team.

We have been working on a refreshed approach to risk management for 2024-2025, differentiating strategic risks (those that threaten our ability to deliver expected outcomes and harm our ability to grow and prosper) from operational risks (those that may impact the work we carry out on a day-to-day basis) with clear links between them. The risks will be overseen and reviewed by the Executive team and Council committees best placed to advise on how we manage each risk. This ensures we have the best oversight and management of risks with multiple review points and that we are responding to risk appropriately. Further detail will be provided in next year's report.

The effectiveness of our risk management and internal control processes

We undertake an annual review of the effectiveness of our internal control environment and risk management, assessing each directorate against a set of key criteria and reviewing sample evidence to ensure our internal control environment reflected the standards set out in our policy and guidance. The 2023-2024 review concluded that we have substantial assurance across three of our directorates and partial assurance for the other three. Those that attained partial assurance are working towards improving those ratings and early indications show that improvements are already being made. Therefore, we can take assurance that our internal control environment operates adequately at corporate and directorate level.

Key issues and risks

In this section we provide an account of the key risks we managed during 2023-2024, the action we have taken and the action we plan to take next year.

As part of our new strategic risk register for 2024-2025, we have included a risk relating to our statutory safeguarding responsibilities to protect people who come into contact with the NMC through our work from abuse or mistreatment. This was previously a risk factor of our corporate legal risk in 2023-2024 but we have now created a new risk to ensure that safeguarding is managed appropriately with the focus and visibility that it needs. We will provide more detail on this in next year's report.

We recognise the risk that a change in senior leadership presents to the effective running of an organisation. During 2024-2025, two of our Executive Directors announced that they will be leaving the organisation, including Andrea Sutcliffe, Chief Executive and Registrar, who will leave in July 2024 due to ill health. Plans were put in place to appoint interim and substantive successors and we are confident that our system of internal controls, governance and risk management processes, as well as the expertise of existing senior leadership will mitigate the impact of their departures.

Risk

We fail to take appropriate action to address a regulatory concern about a professional on our register in a timely or person-centred way

Potential impact

This could lead to compromised public safety and poor experience for those involved in our processes.

What we have done to manage the risk during 2023-2024

We strengthened our case work by:

- setting up case clinics to provide additional support and advice to teams
- launching a new approach to managing referrals to make sure we are progressing concerns that are appropriate for the NMC
- strengthening our fitness to practise leadership team to provide targeted oversight and support
- identifying resource gaps and recruiting where appropriate.

We also undertook diagnostic work to redesign our Fitness to Practise Plan to strengthen our approach. We also commissioned independent investigations into concerns about discrimination in our processes and committed to acting on the findings.

What we are doing going forward

We will deliver our new 18-month Fitness to Practise Plan and will act on the findings of the independent investigations into concerns about our processes.

Risk

We do not have a learning culture focused on empowering colleagues to do their jobs well, to deliver and raise productivity to give the best possible service for the professionals on our register

Potential impact

This could lead to poor engagement and development of our people, low productivity and poor outcomes and experiences for professionals, referrers and the public.

What we have done to manage the risk during 2023-2024

We delivered the first year of our People Plan, through which we have reformed our reward structures and introduced a more consistent approach to appraisals. We have also worked to improve representation of Black and minority ethnic colleagues in senior roles. We commissioned independent investigations into concerns about our workplace culture and are committed to acting on any recommendations.

To help develop a learning culture, we reviewed our incident reporting process and identified improvements that will support us to manage and learn from incidents. A new system will launch in 2024-2025. We also delivered GDPR training, developed a data protection risk mitigation action plan and established a network of GDPR champions.

What we are doing going forward

We will continue to strengthen our approach through the delivery of our People Plan and other actions, including introducing performance related pay to reward and motivate colleagues, continuing work to improve representation of Black and minority ethnic colleagues, producing a new Wellbeing Strategy and acting on any findings from the independent investigations.

Risk

We fail to take appropriate or timely action to address a regulatory concern regarding the quality of nursing or midwifery education

Potential impact

This could lead to poor student experiences and students lacking the proficiencies to provide safe, kind and effective care.

What we have done to manage the risk during 2023-2024

- We initiated an independent review of our current processes to make sure they are fit for the future.
- We procured a new quality assurance service provider which will enable us to be more agile and flexible in our approach.
- We have worked collaboratively with education institutions and other partners to discuss and reduce identified risks.

What we are doing going forward

- We will increase capacity and expertise within our teams to strengthen systematic monitoring of programmes.
- We will move to a new QA service model that is focused on agility and flexibility, and is supported by more sophisticated intelligence.
- We will complete the review of our operating model and start implementing any improvements.

Risk

That we fail to meet external expectations, including our impact on people, which significantly affects our ability to maintain the trust and confidence of stakeholders, the public and professionals on our register.

Potential impact

Inability to influence or maintain public trust or to deliver our strategic aims.

What we have done to manage the risk during 2023-2024

We have continued to embed our strategic approach to communications and engagement so we can develop consistent, joined-up messaging that is informed by insight and reflects our audiences' priorities across the four countries.

When managing significant challenges – for instance, concerns about the operation of our computer-based test – we have transparently communicated the concerns and our actions, carefully considering the impact on people when planning our communications.

What we are doing going forward

We will continue to communicate openly about the challenges we are managing, including the implementation of recommendations from the investigations and culture review into concerns raised around our culture and fitness to practise.

We will continue to develop our public engagement work to ensure that the perspectives of the public and people receiving care inform our work.

Public interest (whistleblowing)

Our policy on whistleblowing encourages colleagues and others who work for, or with us, to speak up if they see something wrong. We review the policy regularly and have continued to raise awareness of the policy and associated guidance by promoting it through the Chief Executive and Registrar's weekly message and other internal communications.

The Audit Committee receives a report on whistleblowing at every meeting. During 2023-2024 there were four occasions when people used the whistleblowing policy to raise concerns (2022-2023: one).

The first case was found to be a grievance and so was managed through our grievance process.

The second case related to concerns about aspects of our regulatory casework and our workplace culture. As reported in our performance review, we commissioned independent investigations into these concerns, including an investigation into how the concerns were handled when they were first raised with us. The findings of the review into our culture are due to be published on 9 July 2024. We recognise the seriousness of these findings and are acutely aware of the need to do better for our colleagues, the professionals on our register and the public we serve. We are committed to learning from the findings and have begun work to develop action plans that we will publicly report against, including in next year's annual report.

We expect the findings of the other investigations to report in summer 2024. We are committed to learning from the reports and making sustainable changes where we need to, including to our whistleblowing processes. We know we need to do things differently to deliver sustained change and we are committed to doing so.

The third case related to concerns about data and GDPR practices at the NMC. The investigation found that the concerns about data practices had already been recognised by the Executive and plans were in place to address these risks through the NMC's data strategy and road map. The issue raised on GDPR was reviewed by the Data Protection Officer, who concluded that the area identified for improvement was unlikely to increase the risk to the security of personal data.

The fourth case is currently under investigation.

The NMC is a 'prescribed person' in law. This means that concerns may be raised with us by nurses, midwives, nursing associates, students or other healthcare professionals who identify wrongdoing in their workplaces or practice placements. Each year we publish a joint report with other health and social care regulators on how we handled whistleblowing disclosures. The joint report on whistleblowing disclosures for 2022-2023 can be found on our website [here](#). The joint report for 2023-2024 will be published later this year.

Safeguarding and protecting people

Through our work we engage with a wide range of people, including those involved with our regulatory processes, our stakeholders, and our colleagues. We recognise that many people engaging with us may have complex needs or be at risk of harm and we are committed to putting the appropriate support in place for them.

Our policy on safeguarding and protecting people sets out our responsibilities and the actions we will take when we identify a safeguarding concern, including establishing a tailored approach to support the individual concerned.

This year we have continued to see a rise in the number of recorded safeguarding concerns. A total of 366 safeguarding concerns have been logged in 2023-2024. This is 222 more than reported in 2022-2023, when 144 safeguarding concerns were recorded.

Of these concerns, there were 43 referrals to external agencies that were new concerns for the agencies. The increase in safeguarding concerns follows further training and engagement with colleagues to build their knowledge of vulnerability and safeguarding. In total two cases were referred to the Charity Commission, where an incident has resulted in or risked serious harm.

During 2023-2024, we have strengthened our approach to safeguarding through the delivery of our safeguarding workplan and increasing oversight by moving the function to our Professional Practice directorate. We will continue to review and strengthen our approach to safeguarding in 2024-2025.

Information governance and lapses in protective security

During 2023-2024, we continued to align our information security management to ISO 27001, the international information security standard. Incidents are reported, managed and investigated in line with our Serious Event Review (SER) process, through which learning and recommendations for improvement are identified.

The table opposite provides a breakdown of the number of information security incidents reported internally in 2023-2024, with 2022-2023 figures shown for comparison. Of the 75 information security incidents recorded in 2023-2024 (82 in 2022-2023), 49 (65 percent) were unauthorised disclosure of data (data breaches).

	2023-2024	2022-2023
Critical	1	0
Major	2	7
Moderate	14	20
Minor	58	55
Total	75	82

The one incident classed as critical (level 5) was an incident involving a third-party partner test centre in Nigeria that had a potential impact on the accuracy of our register. Further information on how we handled this case can be found in the performance review section of this report at page 10.

Anti-fraud, bribery and corruption

During 2023-2024 there has been one instance of fraud, relating to the operation of the computer-based test element of our Test of Competence. Further information on the case and action taken in response can be found in the performance review section of this report at page 10. No other instances of actual or suspected fraud, bribery or corruption were detected (2022-2023: none).

We have policies in place for colleagues on anti-fraud and bribery, personal interests and outside appointments, whistleblowing, claiming expenses and gifts and hospitality.

The gifts and hospitality policy is in place for Council members, Associates, Partner members and colleagues and a register of all gifts and hospitality accepted or declined is maintained.

Our current anti-fraud policy is silent on fraud in relation to professionals joining the register. Considering the findings of the internal audit on overseas registration fraud (see page 95 of this report) as well as work undertaken by colleagues across the organisation, we will review our overarching fraud policies, procedures and supporting training.

No modern slavery issues have been identified during the year to date (2022-2023: none).

In accordance with the Modern Slavery Act 2015, we updated and published our Modern Slavery Statement on our website in June 2023 and this year's statement will be published following approval in June 2024.

Serious Event Review process

Through our Serious Event Review (SER) process, we investigate incidents and near misses so that we can learn from them and improve the way we work. Under our incident reporting process, we distinguish between Adverse Incidents (AIs) and Serious Events (SEs) based on the severity of the incident. Incidents are classified as AIs when they have minimal impact on our organisation and our work, although they still provide valuable learning. SEs are incidents that impact, actually or potentially, more seriously our organisation and our work. Learning from SERs is reported to the Executive Board and Audit Committee every six months.

During 2023-2024, a total of 169 corporate incidents and near-misses were reported compared with 160 for 2022-2023. Of the 169 corporate incidents reported in 2023-2024, 61 were classified as SEs (compared with 65 in 2022-2023), and the remaining 108 were AIs (compared with 95 in 2022-2023). The majority of Serious Events (85 percent for 2023-2024) occurred within the Professional Regulation directorate.

Reporting of SERs and learning from them is key to improving our performance as a regulator. We want to strengthen our culture to one of learning and openness, encouraging reporting at all levels in the organisation. To achieve this, we have reviewed the current incident reporting process, including undertaking an internal audit, and plan to introduce a refreshed approach to reporting in 2024-2025 called Log and Learn, which will be underpinned by a new database. A well-managed and fully embedded incident reporting process is a key source of corporate learning and an important part of the NMC's approach to risk management. The new process will play an important role in shifting our culture to have greater openness and transparency when mistakes arise, so the organisation can collectively learn from them, and prevent a recurrence and/or escalation. As the volume of activity to reduce our fitness to practise caseload increases, the new system will bolster our learning and help us deliver better support for the professionals on our register and the public.

Learning from complaints about our work

Complaints matter to us. Each time an issue is raised by a person using our services it provides us with an important opportunity to foster a learning culture and continuously improve.

We identified 154 learning points from complaints made to us in 2023-2024 (2022-2023: 127) which we used to improve our services.

In 2023-2024, we received 1,634 formal complaints (2022-2023: 1,280). We responded to 92 percent of these within 20 working days (2022-2023: 91 percent within 20 working days).

Of the overall 1,634 complaints, 996 were related to open applications to our register. We also received 406 complaints from people who were associated with an open fitness to practise case.

We received 49 (2022-2023: 44) complaints from parliamentarians, including members of the UK Parliament and devolved legislatures in Scotland, Wales and Northern Ireland. Of the 49 complaints we received in 2023-2024, we responded to 44 (90 percent) of these within 20 working days (2022-2023: 73 percent).

We aim to handle any complaints about the service we have provided in a fair and timely way, treating those who raise complaints with respect and listening to their concerns. Following our response, 38 people remained unhappy (2022-2023: 21). We reviewed our handling of these in an average of 17 working days (2022-2023: 17 working days).

We continue to focus on improving the performance of our Enquiries and Complaints function. We will be carrying out an end-to-end review of our handling of complex complaints relating to fitness to practise in 2024-2025 and will implement the actions arising.

Freedom of information

We are committed to being as open and transparent as possible, while adhering to our legal obligations under freedom of information and data protection legislation. This includes people's right to access their personal information, and the right to challenge the way we use and process their personal data. We also respond to third-party disclosure requests from organisations such as the Disclosure and Barring Service and Disclosure

Scotland, with whom we can share personal information if there is a legal basis for disclosure.

373 freedom of information requests were received and 90 percent were responded to within the statutory deadline of 20 working days. This compares with 88 percent of 326 requests for 2022-2023.

1,176 third-party requests were received and 95 percent were responded to within the statutory deadline of one calendar month. This compares with 95 percent of 1,059 requests for 2022-2023.

420 General Data Protection Regulation requests were received and 93 percent were responded to within the statutory deadline of one calendar month. This compares with 90 percent of 350 requests for 2022-2023.

The total number of information requests responded to on time this year was 1,872 out of 1,969, which is 95 percent (2022-2023: 1,609 out of 1,735; 93 percent).

If someone is unhappy with how their request for information has been handled, they can request an internal review.

We received a total of 20 requests for internal reviews during 2023-2024 (2022-2023: 29 requests). This is proportionately very low: only 1 percent of cases.

Where people remain dissatisfied following the outcome of their internal review, they can refer us to the Information Commissioner's Office (ICO). When the ICO chooses to investigate beyond initial enquiries they will seek further information from us, and, in 2023-2024, there were no such cases (2022-2023: no cases).

Throughout 2023-2024 we have continued to invest in our Customer Information and Data Requests team. Colleagues have been undertaking Advanced GDPR Practitioner Certificates to ensure we are as transparent as possible in our responses within the boundaries of the law.

Serious incident/notifiable event reporting

Issues which require reporting to the Charity Commission are identified through several routes, including our policies and processes for Serious Event Reviews; Whistleblowing; Anti-Fraud, Bribery and Corruption; and Safeguarding. In accordance with guidance from the Charity Commission (CC) and the Office of the Scottish Charity Register (OSCR), where we identify an issue, permission is sought from the Council, as trustees, to report to the Charity Commission. If more urgent reporting is needed, we seek permission from the Chair and Council is informed at the earliest opportunity.

During 2023-2024, we informed the Charity Commission of four serious incidents. Two of the cases arose from safeguarding matters. We are awaiting correspondence from the Commission on one of these cases, the Commission was satisfied that the other case had been dealt with appropriately and responsibly. As noted in the safeguarding section of this report, we are taking forward action to further strengthen our approach to safeguarding.

The other two cases relate to incidents discussed elsewhere in this report. These are:

- the incident relating to the operation of the computer-based test element of our test of competence, which the Commission was satisfied was being dealt with appropriately and responsibly
- concerns about aspects of our regulatory casework and our workplace culture, which are still under investigation.

To date we have informed the Charity Commission of one serious incident in 2024-2025. This concerned the most recent whistleblowing concern that is under investigation.

As we are registered with the Charity Commission, we are not required to report incidents to the Office of Scottish Charity Regulator (OSCR) as well. However, in line with our commitment to four country accountability, we report all relevant incidents to both the OSCR and the Charity Commission.

Professional Standards Authority oversight

The Professional Standards Authority (PSA) oversees and reports to Parliament on the work of health and social care professional regulators, including the NMC. On 5 September 2023, the PSA published its annual review of our performance from July 2022 to June 2023. It found that we had met 17 of the 18 Standards of Good Regulation but had not met Standard 15 which requires us to deal with fitness to practise cases as quickly as is consistent with a fair resolution of the case.

This was the fourth consecutive year that we had not met standard 15. In response, on 29 August 2023 the PSA sent a letter to the Secretary of State and ministers in the devolved administrations confirming we had not met Standard 15 again. They acknowledged that addressing the high caseload and improving the time it takes to manage fitness to practise concerns remains our top priority.

They also noted the work of the fitness to practise improvement plan to address these concerns. We had been regularly briefing relevant ministers and government officials and provided a further update in relation to ongoing work to address these challenges, including the fitness to practise 18-month improvement plan, external support and an uplift in internal resources.

The PSA report also included positive feedback on work we had undertaken, including changes we made to our English language requirements and our pre-registration education standards, and the research we undertook into the impact of our regulatory processes on professionals with different diversity characteristics.

Internal audit annual opinion 2023–2024

Our risk-based annual internal audit programme is agreed and overseen by our Audit Committee. The programme for 2023–2024 consisted of seven internal audits. During the year it was agreed that two of the planned audits

would be re-scheduled to 2024–2025 to allow for internal audits on the following priority areas: Overseas Registration (Fraud Risk Assessment) and our Serious Event Review process.

Internal Audit Assignment	Assessment
Financial Management	Substantial assurance
Financial Control – Month end and Year end Finance Processes	
Change and Continuous Improvement	Reasonable assurance
Coding and Reference Data – Approved Education Institutions	Partial assurance
Serious Event Reviews	
General Data Protection Regulations – Accountability	N/A as the assignment was advisory
Overseas Registration (Fraud Risk Assessment)	

Further detail on audits that received an assessment of partial assurance:

- Coding and Reference Data – Approved Education Institutions:** The purpose of this audit was to consider how the NMC had learnt from coding and reference data issues that had delayed a significant number of newly qualified students from registering with the NMC. The audit found significant input to address the issue and reduce the possibility of recurrence. However, it did identify control weaknesses related to the Serious Event Review process, including the timing of

raising the SER and action tracking, management and monitoring. As noted in the SER section of this report, the Executive is taking forward actions to improve this area, including the implementation of a new Log and Learn process.

- Serious Event Reviews (SERs):** The purpose of the audit was to support the development of our incident management process by considering its current effectiveness and identifying areas for improvement as we develop a new process (Log and Learn).

The audit found weaknesses in identifying and sharing learning themes across the organisation, data quality within the database and, in some cases, completing investigations and actions in a timely manner. It also identified a need to ensure clarity on accountability for implementing any learning points and ensuring a risk-based approach is taken when identifying actions. The Executive is working to ensure that the new incident management process (Log and Learn) addresses these issues.

Also of particular note was the advisory audit on overseas registration (fraud). This was undertaken following concerns about the operation of the computer-based test at Yunnik Technologies Test Centre in Ibadan, Nigeria, where we identified fraudulent activity. The action we took in response to this can be found in the Performance Review section of this report. This audit assessed the anti-fraud arrangements in place across the organisation as well as the contractual arrangements with Pearson Vue (the NMC's CBT provider) to identify any weaknesses and learning. In most respects, the audit found processes to be soundly designed.

However, it did identify some areas where controls could be strengthened and arrangements revisited – for instance developing a more extensive fraud policy that extends beyond financial fraud, clarifying roles and responsibilities for managing fraud and ensuring third-party contracts are sufficiently robust. The Executive is taking forward the actions identified.

Our internal auditor reviews the implementation of audit recommendations and provides regular updates to the Audit Committee. Three actions from the SER audit in 2022-2023 were not implemented and were re-raised as part of the audit undertaken in 2023-2024. All other recommendations from audits, where action has fallen due in the period, have been implemented or were superseded.

The Head of Internal Audit's overall annual opinion is that:

“The organisation has an adequate and effective framework for risk management, governance and internal control. However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.”

Overall assessment of effectiveness of governance and assurance

As Chair of the Council and Accounting Officer, we have reviewed the effectiveness of governance, risk management and internal controls.

In reaching our assessment, we have relied upon a range of evidence, including the opinion and report of the Head of Internal Audit, the corporate assessment of the quality of controls and assurance in place in directorates and the annual review of the effectiveness of risk management. We have also relied on the Opinion and Audit Findings Report of our external auditor and the Audit Completion Report and Management Letter of the National Audit Office.

Overall, we consider that there is reasonable assurance that there are adequate arrangements in place for governance, risk management and control. We recognise the need to maintain a high level of scrutiny over the recovery of our fitness to practise caseload, the improvements to the SER process and the progression of the Modernisation of Technology Services programme and the improvements that will bring through more effective IT systems and a greater use of automated systems.

Sir David Warren
Chair
3 July 2024

Andrea Sutcliffe
Chief Executive
and Registrar
3 July 2024



Independent auditor's report to the trustees of the Nursing and Midwifery Council

Opinion

We have audited the accounts of the Nursing and Midwifery Council (the 'NMC') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the NMC's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the determination made by the Privy Council under The Nursing and Midwifery Order 2001 (as amended), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report.

We are independent of the NMC in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or

collectively, may cast significant doubt on the NMC's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the accounts is inconsistent in any material respect with the Report of the Council; or
- sufficient and proper accounting records have not been kept; or
- the accounts are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of responsibilities of the Council, Council (being the trustees) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the NMC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 52 (2) of The Nursing and Midwifery Order 2001 (as amended), section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the NMC has in place, the areas of the accounts that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The NMC did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the NMC. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, the Nursing and Midwifery Order 2001 and the determination of the Privy Council issued thereunder and the requirements of the Professional Standards Authority for Health and Social Care.
- We considered the incentives and opportunities that exist in the NMC, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the NMC, together with the discussions held with the NMC at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the accounts disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to the defined benefit pension obligation and the panellist provision.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Performing a physical verification of key assets.
- Obtaining third-party confirmation of material bank and investment balances.

- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation including board minutes for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the accounts even though we have properly planned and performed our audit in accordance with auditing standards.

The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the NMC.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the NMC's trustees, as a body, in accordance with The Nursing and Midwifery Order 2001, part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the NMC's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the NMC and the NMC's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher LLP

Chartered Accountants
Statutory Auditor

3 July 2024

Acre House
11-15 William Road
London
NW1 3ER
United Kingdom



The Certificate and Report of the Comptroller and Auditor General to the trustees of the Nursing and Midwifery Council and the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the Nursing and Midwifery Council for the year ended 31 March 2024 under the Nursing and Midwifery Order 2001. The financial statements comprise: the Nursing and Midwifery Council's:

- Balance Sheet as at 31 March 2024;
- Statement of Financial Activities and Statement of Cash Flows for the year then ended; and
- The related notes to the financial statements, including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the Nursing and Midwifery Council's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the Nursing and Midwifery Order 2001 and the determination of the Privy Council issued thereunder; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 ***Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)***. My responsibilities under those standards are further described in the ***Auditor's responsibilities for the audit of the financial statements*** section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's ***Revised Ethical Standard 2019***. I am independent of the Nursing and Midwifery Council in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Nursing and Midwifery Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt

on the Nursing and Midwifery Council's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Council and of the Chief Executive and Registrar with respect to going concern are described in the relevant sections of this certificate.

Other information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate thereon. The Council and the Chief Executive and Registrar are responsible for the other information contained within the annual report.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is

materially inconsistent with the financial statements, or my knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Remuneration Report subject to audit have been properly prepared in accordance with the determination made by the Privy Council under the Nursing and Midwifery Order 2001;
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Nursing and Midwifery Council and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- the information given in the financial statements is inconsistent in any material respect with the Annual Report; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or

- I have not received all of the information and explanations I require for my audit; or
- certain disclosures of remuneration specified by the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) or the Charities Act 2011, or as required by the determination made by the Privy Council under the Nursing and Midwifery Order 2001 have not been made or parts of the Remuneration Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with determinations by the Privy Council.

Responsibilities of the Council and of the Chief Executive and Registrar for the financial statements

As explained more fully in the Statement of Responsibilities of the Council and of the Chief Executive and Registrar, the Council and its Chief Executive and Registrar are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement,

whether due to fraud or error. In preparing the financial statements, the Council are responsible for assessing the Nursing and Midwifery Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Nursing and Midwifery Order 2001.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which my procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of my planning process:

- I enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- I obtained an understanding of the legal and regulatory frameworks applicable to the charity. I determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, the Nursing and Midwifery Order 2001 and the determination of the Privy Council issued thereunder and the requirements of the Professional Standards Authority for Health and Social Care.
- I considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored my risk assessment accordingly.
- Using my knowledge of the charity, together with the discussions held with the charity at the planning stage, I formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored my procedures according to this risk assessment.

I also obtained an understanding of the Nursing and Midwifery Council's framework of authority and other legal and regulatory frameworks in which the Nursing and Midwifery Council operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Nursing and Midwifery Council. The key laws and regulations I considered in this context included the Nursing and Midwifery Order 2001, the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities and Trustee Investment (Scotland) Act 2005. The key procedures I undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to the defined benefit pension obligation and the panellist provision.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.

- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Performing a physical verification of key assets.
- Obtaining third-party confirmation of material bank and investment balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation including board minutes for discussions of irregularities including fraud.
- In addressing my assurance over regularity, considering any special payments made in year, review of Council and Audit Committee papers and minutes and an overall comparative review of current year to prior year.

Owing to the inherent limitations of an audit, there is an unavoidable risk that I may not have detected some material misstatements in the financial statements even though I have properly planned and performed my audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the Council.

A further description of my responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of my certificate.

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General

4 July 2024

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP



Financial statements for the year ended 31 March 2024

Statement of financial activities for the year ended 31 March 2024		Unrestricted Funds	Restricted Funds	Year ended 31 March 2024	Unrestricted Funds	Restricted Funds	Year ended 31 March 2023
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Income from:							
Charitable activities:							
Fees	2	103,338	-	103,338	100,433	-	100,433
Grants	3	-	-	-	-	199	199
Other income	3	114	-	114	172	-	172
Total		103,452	-	103,452	100,605	199	100,804
Investment income:	3	3,763	-	3,763	2,081	-	2,081
Total income		107,215	-	107,215	102,686	199	102,885
Expenditure on:							
Raising funds	4	(173)	-	(173)	(166)	-	(166)
Charitable activities	5	(108,160)	-	(108,160)	(97,736)	(199)	(97,935)
Total		(108,333)	-	(108,333)	(97,902)	(199)	(98,101)
Net income before net gains/(losses) on investments		(1,118)	-	(1,118)	4,784	-	4,784
Gain/(loss) on investments	14	3,204	-	3,204	(1,855)	-	(1,855)
Net income		2,086	-	2,086	2,929	-	2,929
Other recognised gains/(losses):							
Actuarial gain on defined benefit pension scheme and asset ceiling adjustment	19	-	-	-	(2,458)	-	(2,458)
Net movement in funds		2,086	-	2,086	471	-	471
Reconciliation of funds:							
Total funds brought forward		76,782	-	76,782	76,311	-	76,311
Total funds carried forward		78,868	-	78,868	76,782	-	76,782

All funds brought and carried forward are unrestricted in the current and previous financial years. All activities reflected in the above two periods were derived from continuing operations. All recognised gains and losses are included in the above statement.

The notes on pages 116 to 139 form part of these accounts.

Balance sheet as at 31 March 2024		As at 31 March 2024	As at 31 March 2023
	Note	£'000	£'000
Fixed assets			
Intangible assets	11	20,193	14,169
Tangible assets	12	16,632	18,152
Investments	14	38,557	34,676
Total fixed assets		75,382	66,997
Current assets			
Debtors	15	4,519	3,770
Investments	14	16,585	29,612
Cash at bank and in hand		46,088	37,631
Total current assets		67,192	71,013
Liabilities:			
Creditors: amounts falling due within one year	16	(59,853)	(58,006)
Total current liabilities		(59,853)	(58,006)
Net current assets		7,339	13,007
Total assets less current liabilities		82,721	80,004
Creditors: amounts falling due after more than one year	17	-	(18)
Provisions for liabilities	18	(3,853)	(3,204)
Total net assets		78,868	76,782
The funds of the NMC			
Unrestricted funds		78,868	76,782
Total funds		78,868	76,782

The Board of Trustees approved the accounts on 3 July 2024 and it is signed on their behalf by:

Sir David Warren
Chair
3 July 2024

Andrea Sutcliffe
Chief Executive and Registrar
3 July 2024

The notes on pages 116 to 139 form part of these accounts.

**Statement of cash flows for the
year ended 31 March 2024**

**Year ended
31 March 2024**

**Year ended
31 March 2023**

	Note	£'000	£'000
Cash flows from operating activities			
Net cash provided by operating activities		932	5,821
Cash flows from investing activities			
Interest earned from bank deposits	3	2,851	1,222
Cash withdrawal - short and long-term deposits		13,027	18,513
Cash investment - fixed asset investments	14	-	(3,000)
Purchase of tangible and intangible assets	11 & 12	(8,353)	(6,806)
Net cash provided by/(used in) investing activities		7,525	9,929
Change in cash and cash equivalents in the reporting period		8,457	15,750
Cash and cash equivalents at the beginning of the year		37,631	21,881
Cash and cash equivalents at the end of the year		46,088	37,631

The notes on pages 116 to 139 form part of these accounts.

Reconciliation of net income to net cash flow from operating activities

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Net income from the reporting period (as per the statement of financial activities)	2,086	2,929
Interest earned from bank deposits	(2,851)	(1,222)
Dividends and interest earned on fixed asset investment portfolio	(908)	(859)
(Gain)/loss on investments	(3,146)	1,855
Investment management charge	173	166
Depreciation and amortisation charges	3,793	3,163
Loss on capital work in progress disposal	56	-
(Increase) in debtors	(749)	(464)
Increase in creditors and provisions	2,478	2,711
Pension scheme adjustments	-	(2,458)
Net cash inflow from operating activities	932	5,821

Analysis of cash and cash equivalents

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Cash at bank and in hand	7,888	9,845
Short term investments ⁴	38,200	27,786
	46,088	37,631

⁴ See note 14 investments

Analysis of changes in net debt

The NMC had no debt during the year.

In accordance with the Charities SORP, FRS 102:

In the balance sheet, cash at bank and in hand means bank accounts with instant access or investments maturing within three months of the balance sheet date. Investments with maturities of between three and twelve months are classified as current asset investments.

In the above analysis of cash and cash equivalents, cash at bank and in hand means bank accounts with instant access while investments maturing within three months of the balance sheet date are classified as short-term investments.

In note 14, investments with maturities of between three and 12 months have been classified as short-term deposits.

The NMC does not hold any physical cash.

Notes to the accounts

1. Basis of preparation and accounting policies

We prepare our accounts in accordance with the Charities SORP 2019 (FRS102). As set out in our Accounts Direction from the Privy Council, which is reproduced at Appendix 1, we also have regard to the Government Financial Reporting Manual (FReM), to the extent that the requirements of the FReM clarify or build on the requirements of the Charities SORP.

We meet the definition of a public benefit entity under FRS102.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are as follows:

a. Going concern

The accounts are prepared on the going concern basis.

Our objective is to protect the public by regulating nurses and midwives in England, Wales, Scotland and Northern Ireland, and nursing associates in England. We are funded by the registration fees paid by nurses, midwives and nursing associates. Taking into account our relatively secure source of income and our significant reserves, the Council has reviewed our circumstances, work plans, budgets, cash flow forecasts and our current and forecast reserves levels and is comfortable with deficit budgets in the medium term (3–5 years) as we fund significant investment programmes.

Consultation exercises by the Department of Health and Social Care on the UK model of regulation for healthcare professionals, and the passing of the ‘Anaesthesia Associates and Physician Associates Order 2024’ make clear the presumption of the continued future need for our regulatory functions.

Given the continued need for our regulatory functions and our financial position outlined above, the Council considers that adequate resources continue to be available to fund our activities for the foreseeable future and there are no material uncertainties about the NMC’s ability to continue as a going concern.

b. Accounting convention

We prepare our accounts under the historical cost convention. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated on the relevant accounting policy notes.

c. Critical accounting judgements and estimates and key sources of estimation uncertainty

In the application of these accounting policies, we are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Actual outcomes may ultimately differ from those estimates. The significant areas subject to estimation and judgement are:

- Depreciation/amortisation

The useful economic lives of fixed assets are based on management's judgement and experience.

- Pensions

The principal assumptions used to calculate the surplus in the defined benefit pension scheme are those as set out in note 19. An asset ceiling has been applied to bring the net position to nil, recognising that the NMC does not have an unconditional right to a surplus.

- Panellist provision

The provision for potential additional panellist costs reflects our prudent estimate of the possible wider impact of a single claim to an employment tribunal for additional sums by a fitness to practise panellist.

d. Income

All income is recognised once the NMC has entitlement to the income, it is probable that the income will be received and the amount can be reliably measured.

- Income from charitable activities

Nurses, midwives and nursing associates must pay an annual registration fee to be registered with the NMC and able to practise. Registration fees are paid either annually in advance or quarterly in advance. We recognise the fees as income on a monthly basis across the year to which the registration fee applies.

The deferred income amount within our creditors is the value of fees that we have received at each balance sheet date that relate to a future financial year. Other fees including verification fees are credited to income on the day of receipt.

- Investment income

Investment income is accounted for when receivable.

- Government grants

Grant income is recognised once the NMC has entitlement to the income, it is probable that the income will be received and the amount can be reliably measured. For performance related grants, entitlement to the income includes meeting the performance related conditions.

e. Expenditure

- Charitable activities

Expenditure on charitable activities includes all expenditure related to the objects of the charity which comprise: standards promotion and policy development, education, maintaining the register, fitness to practise, and communication and public engagement. See note 5.

- Support costs

Support costs are the costs of our corporate functions including premises, IT, finance and human resources. They are apportioned to the regulatory functions on the basis of the employee numbers in the regulatory functions.

f. Fund accounting

All funds are currently unrestricted and reported as such in the accounts. They are available for use at the discretion of the Council to support the general objectives of the NMC.

We have received restricted grant funding and these funds have been used in accordance with the specific restrictions imposed.

g. Leased assets

Rentals applicable to operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged to the statement of financial activities (SoFA) in equal amounts over the periods of the leases.

h. Employee benefits

- **Holiday pay**

Holiday pay is recognised as an expense in the period in which the service is received.

- **Termination benefits**

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

- **Pension costs**

Retirement benefits are provided by a defined benefit scheme and a defined contribution scheme. Payments are made to pension trusts, which are financially separate from the NMC.

The defined benefit scheme was closed to future accrual of benefits with effect from 1 July 2021 and, as a result of the triennial review as at 31 March 2022 showing a surplus, even under very cautious assumptions designed to ensure the scheme has 'low dependency' on the employer, no recovery plan payments are currently required.

The difference between the market value of the assets of the pension fund and the present value of accrued pension liabilities is shown as an asset or liability on the balance sheet, except that an asset is only recognised where the Charity has an unconditional right to that surplus. As the NMC does not have an unconditional right to a surplus, an asset ceiling adjustment has been applied to bring the net position on the balance sheet to nil, with the actuarial gain and the asset ceiling adjustment both charged to the SoFA.

The service cost of pension provision relating to the period, together with the costs of any benefits relating to past service and the pension finance cost, which is a charge equal to the increase in the present value of the Pension Fund's liabilities at the previous year end, less a credit equivalent to the Pension Fund's long-term expected return on assets are allocated to the SoFA.

Payments to the defined contribution scheme are made on the basis of set percentage contributions by the NMC and employees, and the costs are charged to the SoFA as incurred.

i. Fixed assets

Expenditure is only capitalised where the cost of the asset or group of assets acquired exceeds £5,000. Depreciation/amortisation is provided on fixed assets to write them down over their estimated useful lives in equal instalments as follows:

Long leasehold premises - 23 Portland Place ⁵	50 years
Office fit out and refurbishment	Period of the lease or the useful economic life of the asset
Furniture	10 years
IT projects	3-10 years
Software	3-5 years
Equipment	3-5 years

We revalued 23 Portland Place during 2013-14 and on first adoption of FRS102 opted to use this valuation as deemed cost going forward.

Fixed Assets are assessed at each reporting date for any indicators of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

Internal costs directly incurred on software development are capitalised as part of the project they relate to.

j. Investments

Fixed asset investments are initially capitalised at cost and subsequently recognised at market value at the balance sheet date.

Gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their cost if acquired during the year, and are charged or credited to the statement of financial activities in the year of disposal.

The movement in market values during the year for assets held at the year-end is credited or charged to the statement of financial activities based on the market value at the year-end.

Current asset investments are investments with maturities of between three and 12 months and are recognised at market value at the balance sheet date.

k. Debtors

Debtors and accrued income are recognised at the amount due at year-end. Prepayments are valued at the amount prepaid.

l. Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a maturity of three months or less at the balance sheet date.

⁵ See Note 12.1

m. Creditors and provisions

Creditors and provisions are recognised where we have a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n. Financial instruments

The NMC has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost consist of cash balances, investments, trade and other debtors. Investments in the stock market are held at market value. Financial liabilities held at amortised cost comprise trade creditors, other creditors and accruals.

2. Fee income

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Registration fees	96,060	92,828
Other fees paid by registrants	7,278	7,605
Total	103,338	100,433

3. Investment, grant and other income

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Interest earned from bank deposits	2,851	1,222
Dividends and interest earned in our fixed asset investment portfolio	912	859
Total investment income	3,763	2,081
Grant income	-	199
Other income	114	172
Total	114	371

No restricted grant income was received in 2023-2024 (2022-2023: £0.199 million). In 2022-2023 restricted grant income was received from the Department of Health and Social Care for work undertaken by the NMC to increase the speed of processing of international applications to join the register. £0.195 million of this funding was passed directly to the test centre providing the tests for international applicants.

£0.070 million of other income was received under a contract with the Department of Health and Social Care for work undertaken by the NMC to set up a temporary register to support nursing resources in response to the Coronavirus pandemic (2022-2023: £0.110 million).

4. Analysis of expenditure on raising funds

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Investment management charge	173	166

5. Analysis of expenditure on charitable activities

	Standards promotion and policy development	Education	Maintaining the register	Fitness to practise	Comms and public engagement	Total 2023-2024
Year ended 31 March 2024	£'000	£'000	£'000	£'000	£'000	£'000
Activities undertaken directly						
Employee costs	7,405	1,162	5,476	31,314	2,810	48,167
Other costs	1,914	25	119	21,836	544	24,438
Support costs						
Employee costs	1,683	251	2,223	10,573	724	15,454
Other costs	1,771	265	2,340	14,963	762	20,101
Total	12,773	1,703	10,158	78,686	4,840	108,160

No restricted grant income was received in 2023-2024 (2022-2023: £0.199 million). In 2022-2023 restricted grant income was received from the Department of Health and Social Care for work undertaken by the NMC to increase the speed of processing of international applications to join the register.

£0.195 million of this funding was passed directly to the test centre providing the tests for international applicants.

	Standards promotion and policy development	Education	Maintaining the register	Fitness to practise	Comms and public engagement	Total 2022-2023
Year ended 31 March 2023	£'000	£'000	£'000	£'000	£'000	£'000
Activities undertaken directly						
Employee costs	6,188	1,053	5,124	28,525	2,637	43,527
Other costs	1,818	18	345	19,428	543	22,152
Support costs						
Employee costs	1,275	211	2,157	9,984	709	14,866
Other costs	1,305	217	2,209	13,463	726	17,390
Total	10,586	1,499	9,835	71,400	4,615	97,935

6. Analysis of support costs

	Standards promotion and policy development	Education	Maintaining the register	Fitness to practise	Comms and public engagement	Total 2023-2024
Year ended 31 March 2024	£'000	£'000	£'000	£'000	£'000	£'000
Facilities	207	31	273	5,111	89	5,711
Finance and procurement	440	66	581	2,768	189	4,044
HR	785	117	1,036	4,933	338	7,209
ICT	999	149	1,321	6,286	430	9,185
Governance	433	65	571	2,721	185	3,975
Legal	177	27	235	1,122	77	1,638
Depreciation	413	61	546	2,595	178	3,793
Total	3,454	516	4,563	25,536	1,486	35,555

	Standards promotion and policy development	Education	Maintaining the register	Fitness to practise	Comms and public engagement	Total 2022-2023
Year ended 31 March 2023	£'000	£'000	£'000	£'000	£'000	£'000
Facilities	160	26	271	4,492	89	5,038
Finance and procurement	274	45	464	2,148	153	3,084
HR	643	107	1,088	5,036	358	7,232
ICT	745	124	1,260	5,833	414	8,376
Governance	324	54	548	2,536	180	3,642
Legal	153	25	259	1,199	85	1,721
Depreciation	281	47	476	2,203	156	3,163
Total	2,580	428	4,366	23,447	1,435	32,256

7. Governance costs

The breakdown of governance costs (included within support costs) is:

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Council members' allowances, national insurance, travel and subsistence	601	400
Auditors' remuneration for audit services: HW Fisher LLP	80	73
Auditors' remuneration for audit services: NAO	17	17
Professional Standards Authority annual fee	2,195	1,998
Operating costs (including salaries)	1,082	1,154
Total	3,975	3,642

The £80,000 HW Fisher LLP audit fee for the year ended 31 March 2024 includes translation of its audit opinion into Welsh.

Of the £17,000 NAO audit fee for the year ended 31 March 2024, £1,000 relates to an additional fee for the 2023 audit that was not accrued in the prior year.

8. Total resources expended by cost category

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Salaries and associated costs	63,621	58,393
Fitness to practise related costs	21,836	19,428
IT development and support	5,125	4,922
Professional fees	4,277	3,940
Rent payable on office leases	1,922	2,077
Other premises costs	3,001	2,009
Other employee-related costs	1,644	1,614
Quality assurance of education	1,310	1,047
Depreciation	3,793	3,163
Printing, postage and stationery	117	129
Finance and insurance ⁶ costs	1,191	921
Council and committee costs	496	458
Total	108,333	98,101

⁶ Includes trustees' indemnity insurance

Expenditure on consultancy

The definition of consultancy is the provision to management of objective advice relating to strategy, structure, management or operations of an organisation, in pursuit of its purposes and objectives. Such advice will be provided outside the 'business-as-usual' environment when in-house skills are not available and will be time-limited.

Consultancy may include the identification of options with recommendations, or assistance with (but not the delivery of) the implementation of solutions. On this basis consultancy costs have been identified as below. These costs are included mainly in the Professional fees category, and also in the IT development and support category.

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Consultancy	916	758

9. Information regarding employees

Salaries and associated costs	Executive	Other employees	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000	£'000	£'000
Wages and salaries	1,290	50,645	51,935	46,775
Social security costs (Employer's NI contributions and Apprenticeship levy)	142	5,344	5,486	5,091
Defined contribution pension costs - present employees ⁷	130	5,139	5,269	5,199
Temporary and contract workers	-	3,242	3,242	2,688
Termination payments ⁸	-	143	143	177
Total	1,562	64,513	66,075	59,930
Capitalised staff costs	-	(2,454)	(2,454)	(1,537)
Total	1,562	62,059	63,621	58,393

⁷ Further information about the NMC's employee pension schemes can be found in Note 19.

⁸ This includes £39,000 extra-contractual payments, redundancy payments of £66,000 and payments in lieu of notice of £38,000 (2022-2023: extra contractual payments of £23,000, redundancy payments of £105,000 and payments in lieu of notice of £49,000).

Information relating to higher-paid employees (including the Executive)

There were 242 (2022–2023: 175) employees (including members of Executive for the period) whose remuneration fell in the following bands:

Remuneration bands (£)	Year ended 31 March 2024	Year ended 31 March 2023
	Number of employees	Number of employees
60,001–70,000	115	76
70,001–80,000	57	58
80,001–90,000	37	15
90,001–100,000	12	11
100,001–110,000	5	5
110,001–120,000	6	3
120,001–130,000	2	2
130,001–140,000	3	2
140,001–150,000	-	1
150,001–160,000	-	1
160,001–170,000	3	-
170,001–180,000	1	1
180,001–190,000	1	-

Key management is made up of the Chief Executive and Registrar and the Executive directors. The total benefits of the key management, including employers national insurance and pension contributions were £1,562,000 (2022–2023: £1,461,000). The above table includes eight Executive directors who received more than £60,000 in the year. For more information on Executive remuneration in the year, see the Remuneration report.

In 2023–2024, one employee with remuneration in the £80,000–£90,000 band included an exit package of £66,000.

All other movement in bandings was through the 2023–2024 standard annual pay increase.

	Year ended 31 March 2024	Year ended 31 March 2023
	Number of employees	Number of employees
Average number of permanent and fixed-term contract employees during the year:		
Executive	9	13
Other employees	1,068	1,017
Average number of agency temporary staff and contractors during the year	73	65
Total	1,150	1,095

10. Charitable status

We are registered as a charity in England and Wales with the Charity Commission (charity no. 1091434) and in Scotland with the Office of the Scottish Charity Regulator (charity no. SC038362).

Due to our charitable status we are not liable to corporation tax on our charitable activities or on our investment income and gains. We also receive charitable rate relief from the City of Westminster, London Borough of Newham and Edinburgh City Council.

11. Intangible fixed assets for use by the charity

	Software	IT projects	Capital work in progress	Total
	£'000	£'000	£'000	£'000
Cost:				
01 April 2023	2,109	20,626	4,131	26,866
Additions	-	3,409	4,694	8,103
Transfers	-	2,128	(2,128)	-
31 March 2024	2,109	26,163	6,697	34,969
Amortisation:				
01 April 2023	2,109	10,588	-	12,697
Amortisation charge for the year	-	2,079	-	2,079
31 March 2024	2,109	12,667	-	14,776
Net Book Value:				
31 March 2023	-	10,038	4,131	14,169
31 March 2024	-	13,496	6,697	20,193

Capital work in progress projects are added to the fixed asset register and amortised when brought into use.

Fixed assets are assessed at each reporting date for any indicators of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

In 2023–2024, £2.082 million of work in progress relating to our Modernisation of Technology Services programme (MoTS) and £0.046 million relating to our Test of Competence Management programme (ToC) was brought into use. A further £2.983 million of additions relating to the MoTS and £0.426 million relating to the ToC programmes was also capitalised during the year.

Carrying value of material intangible assets

	Gross book value	Net book value	Remaining life
	£'000	£'000	(months)

Year ended 31 March 2024

Application processes of the register database	8,135	2,962	77
Improvements to NMC Register	3,398	2,430	92
Structured data in the registrant database	2,095	1,990	113
Total	13,628	7,382	

	Gross book value	Net book value	Remaining life
	£'000	£'000	(months)

Year ended 31 March 2023

Application processes of the register database	8,135	3,422	89
Improvements to NMC Register	3,398	2,746	104
Structured data in the registrant database	-	-	-
Total	11,533	6,168	

11.1 Capital work in progress

These are projects to create capital assets for use in the business where expenditure has been incurred at the period end but the assets have not yet been completed or brought into use. These include the Modernisation of Technology project and the Test of Competence management project.

12. Tangible fixed assets for use by the charity

	23 Portland Place long leasehold premises ⁹	Buildings refurbishment	Furniture	Equipment	Capital work in progress ¹⁰	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost:						
01 April 2023	15,448	13,571	181	2,250	101	31,551
Additions	-	-	-	247	3	250
Disposals	-	-	-	-	(56)	(56)
Transfers	-	48	-	-	(48)	-
31 March 2024	15,448	13,619	181	2,497	-	31,745
Depreciation:						
01 April 2023	3,132	9,012	139	1,116	-	13,399
Depreciation charge for the year	354	778	19	563	-	1,714
31 March 2024	3,486	9,790	158	1,679	-	15,113
Net Book Value:						
31 March 2023	12,316	4,559	42	1,134	101	18,152
31 March 2024	11,962	3,829	23	818	-	16,632

Capital work-in-progress projects are added to the fixed asset register and depreciated when brought into use.

Fixed assets are assessed at each reporting date for any indicators of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

In 2023–2024, £247k of additions relating to technology improvements was capitalised in the year. The £48k transfer to Building refurbishment related to the completion costs of the NMC office located at 10 George Street, Edinburgh, Scotland.

A further £56k within capital work in progress relating to the 23 Portland Place refurbishment project was expensed through the statement of financial activities following the cancellation of the project.

⁹ See Note 12.1

¹⁰ See Note 12.2

12.1 Long leasehold premises

The UKCC (the NMC's predecessor body) acquired the leasehold interest in 23 Portland Place, London W1B 1PZ from the General Nursing Council for England and Wales at nil cost. The lease has a peppercorn rent of £250 a year and expires in the year 2933. The lease was valued as at 31 March 2014 on an existing use basis, by external valuers Carter Jonas, at £17.185 million. There is a restrictive covenant on the lease which restricts the use and occupation of the property to the NMC.

12.2 Capital work in progress

These are projects to create capital assets for use in the business where expenditure has been incurred at the period end but the assets have not yet been completed or brought into use, including the infrastructure programme.

13. Related party transactions

We are accountable to Parliament through the Privy Council. The Nursing and Midwifery Order 2001 sets out the nature of our relationship with the Privy Council and the reporting mechanisms required. While not accountable to the Department of Health and Social Care, we have regular contact with the Department on policy and other matters.

During the period 1 April 2023 to 31 March 2024, the total allowance paid to the current Chair was £78,000 (2022-2023: £78,000), and allowances, travel and subsistence and training expenses paid to, or incurred in relation to, members of the Council were £311,686 (2022-2023: £309,918).

Council members are paid directly via the NMC payroll. Details of amounts paid to individual Council and Executive members are set out in the Remuneration report.

During the year, the NMC engaged IT services from Gartner U.K. Limited. The partner of Matthew McClelland, Executive Director of Strategy and Insight, is the Regional Vice President of Business Development at Gartner U.K. Limited. The NMC paid Gartner U.K. Limited a total of £37,280 during the year (2022-2023: £37,280). There were no balances outstanding with related parties at year-end.

14. Investments

Fixed asset investments	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Market value at 1 April	34,676	32,838
New capital invested	-	3,000
Dividends and interest received and retained in fund	908	859
Management fees charged at source	(173)	(166)
Net gain/(loss) on revaluation	3,146	(1,855)
Market value at 31 March	38,557	34,676
Comprising the following:		
Fixed income securities	5,190	5,082
Equities	28,476	23,204
Property funds	1,301	1,445
Alternative investment funds	2,471	4,249
	37,438	33,980
Cash	1,119	696
Market value at 31 March	38,557	34,676

Current asset investments	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Market value at 1 April	-	-
New capital invested	7,000	-
Interest received and retained in fund	4	-
Management fees charged at source	-	-
Net gain/(loss) on revaluation	58	-
Market value at 31 March	7,062	-
Short-term deposits (maturity of more than 3 months but less than 12 months)	9,523	29,612
	16,585	29,612

15. Debtors

	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Debtors	64	100
Prepayments and accrued income	4,455	3,670
Total	4,519	3,770

16. Creditors (amounts falling due within one year)

	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Creditors and accruals	16,352	15,791
Other taxes and social security	1,573	1,423
Deferred income	41,928	40,792
Total	59,853	58,006

Deferred income is the value of Registrant fees received at each balance sheet date that relate to a future financial year. £40,792,000 deferred as at 31 March 2023 was released in the year and £41,928,000 was deferred as at 31 March 2024.

17. Creditors

(amounts falling due after more than one year)

	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Lease premium	-	18
Total	-	18

18. Provisions

	Dilapidations ¹¹	Panellists ¹²	Total
	£'000	£'000	£'000
At 1 April 2023	(704)	(2,500)	(3,204)
Additions	(271)	(600)	(871)
Utilised in the year	-	-	-
Releases	222	-	222
At 31 March 2024	(753)	(3,100)	(3,853)

19. Pension commitments

We operate two pension schemes: a defined contribution scheme and a defined benefit scheme.

The defined contribution scheme

Our main pension scheme is a defined contribution pension scheme operated by The People's Pension. The minimum contribution level is that employees contribute one percent of their pensionable salary and the NMC contributes eight percent (2021-2022: 8 percent).

Employees may make additional contributions which are matched by the NMC up to a maximum employer contribution of 14 percent. As at 31 March 2024, 92 percent of employees were members of the defined contribution pension scheme. Employees also have the option of making their contributions through a salary sacrifice scheme introduced at the beginning of 2021-2022.

¹¹ The provision for dilapidations represents our prudent estimate of the costs of putting our leased properties back into the condition they were in prior to the start of our leases. The current expectation is that the provision will be utilised at the end of the terms of the leases, between July 2028 and November 2034.

¹² The provision for potential additional panellist costs reflects our best estimate of the possible wider impact of a single claim to an employment tribunal for additional sums by a Fitness to Practise panellist. The current provision reflects the most recent legal advice as to the likely extent of the potential liability. As the provision includes an amount relating to unpaid employer pension contributions, The Pensions Regulator has been informed. The current expectation is that the provision will be utilised by the end of the 2024-2025 financial year.

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
NMC's (employer's) defined contribution scheme contributions made in year	5,269	5,199
	%	%
NMC's (employer's) basic contribution defined contribution scheme	8.00%	8.00%
Employees' basic contribution defined contribution scheme	1.00%	1.00%

The defined benefit scheme

Employees who joined the NMC before November 2013 were able to join our defined benefit pension scheme, The Nursing and Midwifery Council and Associated Employers Pension Scheme, scheme registration number 101652586. It is a funded, multi-employer scheme with the Department of Health and Social Care, administered by Isio. The National Assembly for Wales and NHS Education for Scotland, the previous participants, withdrew from the scheme during 2013 and 2015 respectively. In March 2021, following a consultation with the active members of the Scheme, Council decided to close the defined benefit scheme to future accrual of benefits with effect from 1 July 2021. Therefore, at 31 March 2024 no employees are active members of the scheme.

Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations. Contributions have been charged to the Statement of Financial Activities (SoFA) so as to spread the cost of pensions over employees' working lives.

The latest completed valuation of the scheme was carried out on behalf of the pension trustees by Premier Pensions Management Limited as at 31 March 2022, using a full yield curve approach.

At the date of the valuation, the value of the NMC section of the scheme assets on a low dependency basis was £74.4 million. The value of the assets represented 107 percent of the value of the benefits, which had accrued to members after allowing for expected future increases in earnings and pensions.

If the scheme had been wound up on the valuation date (31 March 2022), the assets would have been approximately 86 percent of the amount necessary to purchase insurance contracts to meet the accrued benefits for active members and past leavers and the current benefits for pensioners. The estimated deficit would have been £12.4 million.

As a result of the triennial review showing a surplus, the independent pension trustees have agreed that recovery plan payments are no longer required. The value of Recovery Plan payments, in the year ended 31 March 2024 was nil (31 March 2023: £1,928,000). The value of other, non-recovery plan payments, in the year was nil (2022-2023: £530,000).

The next triennial valuation will be as at 31 March 2025.

The FRS102 valuation is based on a full assessment of the liabilities of the scheme as at 31 March 2024. Although this valuation shows a surplus, legal advice has confirmed that the NMC does not have an unconditional right to that surplus. FRS102 states that “an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus” and therefore an asset ceiling adjustment has been applied to bring the net position to nil.

In June 2023, judgement was handed down in the High Court case of Virgin Media vs NTL Trustees in which the judge ruled where benefit changes had been made without a valid “section 37” certificate from the Scheme Actuary, those benefits changes could be deemed as null and void.

The Trustees of the Pension Fund are currently awaiting the outcome of the appeal which is due to be heard later this year and whether the DWP then decide to change the legislation in this area. The Trustees will then consider the impact of this case on the Pension Fund and, if considered appropriate at that stage, obtain legal advice. Whilst the outcome has the potential to result in significant changes in the defined benefit obligation, at the current time based on the information available a reasonable estimate cannot be made of any such potential change in the obligation.

Amounts recognised in Balance Sheet	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Assets at fair value	73,573	75,706
Present value of defined benefit obligation	(59,031)	(60,450)
Surplus/(Deficit)	14,542	15,256
Asset ceiling adjustment	(14,542)	(15,256)
Net liability	-	-

Amounts recognised in SoFA	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Current service cost	-	-
Past service cost	-	-
Expected return on plan assets	3,514	2,656
Curtailment	-	-
Interest on pension obligation	(3,514)	(2,656)
Net amount recognised in SoFA	-	-

Amounts recognised in Other Comprehensive Income	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Return on plan assets in excess of interest income	3,727	29,384
Actuarial loss/(gain) on demographic assumptions	(778)	756
Actuarial loss/(gain) on financial assumptions	(2,529)	(38,287)
Actuarial loss/(gain) on experience adjustment	1,011	1,332
Change in the asset ceiling excluding interest	(1,431)	9,273
Total loss/(Gain)	-	2,458
	%	%
NMC's (employer's) contribution defined benefit scheme	0.00%	39.30%
Employees' contribution defined benefit scheme	0.00%	6.00%
Reconciliation of present value of defined benefit obligation	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Opening balance at 1 April 2023	60,450	96,036
Current service cost	-	-
Curtailment	-	-
Interest cost	2,797	2,473
Employee contribution	-	-
Actuarial (gain)/losses	(2,296)	(36,199)
Benefits paid	(1,920)	(1,860)
Closing balance at 31 March 2024	59,031	60,450
Reconciliation of fair value of plan assets	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Opening balance at 1 April 2023	75,706	101,836
Expected return on assets	3,514	2,656
Actuarial gain/(losses)	(3,727)	(29,384)
Employer contribution	-	2,458
Employee contribution	-	-
Benefits paid	(1,920)	(1,860)
Closing balance at 31 March 2024	75,573	75,706

	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Asset ceiling at start of period	(15,256)	(5,800)
Interest on the asset ceiling	(717)	(183)
Change in asset ceiling not included in income statement	1,431	(9,273)
Asset ceiling at end of period	(14,542)	(15,256)

Reconciliation of change in funded status	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Opening balance at 1 April 2023	-	-
Pension expense	-	-
Actuarial gain/(losses)	(1,431)	6,815
Employer contribution	-	2,458
Asset ceiling adjustment	1,431	(9,273)
Closing balance at 31 March 2024	-	-
Actual return on plan assets	(213)	(26,728)

History of experience adjustments	Period ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
	£'000	£'000	£'000	£'000
Defined benefit obligation	(59,031)	(60,450)	(96,036)	(100,498)
Plan assets	73,573	75,706	101,836	97,343
Surplus/(Deficit)	14,542	15,256	5,800	(3,155)
Experience adjustments on scheme liability - gain/(loss)	(1,011)	(1,332)	(4,347)	731
Experience adjustments on scheme assets	(3,727)	(29,384)	2,845	20,119

Expected contribution in following period

As at
31 March 2024

£'000

Employer (including fees)

-

Employee

-

Total

-

Principal assumptions

As at
31 March 2024

As at
31 March 2023

Discount rate

4.80%

4.70%

Retail price inflation

3.15%

3.40%

Consumer price inflation

2.50%

2.95%

Pension increases

2.95%

3.00%

Expected return on assets

4.80%

4.70%

Life expectancy at age 60

Years

Years

Males born 1962

25.8

26.6

Females born 1962

28.6

29.3

Males born 1982

27.0

28.2

Females born 1982

29.7

30.7

Scheme assets

As at
31 March 2024

As at
31 March 2023

£'000

£'000

Growth funds

22,111

18,945

Bonds

16,407

6,606

Gilts

-

16,466

Liability driven investments

17,466

11,909

Cash

2,899

6,022

Insured annuities

14,690

15,758

Total

73,573

75,706

20. Capital commitments

At 31 March 2024, £0.7 million for Registration and Revalidation Test of Competence and £2.1 million for Modernisation of Technology Services capital expenditure relating to intangible assets has been contracted for but has not been provided for in the accounts. No capital expenditure relating to tangible assets has been contracted for but not provided for in the accounts.

The following capital expenditure had been approved but not contracted for:

	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Accommodation programme	500	1,800
Modernisation of Technology Services	6,951	6,881
Technology Improvement programme	150	-
Technology Services (previously Modern Workplace for Me)	100	100
Total	7,701	8,781

21. Operating lease commitments

At 31 March 2024 we had the following future minimum operating lease payments:

	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Leases which expire:		
Within one year	2,034	1,888
Between one and five years	5,027	4,530
More than five years	-	757
Total	7,061	7,175

We lease premises at 2 Stratford Place, London, for the period until 21 July 2028; 1 Westfield Avenue, London, for the period until 6 February 2029 and 10 George Street, Edinburgh for the period until 17 May 2026.

22. Financial instruments

Financial instruments play a more limited role in creating and managing risk than would apply to a commercial organisation.

	As at 31 March 2024	As at 31 March 2023
	£'000	£'000
Financial assets	105,749	105,689
Financial liabilities	(17,925)	(17,214)

Financial assets consist of cash balances £46.088 million (2022-2023: £37.631 million), investments in fixed term bank deposits £16.585 million (2022-2023: £29.612 million) and debtors £4.519 million (2022-2023: £3.770 million) held at amortised cost and investments in the stock market (via investment managers) £38.557 million (2022-2023: £34.676 million) held at market value.

Financial liabilities held at amortised cost comprise creditors and accruals £16.352 million (2022-2023: £15.791 million) and other taxes and social security £1.573 million (2022-2023: £1.423 million).

23. Comparative statement of financial activities

In the year ended 31 March 2023 £199,000 restricted grant income was fully expensed, with no brought forward restricted balances. See note 3 for further detail.

24. Extra-contractual payments

There were two extra-contractual payments in the period ended 31 March 2024: £38,894 (31 March 2023: £23,500). Further detail can be found in the Remuneration report.

25. Contingent assets and contingent liabilities

At 31 March 2024 there were no contingent assets or liabilities.

26. Post-balance sheet events

There have been no events after the balance sheet date requiring adjustment or disclosure in these accounts.

The annual report and accounts have been authorised for issue on the date the accounts were certified by the Comptroller and Auditor General.

Appendix 1



The Nursing and Midwifery Order 2001 (Form of Accounts) Determination 2010

Their Lordships make the following determination in exercise of powers conferred by article 52(1) of the Nursing and Midwifery Order 2001¹².

This determination has effect from 23rd February 2010.

Interpretation

1. In this Determination-

“the accounts” means the accounts which it is the Council’s duty to keep and prepare under article 52(1) of the Nursing and Midwifery Order 2001 in respect of the financial year ending on 31st March 2010 and subsequent financial years;

“the Charities’ SoRP” means the “Accounting and Reporting by Charities: Statement of Recommended Practice 2005” prepared by the Charities Commission or any updated edition in force for the relevant financial year.

“the Council” means the Nursing and Midwifery Council;

“the FReM” means the Government Financial Reporting Manual issued by HM Treasury which is in force for the relevant financial year.

¹² S.I 2002/253

Determination

2. The accounts must-

- a.** be prepared so as to give a true and fair view of the Council's state of affairs as at 31st March of the financial year in question and of the incoming resources and application of resources of the Council for that financial year; and
- b.** disclose any material incoming or outgoing resources that have not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them.

3. Subject to paragraph 4, in order to comply with paragraph 2(a), the accounts must be prepared-

- a.** in compliance with the accounting principles and disclosure requirements contained in the Charities' SORP; and
- b.** having regard to the requirements of the FReM to the extent that those requirements clarify, or build on, the requirements of the Charities' SORP.

4. Where the presence of exceptional circumstances means that compliance with the requirements of the Charities SORP or the FReM would give rise to the preparation of accounts which were inconsistent with the requirement in paragraph 2(b), those requirements should be departed from only to the extent necessary to give a true and fair view of that state of affairs.

5. In cases referred to in paragraph 4, informed and unbiased judgement should be used to devise an appropriate alternative treatment which is consistent with both the economic characteristics of the circumstances concerned and the spirit of the Charities' SORP and the FReM.

6. This determination shall be reproduced as an appendix to the published accounts.

Signed by the authority of the Privy Council
Dated: 18th July 2011



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