

10 December 2014

Council

To note

Report of the Performance and Resources Board 2014

Issue

- 1** A summary of the work undertaken by the Performance and Resources Board since January 2014.

Recommendation

- 2** Council is asked to note the report on the work of the Performance and Resources Board in 2014.

Report of the Performance and Resources Board 2014

Issue

- 3 The purpose of the Performance and Resources Board is to provide an advisory forum that brings together a range of management information, to support decision-making and reporting to Council by the Chief Operating Officer. The remit of the Board covers all elements of organisational performance and resource management. Decisions recommended by the Board are subject to the agreement of the Chief Executive.
- 4 The Board has met six times during 2014 and has also considered four issues by email circulation when urgent action was required to be taken between meetings. Transitional arrangements for the chair of the Board were in place from January to October 2014, pending appointment of a Chief Operating Officer. This meant that each Director acted as chair on a rotating basis, and the outcomes of the Board's meetings were reported to Council in the Chief Executive's Report. Susan Goldsmith joined the GMC as Chief Operating Officer and Deputy Chief Executive on 6 October 2014, taking up the role of Chair of the Board from that point.
- 5 The Board's papers, and a summary of the decisions agreed by the Chief Executive after its meetings, are published on the external website, although there are some exclusions in a limited range of circumstances subject to our Freedom of Information arrangements.
- 6 Over the period of this report, the Performance and Resources Board has undertaken a comprehensive programme of work which fulfils its full range of duties and responsibilities, as set out in the Board's Statement of Purpose at Annex A. Council has received regular updates on the Board's work through the Chief Executive's reports to Council during the transitional period, and through the Chief Operating Officer's report to Council for this meeting.

Key matters considered by the Performance and Resources Board in 2014

Operational performance and risk review

- 7 The Board has considered high level reports of our performance and information on corporate risks at each of its meetings. These have provided updates on: the major external factors which might have an effect on our operational performance; our performance against our Operational Plan and Strategic Aims; and our key performance indicators and targets. Council has been updated throughout the year, by exception, on significant issues potentially affecting operational performance and the delivery of our operational plan through the Chief Executive's/Chief Operating Officer's reports.
- 8 The Board oversaw a review of the operational and risk review report to ensure it highlights areas of underperformance and risk issues that require particular attention,

and would include more information about the remedial action being taken to address each issue. The Board also considered and welcomed improvements which had been made to the structure and content of the Corporate Risk Register.

International Association of Medical Regulatory Authorities Conference

- 9** The Board received regular updates on plans for the 2014 International Association of Medical Regulatory Authorities (IAMRA) Conference, hosted by the GMC on 9-12 September 2014, including updates on the contributions to the resources and budget required to deliver a successful conference. The Board also received an evaluation report on the Conference at its meeting on 4 November 2014.

Professional Standards Authority audit of cases in the initial stages of our fitness to practise procedures

- 10** The Board considered an update on the actions being undertaken in response to the recommendations of the Professional Standards Authority (PSA) in its audit of cases in the initial stages of our fitness to practise procedures. The Board endorsed actions to address recommendations related to: adequate reasons; failure to gather information; delays in progressing cases; risk assessment; relevant information not on the electronic file; unclear wording in standard letters; and failure to update in Siebel.

Professional Standards Authority's Performance Review Report 2013/14

- 11** The Board considered the findings of the PSA's Performance Review Report 2013/14. The Board noted that this report was generally positive about our performance and that Assistant Directors had already taken account of the areas of good practice which the PSA had identified in other regulators' work. The Board also noted the PSA's recommendation to all regulators that their executive and Council should undertake a joint review of the performance management information that is routinely presented to its Council. A review of performance information is currently underway (see paragraphs 24-25).

2014 Pay Award

- 12** The Board agreed proposals relating to the 2014 staff pay award, including the performance related progression for staff. It agreed a pay matrix based on a 1.5% basic award and performance related progression of 1% for a successful employee in the middle zone; to increase the base of the lower zone of all pay bands in line with the 'standard award' or £500, whichever is the greater; to apply a consolidated loyalty payment of £300 to staff with a year's service, earning £25,000 or less as at 31 March 2014; and that staff earning between £25,000 and £25,300 would receive a proportion of the loyalty payment to ensure they were not disadvantaged. The Board noted that senior executive pay would be determined by the Remuneration Committee.

Efficiency Programme

- 13** The Board received updates on the efficiency programme, noting the actual efficiency gains made from 2010 to 2013. At its meeting on 10 March 2014, it endorsed a 3% efficiency target for each directorate in 2014, with a target total efficiency gain of £2.9 million. At its meeting on 4 November 2014, the Board noted that estimated new efficiency savings for 2014 would increase to £3.2 million. It also noted that if savings identified in previous years, but delivered in 2014, were included, the total efficiency savings for 2014 were £8.7 million. The Board agreed that a cashable efficiency target of 3% should be applied to all directorates in 2015 as a working assumption, subject to Council's consideration of the budget (at agenda item 6).

Legislative developments affecting operational activity

- 14** The Board considered an update on legislative developments affecting our operational activity, including the Section 60 Order on language controls for doctors, the Law Commissions Bill, the Welsh Language Standards investigation, and the preparations for the implementation of Directive 2013/55/EU on the Recognition of Professional Qualifications.

Trustees Annual Report and Accounts 2013, and Fitness to Practise Annual Statistics Report 2013

- 15** The Board reviewed the draft Trustees' Annual Report and Accounts 2013, ahead of consideration by the Audit and Risk Committee and then approval by Council at its meeting on 21 May 2014.
- 16** The Board also considered and endorsed the Fitness to Practise Annual Statistics Report 2013, which was approved by Council on circulation in June 2014. Both Reports were laid before Parliament on 17 July 2014.

Associates Review

- 17** The Board received progress reports on work being undertaken to review whether the current Associates arrangements ensured a suitable supply of expertise to meet operational requirements. Part of that work included consideration of alternative engagement models and a review of the current fee structure. The Board agreed to maintain existing daily fee levels for Associates for 2015, and noted plans to take the Associates review forward during 2015.

2014 Income and Expenditure Forecast

- 18** At its meeting on 23 June 2014, the Board considered a mid-year report on actual income and expenditure to date including forecast figures to the end of 2014, and noted the work being carried out by Directors to review income and expenditure options over the medium term. The Board noted that the actual surplus at the end of

May 2014 was £323,000 compared to a budgeted deficit for the period of £717,000. This was because income was marginally ahead of budget and expenditure was 2% under budget. However, it also noted that additional costs were forecast for the remainder of the year, principally due to the increase in fitness to practise complaints. This meant that a deficit of £4.6 million had been forecast for 2014 as a whole, compared to a planned deficit of £2 million.

- 19** At its meeting on 4 November 2014, the Board noted that as at September 2014, the deficit forecast for the end of year had reduced to £3.4 million and that work was in progress which was likely to bring the actual deficit for the year even lower.

Contact Centre Resourcing

- 20** The Board received a report on circulation regarding the resources required by the Contact Centre to achieve and maintain the timeliness service level agreement targets. The report, which was circulated on 23 July 2014, highlighted that while the Contact Centre had maintained the quality of its enquiry handling, it had regularly failed to achieve published timeliness service level agreements over the previous 12 months. The Board agreed to the recruitment of nine additional staff within the Contact Centre and also agreed to a review of the current resourcing model, which would be supported by an external consultant.

Quality Assurance and Continuous Improvement Strategy

- 21** The Board agreed a proposed approach for developing a Quality Assurance and Continuous Improvement Strategy, including the establishment of a working group to oversee its implementation. The Strategy aims to provide us with a sustainable quality assurance and continuous improvement framework that will enable us to improve and adapt to the changing demands of our key interests and our financial constraints. The Quality Assurance and Continuous Improvement Strategy Working Group will oversee this work, and will report to the Board on a quarterly basis from 2015.

Doctor and Complainant Survey Action Plans

- 22** The Board agreed an Action Plan aimed at delivering improvements to our fitness to practise procedures. The Action Plan had been developed in response to feedback from surveys of doctors and complainants who had experience of those procedures. The Board noted that the Action Plan reflected the direction in which the Fitness to Practise directorate was already moving in terms of reforms, and that some of the proposed work would feed into the 2015 Business Plan and Budget process.

Implementing patient meetings across the UK

- 23** The Board considered implementation plans for meetings with patients across the UK, following a pilot in London and Manchester. The Board approved the estimated costs

of the project and agreed an expenses policy for the complainant and a supporter to attend face to face meetings when possible.

Review of Service Level Agreements

- 24** The Board considered and approved a proposed approach for the review of organisation-wide service level agreements. The Board noted that there were a number of areas of the organisation which were not covered by existing Service Level Agreements and that these currently only focused on timeliness. The review's approach would be to provide a balanced view of our performance that covered measures of cost and quality as well as timeliness. The Board also considered a progress report on the work of the review at its meeting on 4 November 2014. The review is expected to be complete by the end of Quarter 1 in 2015.
- 25** Fitness to Practise service targets are being considered as part of the organisation-wide review. The Board had initially considered plans for a standalone review, which was in part aimed at addressing some of the risks around management of cases which had missed internal targets.

Business Plan and Budget 2015

- 26** The Board considered the Outline Business Plan and Budget 2015, prior to the report being considered by Council at its closed session on 25 September 2014. This was considered further by the Board at its meeting on 4 November 2014, prior to consideration by Council at its closed session on 11 November 2014, and at this meeting (agenda item 6).

Aviva Group Personal Pension Scheme Management Committee

- 27** The Board noted that four Scheme member nominations had been made for three Scheme member places on the Aviva Group Personal Pension Scheme Management Committee. The Board agreed an amendment to the Committee's Statement of Purpose to allow for four instead of three Scheme nominated members, rather than proceed with an election.
- 28** The Board agreed to amend the scheme name for the Declaration of Trust for the Life Assurance Scheme of the Defined Contribution pension scheme. This was to ensure that it matched the name registered with Her Majesty's Revenue and Customs.
- 29** The Board also noted the annual report of the Aviva Group Personal Pension Scheme Management Committee. As part of this report, it agreed further amendments to the Management Committee's Statement of Purpose, to make reference to receiving and considering advice and information concerning legislative changes and good modern practice, to make specific reference to monitoring the performance of the default fund, and to change the Management Committee's name to the Aviva Group Personal

Pension Plan Management Committee, to align this with the name of the Pension Plan.

General

- 30** The Board has also received reports and updates in 2014 on a number of other issues as listed in Annex B.

Supporting information

How this issue relates to the corporate strategy and business plan

31 The remit of the Performance and Resources Board covers all elements of organisational performance and resource management and as such relates to each of the strategic aims outlined in the Corporate Strategy. The Board's responsibilities particularly relate to our commitment within the Corporate Strategy to make the best use of our resources.

If you have any questions about this paper please contact: Susan Goldsmith, Chief Operating Officer and Deputy Chief Executive, sgoldsmith@gmc-uk.org, 020 7189 5124.

Statement of Purpose of the Performance and Resources Board

Purpose

The purpose of the Performance and Resources Board is to provide a forum for reviewing operational performance and organisational capacity, as part of the GMC's formal executive governance arrangements.

The Performance and Resources Board is an advisory forum that brings together a range of management information to support decision-making and reporting to Council by the Chief Operating Officer.

The remit of the Board covers all elements of organisational performance and resource management.

Duties and activities

The Performance and Resources Board:

- Proposes and monitors business and operational plans, ensuring appropriate management reporting and review of performance against targets, forecasts and intended outcomes
- Proposes and monitors all aspects of budget management (including budget setting; recommendations on fees for entry to, retention on and restoration to the Medical Register; proposing other fees and charges as delegated by Council; proposing financial policies, including those for reserves and investment)
- Ensures appropriate reporting and effective financial controls, advising and reviewing (for approval by Council) the financial regulations which set standards for, and provide guidance on, administration of the GMC's financial affairs
- Maintains, monitors and reports on risk management and related controls

- Assesses capacity and resource efficiency, ensuring that the organisation is operationally fit for purpose and has effective quality assurance processes
- Inputs to strategy development to maintain capacity (including finance, HR, IT, procurement and accommodation/estate management) ensuring that the GMC is adequately resourced to achieve its aims
- Reviews and where necessary develops operational policies that support delivery of the GMC's aims (including finance, HR, IT, procurement and accommodation policies)
- Takes resource decisions in the execution of these strategies within the constraints of the annual business plan and budget
- Ensures that equality and diversity is integrated into the GMC's core activities, monitoring action plans and compliance with the equality duty
- Reports to Council via the COO report on Human Resources issues relating to the GMC's role as employer. This includes (but is not limited to) matters such as: workforce data (including data relating to equality and diversity issues), data relating to vacancies, turnover and recruitment (including data relating to equality and diversity issues), patterns in sickness absence, numbers of disciplinary and grievance cases, arrangements for staff training and development, staff benefits, health & safety matters, and any changes to HR policies and procedures
- Assesses resource impact of in-year changes to planning assumptions (eg caused by unexpected events such as a public inquiry or higher than forecast increase in FtP cases)
- Takes decisions and oversees actions relating to remuneration, benefits and terms of service of staff (other than the CE, COO and Directors, and MPTS Chair and MPTS Advisory Committee members) where there are significant contractual, legal or resource implications; expenses policies for all staff; and contractual arrangements and expenses policy for associates. Also supports as necessary decisions by the Remuneration Committee on expenses policy for Council members
- Exercises any of the rights, powers, duties and discretion of the GMC under any staff pension scheme
- Oversees delivery of large scale change programmes / projects and efficiency / effectiveness programmes
- Monitors long-term performance and undertakes horizon scanning

- Oversees inputs to the GMC's annual performance review by the Professional Standards Authority
- Oversees the preparation of the trustees' annual report and accounts.

Working arrangements

The Performance and Resources Board meets every other month (alternating with the Strategy and Policy Board), for two hours. The executive lead for the Performance and Resources Board is the Chief Operating Officer. The Chief Operating Officer agrees the agenda and papers are agreed by the sponsoring Director. Papers should follow the style of Council papers as far as possible, with the same principle of above or below the line review. Papers relating to a decision being made will be published (unless commercially sensitive). Papers in relation to issues in early stages of discussion will not be published.

The Board is chaired by the Chief Operating Officer and attended by all Directors, but not the Chief Executive (although conclusions are summarised for discussion between the Chief Operating Officer and Chief Executive, and any conclusions that lead to a recommendation to Council are considered for approval by the Chief Executive). Other attendees are invited as required for the discussion of agenda items. The responsibilities of some Assistant Directors mean that they are likely to be in regular attendance. All Assistant Directors are encouraged to attend the Board from time to time, to contribute to its activities and help facilitate cross-directorate working, corporate leadership and linkages.

Secretariat duties are undertaken by the Governance Team. The Board Secretary minutes each meeting and aims to circulate the minutes, as cleared by the Chief Operating Officer, to Directors for comments within two weeks of the meeting. The Board approves minutes at the next Board meeting. Minutes record the conclusions of the Board on the issues considered and will be cascaded to Assistant Directors. A record of decisions will be published (unless commercially sensitive).

As the Board meets bi-monthly, decisions may be taken between meetings on circulation of recommendations to the Chief Operating Officer as the Board's chair (and any subsequent consideration by the Chief Executive). Decisions made in this way will be brought to the Board at its next meeting and included in the record of decisions (with redaction for publication if commercially sensitive).

The Performance and Resources Board reports to Council via the Chief Operating Officer's report and submits an annual report to Council.

Reports and updates considered by the Performance and Resources Board

Introduction

- 1 This annex provides further detail regarding the other reports and updates received by the Board during 2014, which are not covered in the main report.

Other reports considered

Freedom of Information performance

- 2 The Board received an update on our Freedom of Information performance compared with various government departments, and noted that there were no significant differences between performance and that of the other organisations.

Update to GMC Procurement Policy

- 3 The Board approved an updated GMC Procurement Policy, which had been amended to improve procurement efficiency and effectiveness. This included: changing the sourcing model to take the nature and complexity of the goods and services being procured into account, as well as the contract value; streamlining procurement processes; requiring all contracts to be reviewed by the Procurement team prior to award; the introduction of commercial approval of contracts, with approval limits applying to the total contract value over the life of the contract, including any extension options; a requirement for quarterly review of contracts by contract managers; and changes to purchasing arrangements.

GMC policy on references to suppliers

- 4 The Board approved a policy for providing references to our suppliers. We receive a number of requests for from suppliers for various types of references and having a single policy on this issue will help us to make consistent decisions, ensure we treat all suppliers fairly and help to protect our reputation.

2014 Operational Plan

- 5** The Board noted the approach taken to developing the 2014 Operational Plan, and agreed the 2014 Operational Plan.

Information Systems Update

- 6** The Board reviewed the progress made in delivering the 2014 Information Systems programme at two meetings, and noted that significant projects on scheduled home working and Siebel 7.5 had been delivered. It also approved the proposed service targets for system availability and agreed to add the Learning and Development Portal (Cornerstone) and the Medical Practitioners Tribunal Service hearing recording system to the list of key systems.

Mobile Device Strategy – proposed approach

- 7** The Board agreed an approach to meet the needs of GMC staff for mobile devices, which was expected to be similar to the cost of the existing service.

Update on Information Security

- 8** The Board received an Information Security update. This provided a general update on our information security arrangements and gave information on the different controls being introduced to reduce the risk of human error, including increasing training and awareness and implementing system controls. It also provided an update on enhancements to the quality of our reporting and analysis, and the system created for scoring each disclosure incident.

Update following completion of the third Lean project in Fitness to Practise (Case Review process)

- 9** The Board received an update on the third Lean project, and the wider review in the Fitness to Practise directorate. This was ongoing work and the paper provided further information about the case review improvement project, summarised our achievements in 2013 and set out the next steps for the Lean review work programme in 2014.

Update following completion of the fourth Lean project in Fitness to Practise and the Medical Practitioners Tribunal Service (Case Examiner Process)

- 10** The Board received an update on the Lean review of our fitness to practise processes, including an update on the progress of the Case Examiner Lean project. The update gave details of changes that had been made to the 2014 work schedule to focus Lean programme resource on the implementation of the Rule 4(4) project during summer 2014.

Report of the Post-Implementation Review of the Medical Practitioners Tribunal Service

11 The Board received a report of the Post-Implementation Review of the Medical Practitioners Tribunal Service (MPTS). This found: that all the steps identified for the establishment of the MPTS were completed on time; that the MPTS launched successfully (as planned) on 11 June 2012; that all governance and operational structures and processes were in place in time for launch; and that the implementation project was delivered under budget. It also reported that the MPTS had successfully delivered against its Service Level Agreements and had been well received and welcomed by key interests. Finally, it reported that a limited number of deliverables, which required legislative change, had not been completed. These were the subject of continuing discussion with the Department of Health (England).

Update on the review of our procedures for dealing with lower level complaints (Stream 2)

12 The Board received an update on the review of our procedures for dealing with lower level complaints (Stream 2). This paper set out progress regarding our work to change the Stream 2 process, so that Stream 2 complaints are referred to the relevant Responsible Officer.

Recruitment of Investigations Officers

13 The Board noted the recruitment of eight additional Investigation Officers to the Fitness to Practise directorate. This was due to the continued high Stream 1 case intake levels, and high staff turnover levels within the Investigation teams.

Rule 4(4) implementation

14 The Board noted an update on our plans to introduce pre-triage enquiries, using investigation powers under Rule 4(4) of the General Medical Council (Fitness to Practise) Rules 2004 (as amended), to support more robust triage decisions, through a pilot (which will run for at least three months) starting in November 2014. This followed a Lean review of triage in 2013, which found that a significant number of national and regional investigation cases were closed on the basis of one or more documents that could, potentially, have been obtained by the Assistant Registrar under pre-triage enquiries.

Preparing GMC systems, processes and resources for an increase in scheduled revalidation submissions

15 The Board received an update on the arrangements that were in place to support Year 2 of revalidation, which saw a planned increase in revalidation submissions. The measures taken included: Siebel enhancements; the recruitment of two additional staff to the Revalidation Team; reviewing Service Level Agreement targets and piloting new service levels within the Contact Centre; exploring options for introducing a 'cross-skilling' programme to help us move towards a more flexible

workforce; and a move to monthly reporting on revalidation activity and active monitoring of trends.

2014 Equality and Diversity action plans

- 16** The Board noted and agreed the direction of travel of our Equality and Diversity (E&D) action plans for each directorate and for the Medical Practitioners Tribunal Service. There are four main themes to the action plans: collecting, analysing and sharing E&D data on the people involved in our activities; continuing to comply with equality and human rights law; ensuring fairness in progression and assessments in medical education and training; and being a fair employer. The Board also noted an update on progress at its meeting on 4 November 2014, which reported that we were on track to deliver against the main activities identified in the plans.

Human Resources Monitoring and Policy Updates

- 17** At its meeting on 23 June 2014, the Board received a mid-year update on Human Resources (HR) monitoring data, and agreed the new Capability Policy and changes to the overtime policy. The Board also received a half-yearly Human Resources update on circulation in August 2014. This presented the main Human Resources monitoring data for the period from January to June 2014, including the workforce profile, recruitment data and absence statistics.
- 18** The Board received a further Human Resources and Training update at its meeting on 4 November 2014. It delegated authority to the Assistant Director of Human Resources to agree requests from deferred members of the GMC Staff Superannuation Scheme, and staff leaving the GMC, to take their pension benefits from age 55, subject to the Pension Trustees early retirement factors being applied. It also agreed a new Access to Training Policy.

General Medical Council Staff Superannuation Scheme – Member Nominated Trustee Arrangements,

- 19** The Board agreed a Deed of Amendment for the General Medical Council Staff Superannuation Scheme, which confirmed the appointment of two new Member Nominated Trustees.

Update from the Business Continuity Working Group

- 20** The Board received an update on the work of the Business Continuity Working Group (BCWG), including an updated Business Continuity Management Policy and Business Continuity Policy Summary statement. The BCWG is responsible for providing management direction and support during the creation of the Business Continuity Management System (BCMS) and its subsequent development and maintenance. This work is necessary to ensure that we can respond effectively in the event of a disruption to normal operations.

Update on the records retention review project

- 21** The Board received a project overview and progress update for the records retention review project. The main project objective is to ensure our electronic data and our paper records are retained in line with the Records Retention and Disposal Policy.

Travel management arrangements

- 22** The Board noted an update on arrangements for contract renewal for GMC travel management, and approved the award of a three-year contract to Capita Travel and Events for hotel, rail and air bookings, starting on 1 January 2015.

GMC Hotel Programme 2015

- 23** The Board noted the proposed 2015 GMC Hotel Programme. The GMC preferred hotel programme is renegotiated annually to ensure that the availability of hotel rooms meets our needs, at the best overall price and at a reasonable standard.

Update on internal audit activity

- 24** The Board received a verbal update on internal audit activity from the Assistant Director of Audit and Risk Assurance, which covered the procurement for internal audit services and the internal audit programme for 2014.