Final Report to

Nursing and Midwifery Board of Ireland

Organisation Review

17th November 2015

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Introduction

Crowe Horwath was commissioned by the Board of NMBI in August 2015 to undertake an organisational review and report back to the Board in November 2015.

Background

Bord Altranais agus Cnáimhseachais na hÉireann (The Nursing and Midwifery Board of Ireland) is the independent, statutory organisation which regulates the nursing and midwifery professions in Ireland. The organisation has two main objectives under the Nurses and Midwives Act 2011: to protect the public and to ensure the integrity of nursing and midwifery practices.

NMBI sets the standards for the education, registration and professional conduct of nurses and midwives and advises on how nurses and midwives should provide care. It is responsible for the establishment and maintenance of a register of nurses and midwives, and the setting of criteria and the establishment of procedures for assessment and registration. The Board is responsible for considering complaints against nurses and midwives by means of its fitness to practise functions.

Terms of Reference

NMBI set out the terms of reference for this assignment as follows:

1) to review the performance of the NMBI in terms of its role as set out in the Nurses and Midwives Act, 2011;
2) to review the governance of the NMBI against the Code of Practice for Governance of State Bodies and the Framework for Corporate and Financial Governance;
3) to review the NMBI’s current management and organisational structures and processes (financial, HR, IT and communications) and current work activities in the context of its ability to deliver on its role as set out in the NMA, 2011;
4) review the internal/external operating environment of the NMBI (SWOT analysis) to identify strengths and mitigate weaknesses/threats;
5) review the Board’s current subcommittee structures to assess alignment with core functions and priorities;
6) review current arrangements for the provision of consulting and legal services with a view to maximising efficiency and cost effectiveness;
7) scoping paper setting out the methodology to be used, schedule meetings with the Sub-Committee, dates for delivery of the draft and final reports, and a breakdown of the full and final costs to be submitted within 10 working days of approval to proceed;
8) a final report to be submitted to the Board of the NMBI for consideration/approval.
Approach and Methodology

The assignment team undertook a series of activities aimed at gathering comprehensive and accurate information on the organisation.

- Review of relevant documentation: we reviewed NMBI documents such as annual reports, along with previous reports in relation to organisational matters and external documentation such as the Nurses and Midwives Act 2011, the Code of Practice for Governance of State Bodies, and the Framework for Corporate and Financial Governance;

- Fact-finding interviews with members of staff and management within NMBI\(^1\), including former members of the senior management team;

- Consultation with the Board of NMBI, both collectively and with a number of individual Board members;

- Consultation with external stakeholders, including the HSE, the Department of Health, the nursing unions, Nursing Homes Ireland, and a broad range of Directors of Nursing employed in various care settings across the State;

- Regular engagement with the Oversight Committee established by NMBI to oversee the assignment.

We also reviewed the Management Letter from the Office of the Comptroller and Auditor General (C&AG) to the CEO of NMBI covering the 2012 and 2013 accounts. It should be noted that the audit performed by the C&AG is exclusively focused on financial matters, and does not extend to issues of governance; the Management Letter states that the audit scope “does not extend to providing assurance on the arrangements in place in your organisation for ensuring the proper conduct of financial business or the managing of performance and use of resources”. The only issue contained within the Management Letter which is relevant to Crowe Horwath’s terms of reference is procurement, about which we comment in Section 6 below.

Principal Findings

Our overall finding is that NMBI\(^2\) is currently failing to discharge many of its statutory responsibilities, is dysfunctional, and is in need of significant reform and investment. Many of the reasons for these failures are not clear to us, and predate the commencement of this review. To some extent, the problems faced by NMBI may be systemic. In particular, the legislation underpinning the management of Fitness to Practise cases and the corporate governance of NMBI appears to be a major contributor to the current problems, and is in need of urgent review.

In the course of this report, we are not seeking to attribute responsibility to any individual manager, member of staff or Board member, past or current, nor indeed do we believe that such an approach would be productive. Indeed, we recognise the efforts and dedication which many members of staff and of the Board at NMBI have contributed to the organisation, in some cases over many years. The focus now must be on rebuilding and reforming NMBI at all levels.

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\(^1\) A very small number of NMBI staff declined to engage with the consulting team during this review.

\(^2\) In this report, we refer routinely to the corporate entity as “NMBI”. References to the NMBI Board (i.e. the 23 Members) generally appear as “the Board” or “the NMBI Board”.

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Taking each one of the specific items within the terms of reference prepared by NMBI, our findings are set out in the following sections of the report.
1 Performance of NMBI in Relation to the Nurses & Midwives Act 2011

1.1 Overview

In general terms, NMBI is not discharging effectively many aspects of its statutory role as set out in the Nurses and Midwives Act 2011. Significant issues of concern are presented in Section 1.2 below.

It is important, however, that the reader should understand the full context of our findings: notwithstanding the problems which exist, NMBI continues to work hard for the protection of the public, and it has made positive progress in a number of areas in the last two years, as described in Section 1.3 below. It is also important to point out that across the organisation, at both executive and Board level, there is a universal belief in the benefits of effective regulation, and a strong desire to achieve it.

1.2 Principal Findings

1.2.1 Strategic and Business Planning

The absence of an up-to-date, detailed Statement of Strategy and Business Plan for NMBI gives us cause for concern. There is no published strategic plan for the organisation, and no clearly articulated vision for the future. A strategic planning exercise was commenced in 2013 but was not completed. There is no effective planning process in place. The last annual report published by NMBI covered the years 2012 and 2013; the 2014 NMBI annual report will be finalised and published when the accounts are signed off in the near future by the C&AG.

1.2.2 Financial Position

The financial position of NMBI is of serious concern. The difficulties associated with the retention fee in 2015 have led to a position whereby NMBI’s income for the year will be substantially less than its expenditure. Our initial probing of this issue suggested that there was an internal expectation within NMBI that the Department of Health would make up the shortfall, but we did not get the impression that this matter was being addressed urgently within NMBI. In particular, business cases for further financial support to NMBI which were sought by the Department on a number of occasions in recent months have not yet been supplied.

1.2.3 Registration

The registration process for applicants seeking to practise as nurses and midwives in Ireland continues to experience significant backlogs and delays, with 1,927 overseas applications...
currently in the system (at 9th November 2015) with no decision reached, broken down as follows:

<table>
<thead>
<tr>
<th>Type</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documentation outstanding</td>
<td>1,523</td>
</tr>
<tr>
<td>EU File Review pending</td>
<td>36</td>
</tr>
<tr>
<td>Non-EU file Review pending</td>
<td>133</td>
</tr>
<tr>
<td>Number of applications reviewed — further info</td>
<td>230</td>
</tr>
<tr>
<td>Total</td>
<td>1,927</td>
</tr>
</tbody>
</table>

79% of the above applications cannot be progressed as a result of outstanding documents not supplied by applicants. NMBI has recently initiated a new overseas call centre service in response to the significant increase in applications for registration from overseas nurses and midwives – in the period 1st January to 9th November 2015, the number of overseas applications received by NMBI was 2,006, by comparison with 866 in the same period of 2014, representing a 132% increase.

Just under 9% (169) of the overseas applications which are still in the system are in a “review pending” stage, whereby all documentation has been received and assessment is waiting to be carried out. A further 12% of applications (230) have been reviewed and are awaiting further clarification before a decision can be reached.

(By way of context, NMBI issued 2,491 registration decisions between 1st January and 9th November 2015, compared with 1,783 for the same period in 2014, an increase of 40%.)

The call centre is a welcome initiative and it is hoped that this will reduce the number of applications which cannot be processed due to outstanding documentation; previously, many applicants reportedly found it very difficult to engage directly with NMBI, with calls often not being answered. Feedback from stakeholders suggests that the inability of applicants to engage with NMBI was a significant reason for so many applications being submitted incomplete or with errors.

In addition, we understand that from 29th November 2015 it will be possible for applicants to check the status of applications online on the new NMBI website, which is a positive development.

The current backlog must be addressed as it continues to have a significant negative impact on many services employing nurses and midwives across the healthcare sector: stakeholders have reported to us that these delays have frequently resulted in vacant posts not being filled and candidates from overseas taking nursing jobs in other countries where registration processes operate more swiftly.

Finally, it should be noted that addressing the backlog does not mean reducing the number of “open” applications to zero: even the most efficient process will take time to complete, so that there will always be “open” applications in the system, and circumstances may continue to arise where delays are unavoidable (for example, errors by applicants). However, NMBI should strive to keep these to a minimum, including continued enhancement of the
information and guidance provided by NMBI to applicants, and easier methods for applicants to contact NMBI for advice and support.

1.2.4 Fitness to Practise

Fitness to Practise arrangements within NMBI appear to be generally well-organised in relation to the processing of cases by the executive staff teams, but the workload involved in dealing with such matters is extremely resource-intensive and is also expensive, from the perspective of legal fees.

All Board Members involved in considering Fitness to Practise matters must commit very large amounts of time to this activity, and are also required to read very substantial amounts of documentation (sometimes in excess of 1,000 pages). Board Members – all of whom are involved on a part-time, non-executive basis – reported to us that they routinely spend between 30 and 50 days per annum on NMBI business, sometimes in blocks of days at a time. There is a general sense from many Board members whom we have interviewed that they are "swamped" in such material, limiting their available time to consider other matters relating to the governance of NMBI.

The core problem with regard to the Fitness to Practise workload within NMBI stems from the legislation: cases continue to be dealt with via both the 1985 Act (with around 15 cases yet to be concluded) and the 2011 Act. A particular concern is the level of detail associated with the review by the full NMBI Board of decisions arising from Fitness to Practise proceedings.

We note that this area of NMBI’s work was examined in detail by the UK Professional Standards Authority for Health and Social Care, whose March 2014 report to NMBI found that “there is urgent scope for the NMBI to understand and monitor the performance of the fitness to practise function. The NMBI is aware of the delay in its processes but we do not consider that the Board understands how the organisation is performing or the reasons for the delay.” Many of the observations and recommendations made in that report will continue to serve NMBI well as it seeks to improve the functioning of its Fitness to Practise activities.

We believe that the area of Fitness to Practise needs to be reviewed urgently as the current arrangements are unfit for purpose and are having a detrimental impact on other aspects of corporate governance within NMBI.

1.2.5 Education, Training and Professional Competence

Progress made by NMBI in respect of matters relating to education, training and the maintenance of professional competence of nurses and midwives has been limited. This area of NMBI has been particularly affected by significant senior staff turnover in recent years, and is currently not sufficiently resourced to enable these functions to be discharged adequately. The opportunity exists for NMBI to assume a lead role within the development of the profession, in conjunction with other interested stakeholders, but this area of work within NMBI has not been developed and is extremely constrained with regard to resource availability.
1.3 Overall Assessment

Notwithstanding the concerns outlined above, NMBI has continued to discharge many of its functions and has made progress in a number of areas over the course of 2014 and 2015, including:

- launching of public consultation for Advanced Practice Standards and Requirements for both nursing and midwifery;
- launching of a revised Scope of Nursing and Midwifery Practice Framework to support the nursing and midwifery professions;
- protection of the public and dealing with complex public interest matters arising from cases in which the provision of nursing care was reported to have been deficient;
- launching the call centre to assist overseas applicants seeking to register as nurses and midwives in Ireland.
- launch of a new Code of Professional Conduct and Ethics in December 2014;
- recognition of midwifery as a separate profession, including the inauguration of a separate Midwives Committee within NMBI.

We also recognise that some of the problems currently faced by NMBI are not of its making, including the fact that overseas applications more than doubled between 2014 and 2015, and the difficulties caused by the legislative basis for NMBI’s Fitness to Practise case management processes. Furthermore, we acknowledge the contribution of many members of NMBI management and staff and we recognise that the current problems persist in spite of their best efforts to provide the best possible service and to improve matters.

Overall, we believe that reform is required across all functional areas of NMBI’s statutory remit. A new strategic plan must be developed, setting out the vision and strategic imperatives for NMBI over the next five years, and this should be supported by annual service or business plans focused on the operational objectives, resources, budgets etc. The legislative basis for, and processes involved in, Fitness to Practise cases within NMBI require urgent review and reform. The financial position of NMBI needs to be addressed as a matter of urgency. A comprehensive review of all of NMBI’s activities and business processes is required, and further investment is needed in respect of the appointment of experienced, permanent staff and in new technology to assist in the delivery of NMBI’s work.
2 Review of Governance of NMBI

2.1 Overview

Our overall view is that NMBI has not been adhering to certain aspects of good governance practice as set out within the Code of Practice for Governance of State Bodies and the Department of Health’s Framework for Corporate and Financial Governance for regulatory bodies under the aegis of the Department. Significant issues of concern are outlined below.

2.2 Principal Findings

2.2.1 Relationship with the Department of Health

Over the last few years, NMBI has not had a productive working relationship with the Department of Health, and whilst the Department is supportive of NMBI, relationships between the two bodies in recent years have been strained.

2.2.2 Adherence to the Code of Practice and Framework for Governance

The Performance Framework recommended under the Code of Practice has not been adhered to by NMBI, and the organisation lacks a current, coherent strategic plan. Whilst NMBI has provided and/or published some information required under the Performance Framework, this has been patchy and there does not appear to be a routine process within NMBI for the provision of such information to the Minister and the Department in line with the Framework.

Similarly, the Framework for Corporate and Financial Governance describes the role of the Board as being the “guardian of strategic direction and policy” and that it is responsible for “reviewing and guiding corporate strategy”. The Board of NMBI appears to have discharged neither of these responsibilities.

Under the Framework, the Board must also discharge “an ambassadorial role for the body, ensuring the public’s confidence in its ability to meet its statutory role”. From our discussion with the three nursing unions and with a variety of external stakeholders within the health sector, along with some members of the NMBI Board, it is clear that the confidence of the external stakeholders, and of many frontline members of the nursing and midwifery profession, in NMBI’s ability to meet many aspects of its statutory role is at an extremely low level.

2.2.3 Governance at Board Level

The NMBI Board would appear not to have been supplied with information in sufficient detail or on a sufficiently timely basis to enable it to make informed decisions, as required under the Code of Practice. Good governance within NMBI depends upon having productive and cohesive working relationships between the President, Board and CEO, and an effective line
of communication with the Department of Health, under whose aegis NMBI operates. This does not appear to have been the case within NMBI over the last few years, and it does not appear that the accountability of the CEO to the Board operated in line with the Framework.

2.2.4 Size and Functioning of the NMBI Board

At 23 members, the Board of NMBI is unwieldy. Eight members of the board are required to be registered nurses and midwives elected by the profession. Concerns have been expressed both by Board members (including some elected from the profession) and by external stakeholders that some Board members lack experience in corporate governance at this level and/or have been inadequately trained by NMBI to develop the necessary skills in discharging their governance responsibilities.

2.2.5 Issues around Retention Fee

The problems with the retention fee experienced in late 2014 and early 2015 undoubtedly represented a low point in the relationship between the Department and NMBI. Notwithstanding the fact that all parties were engaged in their best efforts to resolve a difficult situation from their own organisational perspectives, we would question whether the entire situation might have been avoided through more open and productive communications from NMBI to the Department of Health and the wider nursing and midwifery profession from an earlier stage.

2.2.6 Accountability at Executive Level

Accountability within NMBI at executive level is unclear and is not documented. Internal relationships between the recently-departed CEO and members of the senior management team over the last few years do not appear to have been productive or collegiate, and some relationships appear to have broken down beyond repair. Responsibilities appear to have been shifted frequently between senior members of staff, a problem exacerbated by the departure of most members of the senior management team over the last two years. These matters need to be resolved and restructuring is required, along with the necessity to fill senior positions on a permanent basis. We note that all four members of the present NMBI senior management team are holding positions on an acting or interim basis. Stability is required.

2.2.7 Other Issues

Other matters of concern include:

- the lack of evidence of an effective risk management system, as required under the Code of Practice;
- the need for a greater level of accountancy or audit skills/experience on the Finance and Audit Committee: the requirement under the Code of Practice is that "at least one member of the Audit Committee [should have] recent and relevant financial experience". Our view is that whilst the Finance and Audit Committee has some of the skills and experience required, a significant strengthening is required to ensure that NMBI conforms with best practice;
the grouping of finance and audit within a single committee is inappropriate – good practice would dictate that audit should be separate, given that the audit function will need to evaluate critically the work of the finance function;

- lack of adherence to procurement procedures (referred to in Section 6 of this report, below).

### 2.3 Overall Assessment

| There is little evidence of high standards of corporate governance within NMBI, and many aspects of the Code of Practice and the Framework are not adhered to. Complete overhaul is required to ensure that NMBI achieves full compliance. We recommend that the Department reconsider the size and make-up of the Board and engage in a consultation exercise within the profession and other stakeholders, and bring forward any necessary legislation to ensure that a more effective governance structure can be introduced within NMBI. |
3 Review of Management / Organisational Structures and Processes

3.1 Overview

In our opinion, NMBI is not adequately structured or resourced to discharge its responsibilities under the Act. Significant issues of concern include those outlined below.

3.2 Principal Findings

3.2.1 Changes in the Senior Management Team

At senior management level, almost the entire top team within NMBI has changed over the last two years as a result of departures from the organisation. Reported dysfunctionality within the senior management team was a factor in this turnover. Arising from these changes, all four senior positions within NMBI are currently held on an interim or acting basis, which inhibits the organisation from taking a view beyond the short-term.

3.2.2 Staff Roles and Contractual Arrangements

Across the organisation, there is a significant number of staff who are on temporary contracts or who have been assigned responsibilities other than those for which they were originally employed. A very large number of NMBI staff do not have job descriptions which are current, accurate or relevant to the work which they currently perform.

3.2.3 Availability of Staff Resources

In many areas of its operational business, NMBI appears to lack the staff resources required to adequately discharge its responsibilities. This is not just a matter of staff numbers, but also relates to the skills and experience of some post holders, and to the fact that some staff members are performing duties other than those which they were originally employed (and/or trained) to undertake. In this regard, we intend no criticism of individual staff members: attention is required in respect of staff numbers, training and the overall management structure.

In relation to resources, we note that 17 posts have been sanctioned by the Department of Health in recent months, eight of these to fill vacancies arising from staff departures. This is a helpful development and will go some way towards alleviating current problems, although a more comprehensive evaluation of staff resources needed and associated work processes/IT systems should be conducted.
3.2.4 Work Processes within NMBI

Work processes within parts of NMBI’s operational functions appear not to be fully effective. A particular concern raised by external stakeholders, and also noted within a previous organisation review report conducted by an outside consultant, has been the accessibility of NMBI: calls have often gone unanswered, something which has been particularly problematic for those applying for registration from overseas. The recent initiation of the call centre for overseas applicants (referred to in Section 1.2.3 above) will hopefully resolve the situation.

3.2.5 IT Systems within NMBI

IT systems within the organisation are widely considered to be in need of significant investment, in order to aid the effectiveness and efficiency of work processes and to enhance productivity.

3.2.6 External Communications

Communications within the organisation and between NMBI and its stakeholders have been generally poor, and there has been significant reputational damage to NMBI. As noted above, until recently there have been difficulties for applicants and registrants in obtaining accurate and timely information.

3.3 Overall Assessment

The organisation structure of NMBI, and all of its business processes and work practices, need to be analysed in detail and new structures and processes put into place, supported by enhanced IT systems. This is a significant body of work which we believe will require a minimum of 6 to 12 months to complete, as part of a wider package of reforms, and will enable NMBI to have a much more solid and permanent organisational platform which is fit for purpose.
4 SWOT Analysis

4.1 Overview

We were asked to review the internal/external operating environment of NMBI (SWOT analysis) to identify strengths and opportunities, and to mitigate weaknesses and threats. Much of our SWOT assessment refers to the issues discussed in the previous three sections of this report. A high-level summary is presented below.

4.2 SWOT Analysis

It is clear from the foregoing sections of this report that we have identified considerable weaknesses in the structure and operations of NMBI, and these also represent substantial threats to the organisation. However, we do consider that there is strength in the core of experienced staff and an openness to reform, and opportunities for the organisation to rebuild and reform itself, with a Board willing to recognise and address the issues we have presented. NMBI also now has, with the support of the Department of Health, the capacity to recruit additional staff, as the restrictions on public service recruitment ease, and to invest in new IT systems which will enhance NMBI’s effectiveness and efficiency.
5 Board Committee Structures

5.1 Overview

There are currently eight committees of the NMBI Board:

- Fitness to Practise Committee (1985 Act) [this committee is composed of members of the former NMBI Board; one member serves on the current Board];
- Fitness to Practise Committee (2011 Act);
- Preliminary Proceedings Committee;
- Education and Training Committee;
- Midwives Committee;
- Ethics Committee;
- Registration Committee;
- Audit and Finance Committee.

Of the above, only the Registration Committee and the Audit and Finance Committee are focused on the operational / internal functioning of NMBI; the two Fitness to Practise Committees and the Preliminary Proceedings Committee deal with various aspects of complaints received against nurses and midwives; and the other three deal with matters relating to the profession.

All committees have a combination of NMBI Board members and other external members involved.

5.2 Principal Findings

5.2.1 Committee Structures and Responsibilities

Earlier in this report, we identified the need for substantial reform of the governance processes within NMBI, and for urgent action. In that context, we have not sought to examine in depth the work of the eight committees of the NMBI Board, as we believe that all aspects of this governance structure require thorough consideration and redevelopment.

Ordinarily in organisations such as NMBI, the purpose of committees is to provide a more focused opportunity for a selected group of people (Board members and external appointees) to consider issues in more depth than would generally be available to the full Board, and to make informed decisions and recommendations for presentation to the Board. Whilst much of the work undertaken by committees within NMBI would appear to have met this standard, the overwhelming workload associated with Fitness to Practise matters has tended to dominate the work of the full NMBI Board (in terms of the duration of meetings and the time associated with reading Fitness to Practise material and preparing for Board meetings).
The full NMBI Board needs to be freed up from the very heavy workload associated with Fitness to Practise, which needs to be channelled through an appropriate mechanism different from that currently employed. The NMBI Board must operate strategically, developing the vision and strategic plan, and holding the executive responsible for delivery of the operational functions of NMBI.

We also note that the minutes of most Board committees are not circulated to full Board (taking account of the fact that minutes of the Fitness to Practise and Preliminary Proceedings Committees cannot legally be circulated to the Board). Instead, the Committee Chairs make a report to the Board. In our view, this inhibits the Board from having adequate time to consider important strategic matters relating to the business undertaken by the Committees, a position which needs to be rectified.

5.2.2 Financial Governance and Controls

In Section 2.2.7 above, we noted that grouping of finance and audit within a single committee, which we believe is inappropriate. Good practice would dictate that audit should be separate, given that the audit function will need to evaluate critically the work of the finance function.

At a wider level, the Board is responsible for the system of internal controls and should review these internal controls annually. The internal controls cover all areas including risk and finance, but should also include general operational controls. In reviewing the internal controls, the Board should assess the reports from internal audit in relation to the control environment. There is little evidence of this taking place effectively.

The Audit and Finance Committee is also responsible for the work of the internal auditors. In the case of NMBI, the role has been outsourced, but this does not remove any of the responsibility for the Committee. The Committee is responsible for setting the work plan of internal audit based on issues that have arisen or areas of concern. There is little evidence of the internal audit work plan being used to ensure that the controls were adequate or that concerns were investigated.

5.3 Overall Assessment

There is a clear need to review the structure of NMBI committees and their respective responsibilities, as part of a more comprehensive reform of governance arrangements within the organisation. Some of the existing committee responsibilities, particularly in the professional areas such as midwifery and ethics, may emerge from this review process relatively unchanged. Wholesale reform is required in respect of how Fitness to Practise matters are dealt with in NMBI.
6 Review of Consulting and Legal Services

In parallel with our work for NMBI on the organisational review, the Board engaged the accountancy firm BDO (who provide internal audit services to NMBI) to undertake a review of remuneration and contract management of non-permanent employees. A follow-up data gathering exercise was also undertaken by BDO in relation to certain specific suppliers.

We note the findings of BDO in respect of NMBI's lack of compliance with Department of finance guidelines in respect of procurement, appointments and contracts, and also in relation to non-compliance with public sector employment policy. BDO also noted that a number of NMBI employees had been on fixed term contracts for greater than four years and so must be deemed to have a contract of indefinite duration. We understand that these matters were regularised in August 2015.

These findings are in line with our own observations and findings arising from the organisational review, and also with the opinion expressed in the February 2015 Management Letter from the C&AG that "the organisation is not in compliance with Public Procurement Guidelines".

Neither of the deliverables provided by BDO presents any detail relating to the reasons why external consultants or subject matter experts were engaged by NMBI.

During the organisational review, concern was expressed to the Crowe Horwath team by many current and some former NMBI staff regarding the extent to which external resources were engaged, and we are unclear regarding what value was provided to NMBI as a result of these engagements. This is not intended as a criticism of the external advisers, but reflects the fact that the benefits of their work do not appear to have been documented or widely shared across the organisation.

In our view, there is certainly a place for external consultants and advisers to assist organisations such as NMBI, for example by providing outside objectivity or expertise which is otherwise unavailable internally, or to undertake short-term assignments. A proper balance between internal and external resources must be struck, and it is our belief that the vast majority of work within NMBI should be undertaken by permanent staff, hired through appropriate recruitment channels, and paid through the NMBI payroll. All engagement of external consultants and advisers must be approved by the Board, including justification through the presentation of a short business case, and should be subject to proper competitive procurement procedures.
7 Concluding Comments & Recommendations

7.1 Overview

Crowe Horwath believes that nothing short of a total package of reform at NMBI will be sufficient in order to address the many and complex issues referred to in our findings. Our key recommendations, in no specific order of priority, are outlined in the following paragraphs.

7.2 The Proposed Reform Package at NMBI

**Package of reforms.** A substantial body of work is required within NMBI in order to address all of the various issues reported in our findings. Given the nature of the problems identified, this work must be transformative and should involve significant change across all aspects of NMBI's operations. The management of this package of reforms must be given top priority by the Board of NMBI, by its senior management team, and by the Department of Health. We would estimate that full implementation of all of the necessary reforms arising from this report should be complete within 24 months.

**Recommendation 1:** The Board of NMBI should accept this report in its entirety, and with the support of the Department of Health should immediately commence a process of detailed project planning for the implementation of all of the reforms recommended in this report over a period of 24 months.

**Leadership of the reform process.** The success of this reform process will be entirely dependent on NMBI having a highly effective leader in place who can demonstrate success in rebuilding an organisation which has experienced major difficulties and reputational damage; who has very strong leadership and empathetic people skills; who is a team player; and who has the dynamism required to deliver this package of reforms within two years. We would encourage the Board of NMBI and the Department of Health to consider very carefully how this leadership can be provided, and whether the necessary skills and experience are currently available within NMBI or need to be provided from outside.

**Recommendation 2:** The Board of NMBI, with the support of the Department of Health, should move very quickly to appoint a senior and experienced person to lead the reform process within NMBI over the next 24 months.

**Resourcing of the reform implementation package.** In addition to the leadership of the reform process, substantial work is required on many aspects of detail. Given that NMBI is currently lacking the full level of resources required to discharge its existing responsibilities, and that investment in new staff positions is required, it would be unreasonable to expect that the implementation of the reforms identified in this report could be undertaken by existing NMBI staff in addition to their existing duties. As a consequence, and in recognition of the
short-term nature of this work, we recommend that the majority of this work should be resourced externally, through a combination of consultancy expertise and fixed term appointments/secondments.

**Recommendation 3:** NMBI, with the support of the Department of Health, should move very quickly to put in place the necessary resources to deliver all aspects of the reform package over the next two years, covering all recommendations included in this report.

### 7.3 CEO and Senior Management Team

**New CEO Appointment.** We have noted above the need for leadership of the reform process within NMBI. We see this as being a short-term requirement, probably for a period of perhaps 18 to 24 months in order to resolve the issues identified within this report.

Undoubtedly, a new permanent CEO will be required within NMBI at some point in the future, but we believe that it is important to complete the reform process before such an appointment is made. In any event, there are two critical considerations which have influenced our recommendation in this regard.

Firstly, the appointment of a new CEO via a process of open competition would most likely take a period of 4 to 6 months to conclude, and potentially longer if a successful candidate were to have a period of several months notice to complete before taking up the position. NMBI simply cannot wait this length of time for a new permanent CEO to be appointed (i.e. a CEO who would also lead the reform process), and as a consequence we are recommending that the appointment be deferred, and that the leadership of the reform process should be commenced immediately, most likely through external resourcing.

Secondly, the skill set required for the new permanent CEO position after the reform process has been completed will be somewhat different from the leadership of that reform process; the new CEO would essentially be recruited to take over an organisation which is entering a period of stability after up to 2 years of reorganisation and re-engineering.

**Recommendation 4:** The appointment of a new permanent CEO should be deferred until the majority of the reforms have been successfully implemented, at which point the individual leading the reform process will be able to withdraw and hand the organisation over to the new permanent CEO, whose role will be more operational and strategic, and more geared towards the management of a steady state environment rather than being focused on reform.

**Senior management team.** All four members of the current NMBI senior management team are in either interim or acting roles. We also note that two senior members of staff, who previously served on the senior management team, are currently working on secondment in other organisations and have a right to return to NMBI. Overall, the structure and make-up of the senior management team needs to be regularised through the appointment of senior managers to permanent positions; in that context, we recognise that three members of the senior management team already have a substantive position within NMBI and are holding their current roles on a temporary basis, whilst the other member is on a temporary contract.
for a fixed term period. In our view, the optimum senior management structure for NMBI should be as follows:

One of these functional units should be headed by a senior manager also holding the role of Deputy CEO (this role exists in the current NMBI structure).

As with the current organisational structure, specific units should exist to handle all aspects of registration and Fitness to Practise. The education function has been retitled as the Professional Development Unit, which explains more accurately the remit of the unit, which is to cover all aspects of education, learning, and professional development for nurses and midwives.

We recommend the establishment of a new Nursing and Midwifery Practice Development Unit, which would cover new responsibilities for competency frameworks, professional standards, practice guidance, and engagement with other stakeholders to facilitate the enhancement of the practice of nursing and midwifery and its contribution to health service delivery.

We also recommend that the corporate services function should be retitled as the Finance and Administration Unit, and that a qualified accountant be hired as the manager in charge of that unit.

**Recommendation 5:** The organisational structure depicted above should be put in place within NMBI without unnecessary delay, and all posts within the senior structure should be filled on a permanent basis.

### 7.4 Financial Resources and Funding of NMBI

**Financial resources and funding.** Urgent attention is required in relation to the financial position of NMBI, specifically with regard to its financial forecasts over the next three years, its income projections and its expenditure budget. Business cases for immediate investment in NMBI resources and IT infrastructure need to be submitted to the Department of Health.
urgently (i.e. within the next 3 to 4 weeks at the very outset) in order to ensure that additional financial support is forthcoming and that the organisation is financially sustainable in 2016.

**Recommendation 6:** The completion of the business cases requested by the Department of Health must be concluded immediately, i.e. no later than early December 2015. Expert resources are required to undertake this work and will need to be sourced by NMBI.

**Recommendation 7:** The medium to longer term financial position of NMBI needs to be examined in detail, and an effective plan put in place to ensure that NMBI’s obligations can be met and that it can be financially sustainable over the coming years.

### 7.5 Functional Review of Processes at NMBI

**Functional review/re-engineering.** This review of the organisation structure of NMBI, and our consultations with external stakeholders, have identified that the organisation is not operating effectively or efficiently in all of its functional areas – registration, fitness to practice, education and corporate services. Given the nature of our review, it has not been within our terms of reference to explore these matters in detail, but it is nonetheless very apparent to us that some of these issues – particularly the workload involved in Fitness to Practice cases – relate to the nature of the legislation, and that NMBI may have limited control over how it discharges this responsibility so long as the current legislation remains in force. Other functional problems and concerns within NMBI – for example, those in registration – appear to be a combination of the processes used, the resources available, and the effectiveness of the IT systems. We therefore believe that would be timely for NMBI to undertake a comprehensive review of all of its business processes across all functional areas, and to consider how best these processes might be re-engineered in order to maximise effectiveness and efficiency. Such a review will also necessitate a detailed analysis of the IT systems required in each functional area, and the staffing resources required to deliver these services to an optimum level of effectiveness and efficiency.

**Recommendation 8:** A detailed review of all operational functions within NMBI should be commissioned urgently as part of the reform process, and any necessary re-engineering of functions should be undertaken, in line with parallel reviews of staff resources and IT systems.

### 7.6 Developing the NMBI Organisation Structure

**Developing the structure.** From our review, it is apparent that a comprehensive overhaul of the existing NMBI organisational structure is required. This review has highlighted a number of the deficiencies within the organisational infrastructure of NMBI, but the scope of this assignment and the timescales available to us have precluded us from undertaking a detailed review of the organisation structure and staff resources. Such a review is now essential, and must be conducted in line with the review of business processes referred to above. The core purpose of a detailed review of this nature would be to:
- develop a very clear understanding of the nature of each rule required within the new NMBI organisation structure;
- assess the skills and competences required to discharge each role effectively;
- analyse the level of resource required in each functional area in order to ensure that all services are delivered effectively, efficiently, on time and to a high level of quality;
- develop detailed job descriptions and jobholder specifications for each position within the NMBI structure;
- assess the degree of fit between the requirements of the new structure and the present arrangements regarding staff deployment;
- recommend a course of action for NMBI to enable it to implement the new structures quickly and efficiently, including any potential retraining/skills enhancement required for existing personnel, and any new recruitment exercises needed.

**Recommendation 9:** A detailed review of organisational structures and resources at all levels should be undertaken within NMBI, and a new fit for purpose resourcing structure should be developed and put in place. This must be done in conjunction with the parallel reviews of business processes and IT systems.

### 7.7 IT Systems

**Investment in IT systems within NMBI.** It is widely held by managers and staff across NMBI that current IT systems in use within the organisation are in need of significant upgrade or replacement, and that a substantial investment is required in order to enhance the effectiveness and efficiency of all aspects of NMBI’s operational functions.

**Recommendation 10:** A comprehensive IT strategy review should be conducted within NMBI, in order to establish the effectiveness of all existing IT applications and the supporting technology infrastructure, and to create a forward plan for information management and IT systems development within the organisation, including a forecast of the investment required over the next 2 to 3 years. This work should also include the development of business cases to justify any proposed investment, giving consideration to the full range of cost and benefits associated with each proposed systems project/investment. It would also be worthwhile for NMBI to liaise closely with other healthcare regulators as part of this process: certain functions, such as registration, are likely to be quite similar between the various professional regulators in Ireland, and the sharing of IT systems resources may be worthy of consideration by NMBI, other regulators, and the Department of Health.

### 7.8 Governance Arrangements

**Developing new governance arrangements.** Two key documents provide a very solid framework for governance within organisations such as NMBI – the *Code of Practice for Governance of State Bodies*, and the Department of Health’s *Framework for Corporate and Financial Governance* for regulatory bodies under the aegis of the Department. These
documents should form the centrepiece for work to be commenced immediately within NMBI to resolve the governance issues referred to earlier in this report.

**Recommendation 11:** NMBI should produce a new set of governance protocols in line with the *Code of Practice* and the *Framework* documents, and this should be agreed with the Department of Health and should be formally adopted by the Board of NMBI. This is essential so that the accountability and responsibility of the Board, the President, the Vice President, Committee Chairs, Committee members and Board members are clearly specified and regularly reviewed. NMBI must meet the specified standards of governance and accountability for state and other statutory boards. Effective and regular training should be provided for Board members and staff in relation to governance, and should be formally reported to the Department of Health on an annual basis. The governance protocols for NMBI should be easily accessible on the organisation’s website.

**Recommendation 12:** A governance audit should be carried out by an outside experienced reputable organisation at least once every two years, with a full report being provided to the NMBI Board and to the Department of Health. This should also be included within the relevant annual report.

**Recommendation 13:** Committee structures need to be redesigned within NMBI, in line with our separate recommendation regarding the need to review the legislation governing Fitness to Practise proceedings, and also reflecting the need for new governance protocols to be developed within NMBI. An effective coordinating mechanism between the committees should be established, for example a Chairs’ Coordinating Group composed of the President, Vice-President and chairpersons of the other committees, designed to examine cross-cutting issues and agree the presentation of business to the Board.

**Size and make-up of the NMBI Board.** We reported earlier (in Section 2) that the size of the NMBI Board, at 23 members, is unwieldy. Best practice within corporate governance would suggest that the optimum size of a board should not exceed 10 or 11 members; some academic studies have suggested that the optimum size should be between 6 and 8. Whilst there is no definitive guidance on this matter, it is clear that present arrangements at NMBI are not effective and need to be reviewed.

**Recommendation 14:** The Department of Health should review the legislation governing NMBI, and consider a reduction in the size of the NMBI Board and a change to its make-up, including the means by which Board members are appointed. This matter should be subjected to consultation with relevant stakeholders.

**Recommendation 15:** The Department of Health should also consider the impact of the current Fitness to Practise workload on the governance of NMBI, particularly in respect of the inordinate volume of Fitness to Practise work involving Board members, and should assess whether legislative changes are required in order to make this process more efficient.
7.9 Strategy and Business Planning

Establishment of an effective forward planning process. Significant work is required within NMBI in order to develop a clear vision for the organisation, and to create a compelling strategic plan for the next three years. This will be beneficial not just for NMBI itself, in terms of establishing a clear direction and forward plan, but also for restoring confidence with the nursing and midwifery profession.

Recommendation 16: NMBI should develop a new strategic plan by the end of the first quarter in 2016, covering the three-year period from 2016 to 2018. This should set out the mission, vision and values of NMBI, its strategic priorities over the three-year period, and the strategic initiatives which it wishes to pursue within that timeframe. Measurable key performance indicators must be included. Given the nature of the recommendations presented within this report, the new strategic plan will also represent a roadmap for reform within the organisation. Comprehensive engagement with external stakeholders should be included within this process. The strategic plan should be formally approved by the NMBI Board and submitted to the Department of Health/Minister. The Board should require its CEO to report on how the implementation process is progressing, including the achievement of targets.

Recommendation 17: NMBI should also publish an annual service plan or business plan, providing more detail on specified performance indicators, targets, resources, budget forecasts and other operational matters.

Recommendation 18: NMBI should report performance against the targets set out within its strategic plan and annual service plan within its published annual report.

7.10 A Forward Action Plan for NMBI

Given the nature of the issues presented in this report and recommendations set out above, establishing an immediate action plan for NMBI at this stage involves a small number of very urgent decisions and actions by NMBI and by the Department of Health:

- Acceptance of all of the recommendations contained in this report and agreement to move forward to immediate implementation;
- Appointment of an experienced leader for the reform process without delay. Given the recent turnover at senior management level, and the impending changes to the Presidency and the Board, it is imperative that a leader for the reform process should be put into position within the next 1 to 2 weeks;
- In parallel, urgent work needs to be undertaken with regard to the submission of business case as requested by the Department of Health – this work also needs to be executed immediately;
- A more detailed implementation plan for the reforms recommended in this report needs to be assembled and agreed by the NMBI Board and the Department of Health before the end of the year;

Final Report to NMBI: Organisation Review

Legal Notice: this report is expressly strictly private and confidential, and intended solely for the attention of the NMBI Board and the Department of Health. It is not for external publication.
The main content of this report and its recommendations, and the decisions arising from consideration of this report by the NMBI Board and the Department of Health, should be communicated to members of staff within NMBI and to the wider stakeholder community, including members of the nursing and midwifery profession. The critical message here must be that this independent report has identified a range of issues to be resolved within NMBI, that both NMBI and the Department of Health have accepted that substantial reform must occur, and that a two-year process is now under way with the support of the Department to resolve these matters and to ensure that a new, stronger, fit for purpose Nursing and Midwifery Board of Ireland emerges by the end of this period.