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**To:** Policy & Resources Cabinet Committee – 8<sup>th</sup> January 2013

**Subject:** Business Planning 2013/14 – Substantive Draft Plans

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**Purpose:** Following the development of the business planning headline priorities in November 2012, Directors and Heads of Service have built on the feedback received from the Policy & Resources Cabinet Committee to develop substantive draft business plans for 2013/14.

This year the emphasis has been on reducing the burden of business planning with a lighter touch process. It is important to increase the consistency and synergy between business planning and both the performance management dashboards and directorate and divisional risk registers which underpin the business plan actions, which are reported to the Committee on a regular basis.

Policy & Resources Cabinet Committee is asked to CONSIDER and COMMENT on the draft plans, ahead of the Key Decision by Cabinet to approve business plans in March 2013.

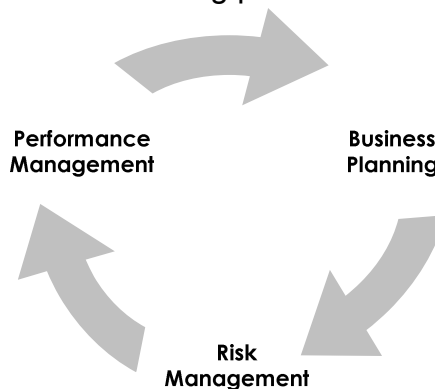
**1. Background**

- 1.1 A pre-requisite to delivering key organisational priorities, both in the medium and long-term, is an effective business plan. Offering a clear focus on the delivery of agreed strategic outcomes through day-to-day activity.
- 1.2 During the November cycle of Cabinet Committee meetings, each Committee was given the opportunity to discuss and comment on the high-level 'headline priorities' for each division. This feedback was considered and reflected as early substantive draft plans were developed, to ensure that the headlines evolved into more detailed actions, with known legislative, policy and financial constraints taken into account.

- 1.3 The emphasis for the 2013/14 draft business plans is identifying clear, tangible actions, ensuring that all activity is Specific, Measurable, Attainable, Realistic and Time bound (SMART). Actions are underpinned by milestones to check activity progress and further complemented by meaningful Key Performance Indicators (KPIs) and Activity Indicators that enable the organisation to monitor and manage performance, to demonstrate progress against the delivery of Bold Steps for Kent. High level risks relating to the delivery of the actions are set out in the business plan, supported by detailed Divisional and Directorate Risk Registers.
- 1.4 The draft plans are still at an early stage of development, with further refinement over the coming months before approval in March 2013. The Policy and Strategic Relationships team has been supporting Directors and Directorate Management Teams (DMT) to develop their draft plans as part of ongoing, informal Quality Assurance process, to help embed the revised business planning process.

## **2. Business Planning, Performance and Risk Management**

- 2.1 It is important that the business planning process closely complements and supports the work already underway to improve the quality and consistency of performance and risk management across the organisation. As such, to help reduce the burden of business plan development, the draft business plans draw on the existing work to prepare the Directorate Performance Dashboard and Directorate & Divisional Risk Registers. This has helped to reduce the duplication of effort, and enhances the synergies between business planning, risk and performance. Cabinet Committees play an important role in providing oversight and assurance of these synergies through the bi-annual business plan outturn monitoring process.



## 2.2 Risk Management

Key risks and mitigating actions faced by each division in delivering their 2013/14 business plans are outlined in Section E of each plan. In addition, several more strategic or cross cutting risks that potentially affect several functions across Business Strategy & Support and / or the Authority are listed in the directorate risk register (**Appendix A**). This register provides further context to the business planning process and will evolve during the coming months alongside the finalising of business plans. The Policy & Resources Cabinet Committee is asked to NOTE the contents of the Business Strategy & Support Directorate Risk Register.

2.2 Due to the fact that the directorate consists mainly of corporate support functions, many Business Strategy & Support Directors lead or coordinate mitigating actions in conjunction with other Directors across the organisation to manage risks featuring on the Corporate Risk Register. These include Data & Information Management; Organisational Transformation; Delivery of Medium Term Financial Plan Savings; and Procurement.

2.3 A link to the Corporate Risk Register can be found at:

<https://democracy.kent.gov.uk/documents/s36860/Corporate%20Risk%20Register%20-%20App%201.pdf>

## 2.4 Performance Management

All business plan actions are measured against a selection of focused key performance and activity indicators. Keeping all actions SMART will ensure that meaningful management information is developed to support the Performance Dashboards reported to Cabinet Committees on a quarterly basis. This year, divisions have taken feedback from the Policy & Resources Cabinet Committee on the Performance Management Dashboard into account when developing their 2013/14 performance measures. The focus has been on being more focused in only selecting KPIs which are the most meaningful and accurate reflection of progress against key priorities.

2.5 KPIs that currently feature as part of the 2012/13 performance dashboard which are non-essential, difficult to measure effectively or are not felt by the Committee to be a priority, will not be rolled forward. If possible, alternative, more meaningful measures will be established, but the intention is to reduce the overall volume of KPIs to allow more focused and concise reporting of performance to the Cabinet Committee in 2013/14 through the revised Performance Dashboard.

2.6 The Policy & Resources Cabinet Committee is invited to COMMENT on the draft performance indicators in Section F of each divisional business plan included in **Appendix B**, and discuss which areas of performance they would most like to focus on in 2013/14.

### **3. Business Planning Timetable 2013/14**

- 3.1 Historically, business plans were approved by Cabinet and then potentially called into scrutiny. From 2013/14 business plans will be approved as an annual Key Decision, with Cabinet Committees playing a key role in considering and shaping the draft plans prior to approval in their pre-scrutiny role.
- 3.2 As a result the timetable for the development of business plans has been brought forward so Committees have an earlier opportunity to comment on draft plans. As such, this will be the last opportunity for Cabinet Committees to formally consider draft plans before approval by Cabinet in March 2013.
- 3.3 The Policy & Resources Cabinet Committee is asked to CONSIDER and COMMENT on the draft business plans for the Business Strategy & Support directorate, set out in **Appendix B**.
- 3.4 It is important to note that at this early stage the draft plans are not intended to capture all of the planned activity for the forthcoming year. In addition to this, it is not possible to include detailed financial information, as the 2013/14 budget has not yet been approved by County Council. As such, the plans have some incomplete sections and will require further development and refinement.
- 3.5 Following feedback from the Cabinet Committee, the responsible Corporate Directors, Directors and Cabinet Members will further develop and refine the draft plans during January.
- 3.6 In February, the plans will be submitted to the Policy and Strategic Relationships team for formal quality assurance, which will focus on ensuring the consistency between plans, in particular cross-cutting links to support transformation programmes and organisational priorities. A letter outlining the quality assurance feedback will be sent to each Director to allow a further opportunity to reflect this before the submission of the final business plans to Cabinet for approval by Key Decision in March 2013.
- 3.7 The approved plans will go live and be published online in April 2013.

### **4. An Iterative Process**

- 4.1 The 2013/14 business plans are the starting point for future development and will be refined and improved each year as part of an iterative annual process. As the plans progress through 2013/14 the synergy between business planning and the performance and risk management cycles will improve. In turn this will make the 2014/15 business planning easier, as

processes and reporting are embedded and become more consistent and complementary.

- 4.2 The new Section G in the plan will help to establish a clear recognition of how different service divisions link with corporate support services to achieve shared objectives across the business. The aim of this is to enable support services to plan ahead and manage capacity effectively with limited resources. This will also be important to identify cross-cutting links across the business plans, particularly identifying complementary and conflicting activity, to reduce the limitations of working in silos.
- 4.3 The findings from the quality assurance and auditing of the business planning process for 2013/14 will be taken into account to update the process for 2014/15. This will include updating any documentation and refreshing the supporting management guide to further aid the effective development of business plans in the future.

## **5. Recommendations**

- 5.1 The Policy & Resources Cabinet Committee is asked to:
- a) NOTE the Directorate Risk Register set out in Appendix A.
  - b) COMMENT on the draft performance indicators in Section F of the draft business plans in Appendix B, and discuss which areas of performance the Committee would most like to focus on in 2013/14.
  - c) CONSIDER and COMMENT on the substantive draft business plans set out in Appendix B.

### **Appendices:**

Appendix A: Business Strategy & Support Directorate Risk Register

Appendix B: Business Strategy & Support Divisional Substantive Draft Business Plans

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