

Management Board

Draft Departmental Business Plans 2012/13 to 2014/15

*Strategy, Planning & Performance Manager
Office of the Chief Executive*

Purpose

1. This paper considers the first drafts of Departmental Business Plans for 2012/13 to 2014/15. Individual plans are available in the Management Board shared area.

Action for the Board

2. The Board is invited to note:
 - (a) The progress that has been made by departments so far.
 - (b) The observations in paragraphs 6 and 7 below.

Consultation and equality impact assessment

3. The Head of the OCE has been consulted in the development of this paper. Part of the review process of departmental business plans will be to ensure that they reflect corporate objectives on equality, diversity and inclusion as appropriate.

Background

4. The timetable for the 2012/13 business planning process was agreed by the Management Board in April 2011 and communicated to departments at that time. More detailed guidance for departmental plans (along with a template and the draft corporate plan) was issued at the beginning of December 2011. It was emphasised that while the deadline for draft departmental plans was earlier this year there would, overall, be more time for the process.
5. The next step is for draft business plans to be shared between departments to check for dependencies and provide a 'peer review' function. To assist with this, OCE is organising a 'round table' meeting for business plan authors. At the same time draft departmental business plans will help to inform the next iteration of the corporate plan so that information flows 'bottom-up' as well as 'top-down'.

Comparison of draft departmental plans

6. All departments provided a draft business plan by the deadline except PICT. Departments have approached business planning in different ways, and this is reflected in the draft plans received. Some departments have initially focused on the "big picture" and have yet to fill the more detailed activities, while others have started with lists of activities and are developing the overarching objectives. It is

acknowledged that certain key sections (for example, risk management) can only be written once the majority of the plan is clear. Overall departments are on track to meet the aims for departmental business planning set by the Board.

7. The guidance issued to departments contained a check-list of issues to be covered in their business plans. The table below summarises how these have been met in the draft plans so far.

Issue	Comments
Plans should be succinct – a maximum of 20-25 pages is suggested.	Four plans were in the range of 15-20 pages. The draft DIS plan was shorter (10 pages) while the draft DCCS plan was longer (48 pages). As these are first drafts it is to be expected that further editing will take place.
Three year plan covering 2012/13 to 2014/15.	All draft plans are three-year plans, with more emphasis on the first year.
Plans should flow from the strategy for the House Service and develop a 'line of sight' that links strategic goals to personal objectives, via departmental objectives.	There is more variation between the draft plans on this issue. Most departments have developed objectives that flow directly from the strategic goals of respected, effective, efficient and well-informed and the 'line of sight' is very clear. DCCS's current draft retains much of the flavour of the former corporate core and supporting tasks while seeking to reflect the new strategic goals. These departmental objectives are still consistent with the strategic goals, but the 'line of sight' is harder to grasp.
Plans should be an overarching plan for the department as a whole – they should be more than a collection of directorate-level plans	There is some variation between departments on this point. It is easier for smaller departments to develop an overarching plan than it is for larger ones with a more diverse range of functions. Draft plans that are based on high-level objectives derived from the strategic goals tend to present a more cohesive picture of their departmental aims.
Plans should reflect areas of the Savings Programme which are being led from within departments	Departments have covered this aspect well. At this early stage plans either include 'skeleton' text or markers to cover all the strands of the Savings Programme (and overall responsibility for the programme in the case of the Department of Finance).
Key performance indicators	The draft plans show that departments have a clear understanding of the need to link their regular performance reporting with the objectives and targets outlined in their business plans. As business plans are refined departments will need to ensure that they remain focused on measuring – and managing – those things that are really important.
Risk management	Most draft plans contain only a marker about risk

	<p>management at this stage, which is to be expected. As plans develop the key risks to achieving objectives will emerge. The Corporate Risk Management Team is already preparing to work with departments to ensure that their departmental and directorate-level risk registers reflect updated business plans (see MB2012.P.02 for more details).</p>
--	--

Financial and procurement implications

8. No financial or procurement implications arise from this paper.

Risk management

9. Board engagement in the departmental business planning process will help to mitigate two Board-level risks:

- Board risk 4: the House Service does not have the right capability or capacity (including effective prioritisation mechanisms) to deliver its strategic goals.
- Board risk 6: the ineffective prioritisation and management of financial resources will impact on the House Service’s ability to achieve its strategic goals.

10. In addition to this, Board members will recall that during last year’s Internal Audit review of the business planning process a number of risks and challenges facing the House Service generally and the OCE in certain specific areas were identified. The most significant of these was “insufficient engagement in the planning process, at senior levels, to enable the development of the level of certainty and detail needed to create effective plans to direct the House Administration”. The more detailed assessment of draft departmental plans in paragraphs 6 and 7 is intended to stimulate debate and increase engagement by Board members and other senior leaders.

Implications for the House of Lords

11. There are implications for the House of Lords. For instance, the Department of Facilities’ Business Plan covers the Parliamentary Estates Directorate, which serves both Houses; the education and outreach services provided by the Department of Information Services are jointly funded; and PICT is a joint department.

[s.40]

Strategy, Planning and Performance Manager

6 January 2012