

# Business Planning Framework

What gets measured gets done

## Contents

Introduction .....	3
Planning Process .....	5
Template .....	6
Service Business Plan Guidance .....	6
Self-Assessment .....	6
Resources .....	7
Delivery Plan .....	7
Performance Indicators .....	7
Performance Indicator Definitions.....	8
Service Risk.....	8
Audit Recommendations .....	8
Other Commitments .....	8
Assurance .....	9
Performance Monitoring .....	9
RAG Guidance .....	9
Performance Reporting.....	10

## Introduction

In a performance oriented organisation:

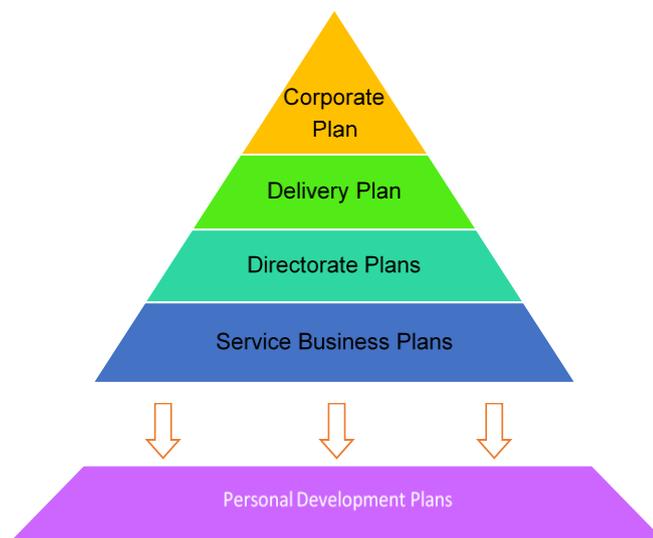
- Each member of staff is aware of their performance and targets and their performance against targets is regularly discussed in supervision with their managers;
- Lead members and senior managers lead with a clear vision, focus on strategic issues, service quality, customer feedback and citizens needs and manage through values;
- Decisions are based on robust data and intelligence;
- Approved plans, strategies, service reviews and policy objectives are measurable and impact focused;
- New ideas and best practice elsewhere are constantly sought and tried when necessary;
- There is openness to internal and external challenge and a willingness to take and stick to tough decisions and tackle difficult problems;
- Managers keep the council's vision and objectives in mind when determining actions and communicate this context to their staff;
- People see a direct connection between what they do and how it benefits the community through a clear performance management framework;
- Managers drive performance improvement and engage their employees;
- Performance management and performance improvement are treated as core business within the Council rather than an add-on;
- Performance monitoring facilitates performance management and performance management drives performance improvement;
- There is a lot of cross-functional working and interdepartmental communication focused on achieving agreed objectives;
- Everyone has a sense of responsibility for the performance of the authority and accountability for results is clear.

Robust business planning is the foundation of effective performance management and supports delivery of the above outcomes. The purpose of planning is to translate the high-level vision and objectives and the needs of the population into achievable activity for services and individuals.

The planning process needs to be undertaken at all levels of the organisation, producing a hierarchy of plans that link together, aligning towards the council's overall vision and ambitions. This alignment of the highest level Corporate Plan to an individual's Personal Development Plan is often referred to as the "Golden Thread".

Herefordshire's planning hierarchy is shown to the right, with a summary of what each of the layers should include is given below.

The **Corporate Plan** ([link](#)) sets out the medium term ambitions of the Council. The four year plan will set out the high level programmes of work which are required to deliver progress against these ambitions. This plan will also set out the success measures used to monitor the delivery of outcomes over the duration of the plan. The plan



should utilise the needs analysis of the Herefordshire population, which is found on Understanding Herefordshire. It should also look to engage with the local population as well as a range of local groups and organisations, in order to ensure alignment

The corporate plan is led by members and requires sign off at Cabinet, before adoption by Council.

Aligned to the Corporate Plan, is the **Medium Term Financial Strategy** (MTFS) which is a rolling four-year plan that contains the council's strategic approach to the management of its finances. It includes indicative budgets for the medium term; taking into account demographic changes, future service pressures and associated risks, and the indicative national climate. Similarly, the MTFS is required to be signed off by both Cabinet and Council.

All subsequent plans in the structure must be consistent with ambitions and the core values in the corporate plan.

The **Delivery Plan** is an annual plan that identifies the activities which deliver progress against the ambitions set out in the Corporate Plan. The plan will also identify how we will monitor performance in year in order to understand what difference is being made. The delivery plan will be developed by Management Board, and is agreed by Cabinet.

**Directorate Plans** are overarching plans highlighting the key transformational work being undertaken within directorates and Assistant Director areas. These will typically be a reflection of the key programmes identified in the Corporate and Delivery Plans and establish clear ownership for delivery, as well as amalgamating key service improvement work from service business plans. Further detail on the completion of these plans is found in this document.

**Service Business Plans** are annual plans that identify the planned improvements to be delivered within each of the council's services; these might be significant transformational programmes, or activity focussed on running and improving the day to day running of the service area. These plans will support directors, assistant directors and their managers to plan and monitor service delivery and performance across the whole service unit. They include actions associated with key transformational work as well as business improvement and business as usual.

Annually, refreshed guidance on Service Business Planning will be produced, to ensure that the process evolves and maximises the value of planning.

**Personal Development Plans** are annual plans prepared by each individual and their line manager. These plans identify objectives and actions for individual members of staff, and ensures alignment of the individual to service objectives and ultimately the strategic outcomes identified within the Corporate Plan.

## Planning Process

Effective service business planning helps to ensure that individual services effectively plan and allow themselves the best opportunity of delivering services, service improvements and transformation. It also helps to ensure visibility of the range of requirements of services, by collating in to a single document.

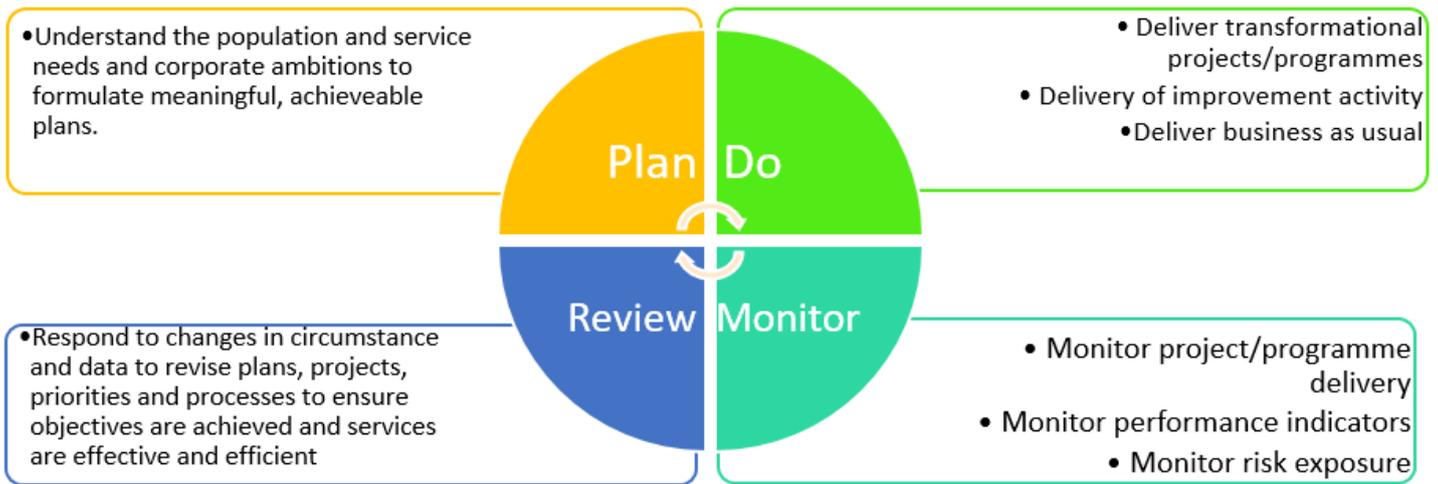
The process flow below identifies the timing of the council’s planning; timetabled in this way to allow the highest level ambitions of the council within the Corporate Plan, to translate down throughout plans, as well as allowing service business planning to identify any other key service improvement work.

<b>Corporate Plan development &amp; sign off</b>																			
				<b>Delivery Plan development &amp; sign off</b>															
								<b>Service Business Plan development &amp; sign off</b>											
												<b>Directorate/AD Plan Development &amp; Sign Off</b>							
												<b>Personal Development Plans</b>							
Wk 1	Wk 2	Wk 3	Wk 4	Wk 1	Wk 2	Wk 3	Wk 4	Wk 1	Wk 2	Wk 3	Wk 4	Wk 1	Wk 2	Wk 3	Wk 4	Wk 1	Wk 2	Wk 3	Wk 4
January				February				March				April				May			

Each year, alongside the completion of the Delivery plan, services will be required to undertake business planning. The approach has been designed so that services have an opportunity to reflect on the current position of the service through a short self-assessment, and use this to plan how the service will be delivered for the year. The process requires that opportunities are also considered; this could be doing the same things differently, or even doing different things with a view to improving services, or generating income.

In 2020/21, Service Business Plans provide services with a single place to record and monitor other commitments required of services areas, such as audit recommendations, key service risks, and clarity on how performance will be monitored. Service Business plans should be regularly monitored to ensure that targets and action plans are being delivered on time, with demonstrable progress towards achieving intended service outcomes.

In planning and delivering throughout the year, services and directorates should follow the Plan–Do–Monitor–Review process flow to guide their activity. This requires that changes throughout the year, and areas of under-performance, are addressed and that plans are updated to reflect additional activities required to improve performance, or manage risks.



As well as Service Business Plans, Directorates and Assistant Directors are expected to complete overview plans, using a plan on a page template, which summarise the key transformational and improvement activities within their service areas. It would be anticipated that these plans would incorporate areas within each officers responsible service areas, identified within the council's delivery plan.

Below is guidance on the Service Business Plan and Plan on a Page templates.

## Template

 <p>Service Business Plan template 2020-21 v5.x</p>	 <p>Plan on a Page 2020 - AD &amp; Director.docx</p>
<p><b>Service Business Plans</b></p>	<p><b>Plan on a Page</b></p>
<p>intended for: Heads of Service, Service Managers &amp; Team Managers</p>	<p>intended for: Assistant Directors and Directors</p>

## Service Business Plan Guidance

### Self-Assessment

There are two tabs for self-assessment; one for services in Children & Families Safeguarding & Family Support, based on the existing OFSTED template, and one for other services.

This gives 6 different sections to reflect on the current position of the service across; Leadership & Governance, Performance & Outcomes, Commissioning & Quality, National Priorities & Partnerships, Resource & Workforce Management and Culture & Challenge. Each section has a series of prompts which is intended to provoke an honest evaluation of the current service.

Safeguarding & Family Support Self Evaluation is based on the familiar questions used in previous Self-Evaluations; what do you know about the quality and impact of social work practice in your local area, how do you know it, areas of strength and areas for development. The actions identified within the areas for development, should be consistent with those identified in the Delivery Plan tab.

## Resources

This section provides an overview of the service's finance and workforce resources.

The finance section should include an overview of the revenue budget and what it is spent on, 2019/20 outturn, and an idea of capital plans. There is also a space for any specific savings to be identified, which should then be updated each quarter with a RAG status.

This information should be supported by Performance Leads and Finance.

The workforce section should provide a team structure, as well as requiring managers to consider some key questions about staffing. There is also a comparison of the services' sickness rate compared to the council average – this should serve as a prompt for managers to consider their team's sickness and whether any action needs to be taken.

This information should be supported by Performance Leads

## Delivery Plan

This is the section which focusses on the activities to be delivered during the course of the year. Services are required to cross reference any transformational projects which are being monitored via Verto at the top of this section, this is to minimise duplication of reporting.

Services are required to identify the impacts that they wish to have, and clearly specify the activity required to meet these. This activity should be focussed on clear, tangible deliverables, such as a signed off strategy, and avoid minor activities such as holding meetings. Alongside deliverables, it is important to establish the lead officer, as well as the clear timetable.

It is important that any project/programmes within a services remit that are included within the council's annual Delivery Plan, are included within this section. Performance Leads will support to ensure that these are cross-referenced as appropriate.

Services should use this section to report regular updates to progress, quarterly as a minimum, using RAG recording (definitions below). Where progress is not being achieved as planned, or it is not having the desired results, it is important that services re-plan to address this.

## Performance Indicators

This section should detail the performance indicators required to monitor the service. In selecting indicators for the service, consideration should be given to ensuring that there are a range of types of measures; inputs, outputs, outcomes, quality and resourcing (workforce and financial).

Indicators included within the council's Delivery Plan within a service's remit, should be included within this section. Performance Leads will support to ensure that this is the case.

Services are required to set targets for relevant measures. Targets should be SMART, and will require a justification; it might be that it is intended to maintain performance at the current levels, or that targeted work should see an improvement in performance, it might also be that performance is anticipated to drop a little, following a planned reduction in spend/investment.

Services may choose to use this template to regularly monitor their performance, so space has been provided for monthly updates for indicators. Monitoring using RAG should be used here to indicate performance against target, and a space is provided for commentary. Guidance on application of RAG status is below.

If there are pockets of performance which need addressing, plans to drive improved performance should be added to the service delivery tab during the year, clearly articulating what work is required to address performance gaps.

### Performance Indicator Definitions

This tab allows the opportunity for services to define the indicators used within the service. This is particularly beneficial for audit purposes, giving a clear and established calculation method for important measures.

### Service Risk

Services will typically hold their own Risk Registers, so this template only requires a risk heat-map be included to provide the overview of the relevant risks.

### Audit Recommendations

The section holds any recommendations made either by the internal audit service, South West Audit Partnership (SWAP), or by our external auditors (Grant Thornton). By recording all recommendations that are due to be completed within the Service Business Plan, this will allow recommendations to be simply tracked and will also ensure visibility of the work that is required. As new audit recommendations are made, these should be added to this section, maintaining an ongoing log of all audit activity.

This section will also serve as a tracker for audit recommendations. Audit & Governance Committee regularly review the progress made on audit recommendations, therefore it is important to regularly review the progress of delivery against target timescales, using a simple RAG update, which will enable timely updates to the committee. Please see RAG guidance below, for appropriate scoring.

This section should be completed with support from Performance Leads

### Other Commitments

In addition to recommendations which come from audits, there are a range of other recommendations which are made through the course of the year. The intention is that they should be logged in this section, allowing them to be tracked in a single place. This will again, help to ensure visibility, and delivery.

Examples of where these might originate from include;

- Annual Governance Statement
- Scrutiny Task & Finish groups (or similar)

A link to cross reference to the actions tracker from Cabinet Feeder is provided at the top of the page.

This information will be supported by Performance Leads.

## Assurance

Further to audits and other commitments, the assurance section provides a number of checks which need to happen regularly within service areas, to support good governance. This sections includes;

- Cross-reference to the Managers Assurance checklist
- Cross-reference to Business Continuity Plans
- Cross-reference to the Scheme of Delegation
- Policy register – serving as a remind of policies that are in the pipeline for updating
- Contract register – serving as a reminder of the contracts in place and the pipeline for refresh.

## Performance Monitoring

Regularly monitoring performance is crucial, without tracking delivery of plans, performance indicators and risks, the council cannot be assured of effective performance.

It is anticipated that teams, services and directorates all regularly review performance, through a combination of team/service meetings and Directorate Leadership Teams. Management Board review performance and risk on a monthly basis, and support the production of the quarterly Budget & Performance Report, informing Cabinet and members and the public of performance against the delivery plan and financial performance.

In reviewing performance and delivery, it is important that all service areas provide an honest and consistent reflection of progress. To support this, guidance on RAG status for performance indicators and project/programme delivery.

Having accurately reflected on the progress and delivery, it is central to our framework that in areas delivering below expected levels, plans are re-developed in order to bring performance and delivery back on track.

## RAG Guidance

The following sets the standards which should be applied when using RAG statuses in order to provide updates; for both performance measures and project/programme delivery.

## Measures

**GREEN** – Measures which are meeting targets

**AMBER** – Measures are not meeting targets, but are within 10% of target (e.g. a measure with a target of 90% currently reported at 82%, should be recorded as amber).

**RED** – Measures which are missing targets by more than 10% should be recorded as red.

## Delivery

**GREEN** – Projects/programmes/activities that are progressing as planned and outputs will be delivered to agreed specification within agreed timescales.

**AMBER** – Projects/programmes/activities that are experiencing obstacles that *may* prevent the delivery to agreed specification, timescales or costs but there is confidence that delivery can be brought back on target.

**RED** – Projects/programmes/activities that are experiencing obstacles that *are likely to* prevent the successful delivery to agreed specification, timescales or costs and significant involvement is necessary to bring that project back in line with original expectations or revised plan for delivery is needed

**BLUE** - Projects/programmes/activities that have been completed.

## Performance Reporting

The councils main reporting will be production of a Budget & Performance report which provides a quarterly update on the financial performance of the council, against both revenue and capital finances, and provides detail on the progress against the annual delivery plan activity and indicators.

Annually, an overarching report on the year's progress against the delivery plan will be produced. This will cross reference the outcomes identified in the Corporate Plan.

Directors and Assistant Directors must regularly brief their portfolio leads on service performance, performance of delivery plan activity and risks.

Further events for members will be held, providing an overview of council performance, and to provide specific focus on particular service areas, and allowing officers to test approaches to developing these services and improving their performance.

It is a function of Audit and Governance Committee to ensure effectiveness of the framework in managing risk and the performance of internal audit against its annual plan. Supporting this, the committee will receive risk registers and audit recommendation progress regularly.

The council should aspire to make more information available in the public domain and make the performance of services, and those it commissions more transparent to Herefordshire residents.