

# Business Planning 2015/16

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## Purpose of Paper

1. This paper reports progress on developing the HSCIC business plan for 2015/16.
2. The paper outlines the stages completed to date, presents the next steps required to take the process forward to completion.
3. The paper introduces the 'first draft' corporate business plan and invites comments on this, whilst noting that the document remains a work in progress.

## Background

4. The Framework Agreement with the Department of Health requires that the HSCIC produces an annual business plan.

*"The HSCIC will produce a business plan each year demonstrating how it will meet its legal duties and deliver its objectives (Framework Agreement, paragraph 3.4)"*

*"The plan should be costed (Framework Agreement, Annex B, paragraph 9)"*

5. More detail about the requirements of the HSCIC business plan are set out in paragraph 3.4 of the Framework Agreement, and in paragraphs 9 and 10 of the Annex to this document. These paragraphs are reproduced in **Appendix A** of this paper.
6. To support the development and delivery of the corporate business plan, individual directorates produce their own business plans. The result is a suite of plans that sets out HSCIC business for the year and against which delivery progress can be monitored. In this regard, these business plans are important channels of communication and accountability to various audiences, including HSCIC staff, stakeholders, and the public.

## Progress to Date

7. In October EMT approved the process and timeline for 2015/16 business planning. The timeline shown at **Appendix B** sets out the remaining stages of the agreed process.
8. In November the Department of Health issued 2015/16 business planning guidance to its Arms-Length Bodies, including HSCIC. This guidance sets out Department of Health expectations in respect of the planning process and the content of business plans. This guidance has informed the production timeline, structure and content of the HSCIC business plan.
9. During November each directorate produced a first draft of their 2015/16 business plan. These draft directorate plans informed the production of a very early indicative draft corporate business plan.
10. This early draft was shared with the HSCIC's sponsor team at the Department of Health. The sponsor team subsequently provided constructive and helpful feedback which has informed the next version – the 'first draft' - of the corporate business plan.

11. EMT has staged two 'show and tell' sessions in which directors shared brief outlines of their initial planning intentions for 2015/16. These sessions have prompted fruitful discussions that will add value to both the planning process and the end product.
12. Close links have been maintained between the business planning process and the emerging HSCIC Strategy for 2015-2020. The business plan and strategy are being developed in parallel, and the emerging strategy has informed the draft business plan. The finalised business plan will align with the finalised strategy document.
13. As well aligning with the HSCIC Strategy, the draft business plan reflects the strategic priorities of the National Information Board and the Department of Health.
14. Close linkages have been established between the budget setting process and business plan development. For instance, draft business plans have been cross-referenced with emerging budget assumptions to ensure that there is alignment between planned work and available resource.

## 'First Draft' Business Plan

15. **Appendix C** presents the first draft corporate business plan. It is important to recognise the draft status of this document and that it remains a work in progress.
16. In particular, two sections of the plan require significant further work.
  - The figures presented in the section on financial information (pages 10-12) should be regarded as temporary placeholders (the figures relate to 2014/15). Although directorates have been given high-level budget assumptions for 2015/16, detailed budgets are still being developed. Finalised financial information for 2015/16 will not be confirmed for inclusion in the business plan until mid-February.
  - The appendix that sets out the 2015/16 commitments or deliverables (pages 24 to 63) requires work to pare back the number of proposed commitments and to fill in details around delivery milestones and dependencies. Work is ongoing with directorates to refine this section.
17. Other sections of the draft document include:
  - A list of key achievements during 2014/15
  - A summary of the strategic context in which HSCIC operates
  - A summary of the challenges and issues HSCIC faces
  - The HSCIC's structure and values, workforce strategy, and transformation
  - Information about governance, performance management and risk management
  - Statements of the strategic objectives of each directorate
  - A summary of the major programmes and projects delivered by HSCIC
  - Alignment of HSCIC objectives with National Information Board and Department of Health goals.

## Next Steps

18. Next steps in the business planning process during January and February will clarify and refine the 2015/16 plan
  - On 30 January EMT is staging a business planning day during which all directorates will present more detailed information about their 2015/16 plans.
  - By the end of January directorates are expected to have completed their detailed budgets for 2015/16.
  - During late January and early February there will be an internal peer review exercise in which directorates review each other's planning intentions, acting as constructive critical friends.
  - By 09 February directorates are expected to have completed the second draft of their business plans. These will be 'close to final' versions and will inform the second draft of the corporate plan.
  - During January and February there will be ongoing liaison with the HSCIC sponsor team at the Department of Health
  - The HSCIC strategy development process will continue during the period January to March. The corporate business plan will continue to be aligned with the strategy.
19. A second draft corporate plan will be produced by mid-February. It is intended that this will be discussed at the Board's strategy session on 25 February.
20. By early March a 'ready to be approved' or 'close to final draft' plan must be submitted to the Department of Health. The final draft plan will be presented to the HSCIC Board for formal internal approval at its meeting on 31 March.
21. On 02 April a special event has been organised to present the HSCIC business plan to senior officials of the Department of Health.
22. It is likely that 'easy read' and 'plan on a page' versions of the plan will be produced for publication on the website and for dissemination through other communications channels.

## Actions required of the board

23. The Board is asked to:
  - (a) Note the progress to date and the next steps in the business planning process
  - (b) Comment on the first draft corporate business plan

## Department of Health and HSCIC Framework Agreement:

### Paragraph 3.4:

“The HSCIC will produce a **business plan** each year demonstrating how it will meet its legal duties and deliver its objectives. The Department will provide guidance to support this process, which will include target budgets covering administration, programme, revenue and capital funding. The HSCIC will reach agreement with the Department on its business plan. To facilitate comment from the Department, including relevant ministers, the business plan will be shared and discussed in advance of clearance with the HSCIC’s board. The HSCIC will be made aware of any concerns the Department may have over the content of the plan.”

### Annex B, Paragraphs 9 and 10:

“The plan should be costed: supporting guidance issued by the Department will provide the format and level of financial detail needed. Indicative financial budgets for both administration and programme funded activity will be discussed from the outset of business planning, incorporating any requirement to deliver overall efficiencies relevant to the Department and its arm’s length bodies. The plan will include the funding for which the HSCIC is directly responsible. Programme funds which are owned by the Department of Health or other sponsoring body, such as NHS England, and spent on behalf of that body may be included in the business plan to give context on the systems and services delivered and the support being provided; such detail will not be included without prior agreement.

The business plan will need to identify detailed revenue, capital and cash forecasts for grant-in-aid funded activity, and also equivalent expenditure associated with any other income sources. It will need to clearly identify the distinction between costs and income falling inside and outside the administration budget regime.”

Business Planning 2015/16: Next Steps Timeline

		January				February				March					April
		Wk1	Wk2	Wk3	Wk4	Wk1	Wk2	Wk3	Wk4	Wk1	Wk2	Wk3	Wk4	Wk5	Wk1
Board	Corporate Plan: 1st Draft				28 Jan										
Event	Directorates' Internal Presentations				30 Jan										
Process	Directorate Plans: Peer Reviews			19 Jan – 6 Feb											
Process	Directorate Plans: Submit 2nd Draft						9 Feb								
EMT	Corporate Plan: 2nd Draft							19 Feb							
Board	Corporate Plan: 2nd Draft								25 Feb						
DH	Corporate Plan: 'Close to Final' Draft								'Late Feb / early March'						
EMT	Corporate Plan: Final Draft											19 Mar			
Board	Corporate Plan: Final Draft - Approval													31 Mar	
DH	Submit Approved Corporate Plan													31 Mar	
Event	External Presentations (DH)														2 Apr

## **APPENDIX C**

### **HSCIC Corporate Business Plan: First Draft**