

PROPOSALS FOR A SINGLE, COHERENT CORPORATE PLANNING PROCESS

PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

9TH SEPTEMBER, 2004

Wards Affected

County-wide

Purpose

To approve proposals for a single, coherent corporate planning process which integrates the Herefordshire Plan ambitions, aims and targets; the Council's contribution, performance indicators and targets (including statutory Best Value and Performance plans); the Council's actions and resources (financial, human, ICT and physical, including the Improvement Plan) to achieve them; and the Council's performance management.

Key Decision

This is not a Key Decision

Recommendation

THAT the new corporate planning process should be put into place with immediate effect and that the structure and broad content headings for the Corporate Plan for 2005-2008 should be as proposed in Appendix 2 to the report.

Reasons

In publishing its updated current Corporate Plan at the end of June 2004, the Council declared its intention to review its corporate planning process so as to ensure clarity about priorities and that all the Council's resources are deployed effectively and efficiently to achieve them

Considerations

1. At present the Council has a number of different processes and plans which are imperfectly related one to another. As the 2002 Comprehensive Performance Assessment (CPA) found, this makes it difficult to communicate overall priorities clearly, internally and externally, and inhibits effective performance management, particularly at the level of the Cabinet and the Council. Although important progress has been made since the CPA by means of the Council's first Corporate Plan and the Improvement and Performance plans, these have also increased the number of plans and the potential for confusion.
2. The Council must, of course, comply with the legal requirements regarding Best Value Performance Indicators (BVPIs) and statutory plans. But this shouldn't be allowed to stand in the way of developing strategic performance indicators and

targets which relate unequivocally to the Council's priorities and which provide an effective basis for monitoring and review. Cabinet called for improvements in this respect at its meeting on 17 June, which considered the updated current Corporate Plan and BVPIs. As part of this, there is a need to build in a systematic basis for the comparison of the Council's performance with that of other local authorities.

3. There is a need for a rolling three-year Corporate Plan which sets out what the Council intends to do to play its full part in achieving the ambitions of the Herefordshire Plan; and how the Council's priorities, targets, actions and resources will achieve this.
4. There is equally a need for an Annual Operating Plan for the whole Council which makes clear, in concrete terms, what it aims to achieve in the first year of the Corporate Plan and what it will do, with what resources, to make sure this happens. The Annual Operating Plan will provide the basis for performance monitoring by the Cabinet and the Strategic Monitoring Committee.
5. The full benefits of the proposed system will not be realised if new plans are simply added as new layers on top of those which already exist. It is therefore vital that the Council jettisons anything which doesn't add significant value in this respect. This means that service plans need a comparably sharp focus which reflects their contribution to the Herefordshire Plan and the Council's priorities and provides a good basis for monitoring by subject scrutiny committees. It is also proposed that there should no longer be directorate plans.
6. It will not be possible, nor is it necessary, to produce a full draft Corporate Plan for the public consultation scheduled to begin in late September (alongside that in respect of budget priorities for 2005-2006 and Council Tax). However, it is crucial that the Cabinet is able at that time to consult about its proposed strategic priorities for the period of the new Corporate Plan (2005-2008) to provide the context for simultaneous and linked consultation on budget options for 2005-2006 and the Council Tax.
7. The new process will need to be kept under review and progressively improved. In particular, there will be a need to link this with the forthcoming review of the Herefordshire Plan. For now the Council has to take as its starting point the Herefordshire Plan as it stands.
8. To these ends **proposals** are attached, as follows:

Appendix 1 – the critical path for the proposed new corporate planning process as it would operate in 2004-2005 (copies of this in larger format are available on request – see contact details below);

Appendix 2 – the proposed structure and broad content headings for the Corporate Plan for 2005-2008.
9. **Appendix 3** illustrates the proposed format for the core material in the new Corporate Plan. With the addition of columns relating solely to 2005-2006, the format of the core of the Annual Operating Plan would be identical.
10. The primary users of these plans will be Council members and staff. Although they will also be of interest to stakeholders and partners and be available to the public, consideration will be given to how best to communicate the main messages to different external audiences.

Financial Implications

There are no new financial implications: the process will be implemented with existing resources.

Alternative Options

There are numerous possible different approaches to a corporate planning process. The principles of best practice are plain, however: clarity of purpose and priorities; directly related and meaningful performance indicators and targets; one process which links targets, actions, risk management and the resources to achieve them; and one which enables internal and external audiences to understand what an organisation is trying to do and whether it is succeeding.

These principles have to be applied in a way which makes sense for this Council at this time. Since there is no ideal model and that we need to learn by doing, what matters is making a start with a robust system that makes sense to the Council and making a commitment to its progressive review and improvement.

Risk Management

There are risks at two levels; those associated with not developing a single, coherent process; and those associated with these specific proposals. The former have been addressed earlier in this paper.

The risks associated with these proposals are that we would fail to meet the timetable to deliver the desired outcomes in terms of high quality planning documents and more effective performance management. These will be addressed by means of formal project management, including regular progress reports to Cabinet and the Strategic Monitoring Committee.

The greatest and most immediate risk would be if the Cabinet were to fail to define sufficiently clearly by mid September its strategic priorities for the period 2005-2008 (which also requires being plain about what won't get priority). This risk is being addressed by means of discussions between Cabinet and the Chief Executive's Management Team and by then bringing proposals for public consultation to Cabinet in mid September, alongside those in respect of budget options for 2005-2006 and Council Tax.

Consultees

Extensive consultation is an integral part of this process (see **Appendix 1**). Detailed proposals for this will be put to Cabinet.

Background Papers

None