Meeting	OLC Board	Agenda Item No.	9				
	OLC Board	Paper No.	106.7				
Date of meeting	27 July 2020	Time required	20 minutes				

Title	Budget Learning Review – Budget & Business Plan 21/22 Programme
Sponsor	Laura Stroppolo, Business Performance Manager
Status	OFFICIAL

Executive summary

For the 21/22 Budget and Business Planning round LeO will be adopting a programme management approach in relation to tracking the activities associated with submitting a robust Budget and Business Plan.

The paper includes the improvements this approach will bring, the governance that sits around the process and the next steps Management Team will be undertaking to embed the new approach.

Recommendation/action required

Board is asked to **NOTE** the paper.

Budget and Business Planning Round – Project Plan

Background

Following the lessons learnt from the Budget Learning Review, one of the key actions for LeO to address was the introduction of a project and programme approach for the Budget and Business Planning round.

This paper sets out the key improvements that have been made in adopting this approach and the next steps the Management Team will be taking forward over the coming weeks.

A draft copy of the project plan is appended to the paper.

Key Improvements

- The project has been devised to ensure it is operating a front loaded process, whereby the majority of the activities kick start over the summer;
- Integrates the work and activities that are required to compile both budget and business plan submissions, noting how these are intrinsically linked;
- Levels of approval have been defined which will be embedded by the new senior management re-structure and will provide the opportunity for more challenge to occur internally;
- Regular highlight reports will be produced and presented at the first Management Team of the month and will be reported to the Executive Team on an exceptions basis;
- The project plan will be sponsored by the Head of Governance and Strategy, whereby assurance from the Business Performance Manager will be provided on a monthly basis to the Project Sponsor.

Next Steps

- A full Management Team review is scheduled for the 28th July to review current Business Plan deliverables and how this will impact on next year's business plan, and the work we need to progress between now and September
- An initial conversation is to be scheduled between LeO and LSB regarding timing of receiving the Budget Acceptance criteria and our external consultation
- Future Board dates for the last quarter of the year are to be scheduled so the project plan has all meeting dates and milestones captured.
- Further engagement with the Chair as we finalise key dates over the coming weeks.

Budget & Business Planning Round 21/22 Project Timeline						Interdep	andancias																	
Business Unit / Function Phase 1: Preparation and Enga	Ref	Activity Detail	Start Date	End Date Actual start Adjusted End date Date	Days	Predecessors	Successors	20-14	27-Jul 03-Aug 10-Aug	17-Aug	24-Aug 31-Aug 07-Sep 14-Sep	21-Sep 28-Sep	05-Oct 12-Oct	19-Oct	26-Oct 02-Nov	16-Nov	30-Nov	07-Dec 14-Dec 21-Dec	28-Uec 04-Jan 11-Jan	18-Jan 25-Jan	01-Feb 08-Feb	15-Feb 22-Feb	01-Mar 08-Mar 15-Mar	22-Mar 29-Mar 05-Apr
Board Secretary Board Secretary	822	Seek clarity from LSB on Board dates for remainder of 20/21 Issue draft budget to OLC Board	19/10/2020	31/07/2020 19/10/2020	3 1	MT4	OLC1																	
Board Secretary Board Secretary	BS4	Issue Consultation docs to OLC Board Draft budget issued to LSB Users Deservers Exercised to DSB	12/11/2020	19/10/2020 12/11/2020	1	EX2ET1 OLC1	EX6																	
Board Secretary Board Secretary Board Secretary	BS6	Issue Board papers - Feedback to Board on Consultation, Business Plan & Budget Issue Board papers for approval - Strategy update, Budget & Business Plan Issue draft KPIs to Board	Jan tbc Jan tbc Jan tbc	Jan tbc Jan tbc Jan tbc																				
Board Secretary Board Secretary	BS8 BS9	Submit approved budget, business plan and strategy to LSB Send draft budget changes to Board out of committee??	Feb / Mar tbc	Feb / Mar tbc																				
Business Performance Business Performance	BP1 BP2	Review what is on track vs late and impact on 21/22 Track progress against current deliverables within 20/21 Business Plan Business Plan Meetings with Heads of Functions to collate Business Plan deliverables	01/07/2020	01/12/2020	110 40																			
Business Performance Business Performance	BP3 BP4	Engage with MT on KPIs for 21/22 Draft Business Plan 21/22	19/10/2020 16/11/2020 01/12/2020	13/12/2020	40 33																			
Business Performance Business Performance Business Performance	BP6	Draft KPIs for 21/22 for inclusion in the Business Plan Liaise with finance to get high level budget figure for inclusion in the business plan Issue draft KPIs for MT approval	01/12/2020 01/12/2020 14/12/2020	01/12/2020	10 1	BP3 OLC1F8 BP5																		
Business Performance Business Performance	BP8	Issue draft Business Plan to MT	14/12/2020 15/12/2020	14/12/2020 16/12/2020	1	BP4 MT6																		
Business Performance Business Performance	BP10	Incorporate feedback / changes to Business Plan and issue draft to Exec Team Issue Draft Business Plan to Exec Team	15/12/2020 16/12/2020	16/12/2020 16/12/2020	2	MT5 MT5BP10																		
CO/Finance Exec Support	COF1 ES1	OLC to submit its medium-term financial plan (MTFP), including the following year's budget, to MoL's requirements Dary invites for stakeholder events to be issued	Nov/Dec TBC 15/07/2020	Nov/Dec TBC 15/07/2020	1	LSB1																		
Exec Support Exec Support	ES2 ES3	Diary invites / e-mails for 'All Staff' briefing sessions on strategy, budget and business plan Diary invites for external events in November	01/10/2020 05/10/2020	07/10/2020 05/10/2020	5 1																			
Exec Team / OLC Board?? External Affairs External Affairs	ES4 EX1 EX2	Request Budget Acceptance Criteria from LSB Could this be linked to the workshops Draft material for stakeholder events Prepare consultation documentation for OLC Board in Oct with MT / ET Prepare consultation documentation for OLC Board in Oct with MT / ET	24/08/2020 20/07/2020 01/10/2020	24/08/2020 24/07/2020 12/10/2020	1 5 8																			
External Affairs External Affairs	EX3 EX4	Preparation for All Staff Briefing sessions on strategy, budget and business plan Amendments to consultation documentation	12/10/2020 14/10/2020	23/10/2020 23/10/2020	10 8	ET10LC1																		
External Affairs External Affairs	EX6	Dry run of external events with stakeholders 12 week consultation on budget, strategy (year 2) and business plan	26/10/2020 28/10/2020	30/10/2020	5 58	OLC1																		
External Affairs External Affairs External Affairs	EX7 EX8 EX9	External events with stakeholders Review consultation feedback Content and preventations developed for staff briefings	15/03/2021	30/11/2020 25/01/2021 31/03/2021	21 6 13			+																
External Affairs External Affairs	EX10	Publication of business plan and budget Comms re-launch of business plan / budget	01/04/2021 01/04/2021	01/04/2021	1	LSB2																		
External Affairs External Affairs	EX12 EX13	All staff events in relation to approved budget and bsuiness plan - put into practise approved plans - what this means for staff Program with staff on current Business Plan	01/04/2021 Jul TBC	30/04/2021	22	EX11									$ \rightarrow $									
Finance Finance	F1 F2	Review Row staff cost budget and update assumptions for 21/22	06/08/2020 01/09/2020	06/08/2020 30/09/2020	1 22																			
Finance Finance	F3 F4	Draft budget paper Review Budget vs YTD Actual - Business Performance Review	01/09/2020 03/09/2020	07/10/2020 03/09/2020	27 1	F2HRF4		$+ \mp$								+								
Finance Finance Finance	F6 F7	Review Edo Dougle Acceptate Unitial Review Budget vs YTD Actual - Business Performance Review Submit draft budget paper to MT	04/09/2020 06/10/2020 08/10/2020	06/10/2020 08/10/2020	1 1 1	F3																		
Finance Finance	F8	Amendments to budget paper Monthly records / meetings with Budget Holders (Budget vs Actual)	14/10/2020 Sept tbc Oct tbc	15/10/2020 Sept tbc	2	MT4ET2	HRF4																	
Finance Finance HR	F10 F11 HR1	Monthly reports / meetings with Budget Holders (Budget vs Actual) Monthly reports / meetings with Budget Holders (Budget vs Actual) Engagement with Jacks on FTE assumptions to led bit no modelling Engagement vs.	Oct tbc Aug tbc 01/08/2020	Oct tbc Aug tbc 01/09/2020	22		HRF4 HRF4									+ +								
HR		Engagement with Interim Director of Ops in terms of current file levels through out month-end process Commission FTE requirements for Business Units	01/08/2020	01/10/2020	44																			
HR & Finance	HRF1	Cross check actual PTE's with mance - recolicile and reed into assumptions	03/08/2020	31/08/2020 06/08/2020 30/09/2020	21 4 22	HR3																		
HR & Finance HR & Finance HR & Finance	HRF3	Cross check acutal FTEs with finance - reconcile and feed into assumptions Prepare staff costs budget with FTE by position (including JG/SG for operations)	01/09/2020 01/09/2020	03/09/2020 30/09/2020	22 3 22	TIKS																		
HR & Finance IT & Finance	HRF5 ITF1	Cross check actual FTEs with finance - reconcile and feed rino assumptions Review progress against current OPEX spend and challenge accordingly Review progress against current CAPEX spend and challenge accordingly	01/10/2020 07/07/2020	06/10/2020 07/07/2020	4																			
IT & Finance IT & Finance	ITF2 ITF3	Engage with Business Units on Opex and Capex spend for 21/22 and challenge priorties vs current delivery of 20/21 spend	01/08/2020	08/07/2020 04/09/2020	25		F3																	
IT & Finance IT & Finance	ITF4 ITF5	Review progress against current CAPEX spend and challenge accordingly (IT projects) Review progress against current OPEX spend and challenge accordingly (IT projects)	07/08/2020	05/08/2020 07/08/2020	1																			
IT & Finance IT & Finance	ITF6 ITF7 ITF8	Review progress against current CAPEX spend and challenge accordingly (IT projects) Review progress against current CAPEX spend and challenge accordingly (IT projects) Review progress against current CAPEX spend and challenge accordingly (IT projects) Review progress against current CAPEX spend and challenge accordingly (IT projects)	02/09/2020 04/09/2020 30/09/2020	02/09/2020 04/09/2020 30/09/2020	1																			
IT & Finance IT & Finance LSB/MoJ	ITF9	Review progress against current OPEX spend and challenge accordingly (17 projects) Review progress against current OPEX spend and challenge accordingly (17 projects) LSB and MoJ to provide any further or feedback to the OLC during the consultation period	07/10/2020	07/10/2020 15/01/2021	1 1 58																			
Management Team	MT1	Update on current business planning timings / deliverables - need to push back etc and highlight to Board now	Jul tbc	Jul tbc																				
Management Team / External Affairs OLC Chair & CO		All Staff Briefing Sessions Workshop with MoJ / LSB re budget submission		27/11/2020 24/08/2020	10		F5																	
OLC Chair & CO Ops Delivery	C&CO2 OPSD1	Engagement with LSB re expectations of budget increase for 21/22 Could this be linked to the workshops Engage with OMT on FTE requirements and L1 utilisation	24/08/2020 03/08/2020	24/08/2020 28/08/2020	1 20		F5																	
Ops Delivery Ops Delivery Ops Delivery	OPSD2 OPSD3 OPSD4	Analyse performance data and assumptions - Business Performance Review Analyse performance data and assumptions - Business Performance Review VULT engagement on business planning deliverables based on draft budget	04/09/2020	10/08/2020 04/09/2020 31/10/2020	1 1 22		OPS1 OPS1 BP2BP4																	
Ops Delivery Ops Delivery	OPSD5	Analyse performance data and assumptions - Business Performance Review Engage with WLT to support all staff briefing sessions on budget, strategy (2nd year) and plan	05/10/2020	05/10/2020 30/10/2020	1 5		OPS2 MTEX2																	
Ops Delivery Ops Support Ops Support	OPSD7 OPS1 OPS2	Include latest forecast assumptions in Parformance paper for OLC Board Assumptions to NIT for sign of I Re-run models / core assumptions / senativity analysis following P&Q	11/09/2020	11/09/2020 09/10/2020	7	HR1HRF1HRF3	MT2																	
Ops Support	OPS3	Feed assumptions into finance to support budget proposal Prepare assumptions for P&Q Task & Finish Group - deep dive / challenge / agreement on	01/10/2020	07/10/2020 Sept tbc	5	PQ1 MT2	F3 F11 OPS3 ET1																	
Ops Support Ops Support	OPS5	core assumptions and basis of performance modelling for budget.	01/08/2020	01/09/2020	22	HRF1	F11 OP53 E11																	
Ops Support Ops Support Ops Support	OPS7	Analyse Q1 & Q2 month-end data and feed into assumptions / forecasting model Scenario planning and sensitivity analysis based on budget acceptance criteria Prevent final assumptions alongside and budget to MT	04/09/2020 04/09/2020 13/10/2020	04/09/2020 11/09/2020 13/10/2020	1 6 1	F5 PQ1																		
Ops Trans / Ext Affairs	OTEX1	Stakeholder events (including asking for feedback and vision for future) To gain stakeholders input, impact of Covid-19, vision for future etc.	03/08/2020	14/08/2020	10																			
Ops Trans / Ext Affairs Phase 2: Reviews & Internal Si Exec Team	an off	Issue survey to regulators on impact of COVID within the sector and user experience Sign off / ratify consultation promotel		17/08/2020 Oct tbc	1 0	MT3																		
Exec Team Exec Team	ET2 ET3	Sign of / rathy consultation proposal Sign of / rathy draft budget Sign of / rathy draft budget Sign of / rathy draft Business Plan 21/22	Oct tbc	Oct tbc Dec tbc		MT4 MT5																		
Exec Team Management Team	ET4 MT2	Sign of Frank and Salardon Sere Frank	Dec tbc	Dec tbc 11/09/2020	1	MT6 OPS1																		
Management Team	MT3	Provide constructive feedback to ensure best data set is Review & Sign off consultation proposal available for deep dive at P&Q meeting	13/10/2020	13/10/2020	1	EX2																		
Management Team Management Team	MT4 MT5 MT6	Review & Sign off draft budget and final assumptions Review & Sign off draft budget and final assumptions Review & Sign off draft Budget and Final Strateget Review & Sign off draft RPIs Review & Sign of draft RPIs Review & Sign of draft RPIs Review & Sign of Re	15/12/2020	13/10/2020 15/12/2020 15/12/2020	1 1 1	F70PS8 BP8 BP7		+	\mp						+	++								
Management Team Performance & Quality	PQ1	Keview & Sign off draft KPIs Deep dive of forecasting model, & assumptions, that will underpin draft budget (critical friend)	Sept tbc	Sept tbc		OPS4										+								
Phase 3: Approval LSB	LSB2	LSB Board meeting to approve budget and business plan	Mar tbc	Mar tbc	0	OLC2																		
LSB MoJ	LSB1 MoJ1	LSB Board meeting to approve draft budget MoJ confirms the OLC's revenue and capital budget for 21/22, and Lord Chancellor agrees the	19/11/2020 19/03/2021	19/11/2020 31/03/2021	9	OLC1 LSB2		+						+							+			
OLC Board		levy can be charged for the amount of the budget Draft Budget and Consultation document going to OLC Board for approval		26/10/2020	1	E302		+								+					+			
OLC Board OLC Board		Approval of Budget & Business Plan / amends to 2nd year of strategy		Jan tbc Jan tbc		ET1ET2ET3 MT2																		
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