

## MANCHESTER CITY COUNCIL

**COMMITTEE:** Citizenship and Inclusion Overview and Scrutiny Committee

**DATE:** 12 December 2007

**REPORT OF:** The Chief Executive and City Treasurer

**SUBJECT:** Budgets and Financial Plan – Business Plans

### PURPOSE OF REPORT

The purpose of this report is to outline the Council's business planning process and inform Members of the plans which relate to each Overview and Scrutiny Committee.

### RECOMMENDATION

That the Overview and Scrutiny Committee:

- 1) Note the budget and business planning process outlined in this report
- 2) Note the plans which relate to each Overview and Scrutiny Committee
- 3) Consider which plans they wish to consider during the budget consultation.

### FINANCIAL CONSEQUENCES FOR THE REVENUE AND CAPITAL BUDGETS

Business plans are being developed within the framework of the current Medium Term Financial Strategy. The draft plans will influence the 2008/09 budget setting process and the new Medium Term Financial Strategy and Capital Programme for 2008/09 to 2010/11.

### CONTACT OFFICERS

Richard Paver – City Treasurer <a href="mailto:r.paver@manchester.gov.uk">r.paver@manchester.gov.uk</a>	-	0161 234 3564
Geoff Little – Assistant Chief Executive, Performance <a href="mailto:g.little@manchester.gov.uk">g.little@manchester.gov.uk</a>	-	0161 234 3317
John Guest – Head of Financial Management <a href="mailto:j.guest@manchester.gov.uk">j.guest@manchester.gov.uk</a>	-	0161 234 3406
Forid Meah – Head of Corporate Performance <a href="mailto:f.meah@manchester.gov.uk">f.meah@manchester.gov.uk</a>	-	0161 234 3049

**BACKGROUND DOCUMENTS**

None.

**WARDS AFFECTED**

All

## **1. Introduction**

- 1.1 Business planning is a key part of the Council's performance management framework. Its purpose is to align service priorities and resources with the aims and objectives of the Council. Through their business plans, all services should demonstrate and evidence their contribution to the delivery of the Community Strategy.
- 1.2 The availability of good quality business plans is a key element to obtaining a good outcome for the Use of Resources assessment, which contributes to the Council's annual Comprehensive Performance Assessment score.

## **2. Business Planning**

- 2.1 The implementation of the Business Planning process has been a key body of work aimed at improving performance management across the Council. This is the process by which Heads of Service:
  - Provide strategic alignment and coherence between the vision for the city and the activities of services.
  - Provide clarity of purpose, action and outcome.
  - Enable the effective integration of financial planning and performance management, giving the Council confidence that it is making the biggest impact possible with resources at its disposal and delivering value for money.
  - Secure consistency of approach across the entire organisation ensuring that all services are managed as effectively as they could be.
  - Facilitate the assessment of service impact by client group or geography across the city.
- 2.2 The revised business planning process was introduced in the autumn of 2006, with the first round of plans signed off in March / April 2007. To support the implementation of plans, a set of budget and performance monitoring guidelines have been developed to ensure responsibility and accountability for their delivery.
- 2.3 Whilst elements of the process still need to be strengthened, the introduction of Business Plans has bought significant improvements to the ability of the Council to manage its performance and budgets. Through the monitoring arrangements that have been put in place, in-year budget pressures are being successfully managed and a greater focus on identifying where action needs to be taken has been possible
- 2.4 Since the summer, Heads of Service have been preparing their business plans for the three-year period beginning April 2008. Targeted support has been given to Heads of Service to strengthen the key elements of performance, risk and workforce, with a focus on

integrating these with value for money and the development of financial plans.

- 2.5 These plans will also be used to support the production of the Council's budget for 2008/09 and the Medium Term Financial Strategy and Capital Programme for 2008/09 to 2010/11.

### **3. Business Planning and Budget Setting Process for 2008/09**

- 3.1 Business Plans will help the Council target its financial resources on those activities which deliver the Community Strategy. Each Business Plan articulates the priorities for the service, what it aims to achieve and outlines the resources it will use to deliver its objectives. Business Plans are therefore background documents to the budget setting process.
- 3.2 As in previous years, there will be a period of consultation on the budget proposals made by the Executive. The public will be invited to comment on a consultation document and be afforded the usual range of methods of responding (in writing via the internet and via a dedicated phone line) during January 2008.
- 3.3 Members of Overview and Scrutiny Committees play a key role in the budget setting process by commenting on the budget proposals made by the Executive. All Overview and Scrutiny Committees will receive a report in January 2008 outlining the budget position.
- 3.4 Overview and Scrutiny committees may also wish to consider selected Business Plans at the January meetings. To assist Members identify the plans they may wish to consider, Appendix 1 aligns each Business Plan to the remit of each Overview and Scrutiny Committee and therefore members are invited to consider any Business Plan they feel is relevant to their discussion on the budget proposals.
- 3.5 Summaries of all Business Plans will be produced for Members prior to the January meetings. Members are also invited to identify any particular areas of interest from the plans.
- 3.6 Resources and Governance Overview and Scrutiny Committee will be looking at the whole of the budget at its special meeting at the end of February. This will include consideration of issues raised by other Scrutiny committees and the Opposition group and through the public consultation.
- 3.7 Members are reminded that the Business Plans are still draft and are not scheduled to be finalised until February / March 2008. The contents and priorities in the plans therefore may change as a result of the budget setting process, as the level of resources allocated to each service area will determine the services it is able to deliver.

## Appendix 1: Business Plans 2008/9-2010/11

Directorate	Business Plan	Lead Overview and Scrutiny Committee
<b>Children's Services</b>	Assistant Directors (Children's Services)	Children and Young People
	Children's Service (Education)	Children and Young People
	Strategy, Performance and Operations	Children and Young People
<b>Chief Executive's</b>	Executive	Resources and Governance
<b>City Solicitor</b>	Legal Services	Resources and Governance
	Statutory Services	Resources and Governance
<b>Corporate Services</b>	Capital Programme Division	Resources and Governance
	Information Communication & Technology Service	Resources and Governance
	Financial Management	Resources and Governance
	Human Resources	Resources and Governance
	Procurement	Resources and Governance
	Revenues and Benefits	Resources and Governance
	Valuation and Property	Resources and Governance
<b>Cultural Services</b>	Library and Information Service	Citizenship and Inclusion Communities and Neighbourhoods
	Library Theatre Company	Citizenship and Inclusion Communities and Neighbourhoods
	Manchester City Galleries	Citizenship and Inclusion Communities and Neighbourhoods
	Manchester Leisure	Communities and Neighbourhoods
<b>CX Performance</b>	Corporate Performance and Organisational Development	Resources and Governance
	Crime and Disorder	Citizenship and Inclusion
	Joint Health Unit	Health and Well being
<b>CX Regeneration</b>	Cultural Strategy, Marketing, Visitors	Economy, Employment and Skills Communities and Neighbourhoods
	Cultural Strategy - Events	Economy, Employment and Skills Communities and Neighbourhoods
	Regeneration and Economic and Urban Policy (+NDC)	Economy, Employment and Skills
	Planning and Building Control	Economy, Employment and Skills Communities and Neighbourhoods
	Transport Services (inc Engineering)	Economy, Employment and Skills and Communities and Neighbourhoods
<b>Neighbourhood Services</b>	Adult Social Care	Communities and Neighbourhoods Health and Well being Citizenship and Inclusion
	Commercial Services	Resources and Governance
	Environmental Services	Communities and Neighbourhoods
	Housing Services	Communities and Neighbourhoods

