

COUNCIL

Business Plan and budget for 2014/15

Meeting: 12 February 2014

Status: for decision

Lead responsibility: Josie Lloyd
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Purpose

1. The purpose of the paper is to present and seek approval of the final business plan and budget for 2014/15.
2. Council is asked to consider and approve:
 - 2.1 the GOC Business Plan 2014/15 attached at Annex 1;
 - 2.2 giving delegated authority to the Chief Executive and Registrar to finalise and approve the business plan for publication;
 - 2.3 the parameter of between 2.0% and 2.5% of income as a surplus budget level to be used as the target in budget planning;
 - 2.4 the budget for 2014/15 as presented in Annex 2 including:
 - the assumptions used in preparing the budget detailed in Annex 3;
 - the changes made to the budget since Council's 14 November 2013 meeting (see Annex 5 and paragraphs 20 to 29);
 - the forecast movement in reserves for 2014/15 (see Annex 4 and paragraphs 30 to 32);
 - the general contingency budget of **£50k** held by the Chief Executive and Registrar (see paragraph 33); and
 - 2.5 giving delegated authority to the Chief Executive and Registrar to finalise and approve the budget for publication.

Strategic Objective

3. The specific purpose in producing our 2014/15 business plan and budget is to enable us to deliver effective, proportionate and fair public protection and support to our staff, Council and Committees to enable us to deliver our strategic objectives. Alistair Bridge, Director of Policy and Communications, is responsible for production of the business plan and Josie Lloyd, Director of resources is responsible for production of the budget.

Background

Business Plan 2014/15

4. Following Council's approval of our draft strategic plan for 2014-2017 in November 2013, we have been working on a draft of the business plan that we intend to publish at the end of March 2014.
5. The Executive has considered information on each of the programmes of work and projects that will be delivered by the directorates during 2014-2015, including information on scheduling of work, impact on budget and required resources.

Budget 2014/15

6. Following Council's approval of our draft budget for 2014/15 in November 2013, we have been working on developing the budget as recommended by Council which we intend to publish at the end of March 2014.
7. The Executive have updated the draft budget to take account of the decisions and recommendations made by Council in November 2013. In particular the Executive have:
 - 7.1 reviewed projected income to reflect the changes to registrant fees;
 - 7.2 reviewed the budget set aside for FTP cases in 2014/15 to take account of the work to model the caseload and costs;
 - 7.3 reviewed budget allocation for interim orders to take account of work to model costs;
 - 7.4 included relocation costs where appropriate to do so;
 - 7.5 reviewed the impact on budget of the proposed amended reserves policy (see Council paper C10(14));
 - 7.6 reviewed business case applications for additional resources, prioritising additional resource allocation in the areas of FTP, HR and CRM;
 - 7.7 reviewed additional spending on research activities to enhance the organisation's knowledge about public perception and the profession and to support the standards review project;
 - 7.8 reviewed additional investment required in further developing the CRM system to enhance links with other systems and enable further elements of the registration and retention processes to be undertaken online;
 - 7.9 reviewed the feasibility of reducing the size of FTP Panels and the Education Visitor Panels and the impact on the budget; and
 - 7.10 reviewed expenditure to reflect the impact of changes to Council and committee member fees.

Analysis

Business plan

8. In development of the business plan the Executive has set out the programmes

- of work and projects that will be delivered by the directorates during 2014-2015. These work programmes and projects have been identified as necessary in order to work towards achieving our strategic objectives during the first year of our strategic plan. The plan includes the planned outcomes of our work and planned outputs for each programme of work and project throughout the year.
9. Some areas of work involve cross-organisational activity, such as non-executive recruitment. In presenting our planned programmes of work, we have shown which directorate is leading the work. We have also identified the directorate that is leading each of our planned projects, but in many cases, the projects will involve a substantial amount of cross-organisational working.
 10. There are also cross-organisational functions that feed into various projects and programmes. For example, cross-organisational legal advice is currently provided by our legal compliance team.
 11. We have included our planned timescales for the outputs of each of the programmes of work and projects.
 12. We are currently developing our system of measuring and reporting on our performance. As part of this work we are considering how to measure our success in achieving our strategic objectives. We will say more about our planned approach in the report that we will publish and present to Council at the end of the first quarter of 2014/15, i.e. in July 2014.
 13. We recommend that Council considers and approves the proposed business plan for publication at the end of March 2014, subject to any changes to reflect Council's views on the business plan and budget 2014/15. It is recommended that Council delegates authority to the Chief Executive and registrar to finalise and approve the business plan for publication.

Budget

14. Following our review the budgeted surplus for the year is forecast at **£159k** based on income of **£6,789k** and expenditure of **£6,630k**. This is a predicted surplus of **2.3%** of income.
15. In November 2013 Council requested that the Executive present this budget as a surplus budget. The Executive propose that the parameters for a surplus budget be based on a figure of between 2.0% and 2.5% of income. In arriving at this proposal the views of the Council Chair have been sought. It is recommended that Council consider and approve the parameter of between 2.0% and 2.5% of income as a surplus budget level to be used in this budget and future budget planning.

16. This budget does not include costs associated with strategic projects that have already been earmarked against the strategic reserve.
17. The budget has been updated to reflect changes identified since the Council's meeting held on 14 November 2013. Changes have been made to budget as detailed in Annex 5, the highlights of which are described in paragraphs 20 to 29).
18. Changes have been made to the assumptions outlined in Annex 3, to reflect the comments of Council and review by the Executive over the last quarter.
19. We recommend that Council considers and approves the proposed budget for publication at the end of March 2014, subject to any changes to reflect Council's views. It is recommended that Council delegates authority to the Chief Executive and Registrar to finalise and approve the business plan for publication.

Changes to budget

20. Projected income has been increased by **£186k** (to **£6,789k**) to reflect the changes to registrant fees agreed by Council.
21. The budget set aside for FTP cases overall in 2014/15 has been held level at **£500k** to take account of the work underway to model the caseload and costs.
22. The budget allocated for interim orders has been set at **£90k** (within a total budget of **£500k**) and this takes account of work to model costs. Previously expenditure would have been allocated from the legal contingency reserve and then topped up from the income and expenditure reserve.
23. The budget allocated for FTP Panels has reduced by **£53k** (to **£215k**) to reflect a proposed reduction in the size of FTP Panels from five to three members from October 2014 net of an increase in fees paid to Panel members and Chairs.
24. The budget allocated for Education Visitor Panels has been reduced by **£45k** (to **£72k**) to reflect a proposed change to the way in which visitors could be paid from April 2014. Further information on this proposal can be found in paper C11(14), paragraphs 36-37.
25. It has not been necessary to include additional costs for the property relocation project as it is expected any costs will be covered by the proceeds of the sale of 41 Harley Street. A budget of **£50k** has been included in the budget for consultancy work, which will be increased by any of the 2013/14 budget for property relocation consultancy which is not spent by the end of the current financial year.

26. The impact of approved business case applications of **£65k** for the following additional resources has been included:
 - 19.1 FTP casework administrator (1 Full Time Equivalent (FTE));
 - 19.2 CRM administrator until the end of the CRM project (1 FTE); and
 - 19.3 HR Administrator (increase to 1 FTE from 0.5 FTE).

27. The budget allocated for research activities to enhance the organisation's knowledge about public perception and the profession and to support the standards review project has been increased by **£26k (to £75k)**.

28. It is planned that hearings will be held externally and therefore there will be a reduced call on external meeting rooms for other meetings in 2014/15, with the exception of meetings which will not fit within internal meeting space. This will also allow some planned changes in the way the rooms at 41 Harley Street are occupied. Therefore a meetings and catering budget of **£39k** has been included, to be held centrally by the Director of Resources for any essential external meeting room requirements across all areas of the organisation. Considerable savings have been made by centralising this expenditure during 2013/14 and therefore the Executive intends keeping all expenditure on external meetings centrally controlled for the future. In addition budget for catering for internal and external meetings has been centralised in the hope that cost savings are realised. Applications must be made to the Director of Resources in advance of booking any external venue and will be reviewed and approved on a case by case basis. Internal space will be used wherever possible and external venue hire and catering for all meetings procured as cheaply as possible.

29. The Executive have agreed to centralise expenditure on corporate legal costs in the hope that cost savings will be achieved. Therefore the budgets for corporate legal costs in each directorate have been moved into a centralised budget (total £60k). This amount has been enhanced slightly to reflect the anticipated calls on it in 2014/15 and will be controlled by the Director of Resources. Applications must be made to the Director of Resources in advance of requesting legal advice and will be reviewed and approved on a case by case basis.

Impact on Reserves

30. The impact on budget of the proposed amended reserves policy (see Council paper C10(14)) has been included in the information provided. The movement in reserves for 2014/15 resulting from the budget is illustrated at Annex 4.

31. The **£222k** surplus from the receipts of prior year rate rebate from 2013/14 has been included in a new designated reserve to be used for holding hearings externally and implementation of the outcome of the reward project.

32. The designated reserve for legal contingency has been reduced from **£750k** to **£500k** with effect from 31 March 2014 and the expected surplus transferred to the general income and expenditure reserve.

Contingency

33. A general contingency of **£50k** has been included, to be held by the Chief Executive and Registrar. This will be used for any exceptional costs that arise during the year that could not have been foreseen at this time. This acknowledges the tight budget the GOC must work within again this year, and the reality of predicting all developments the organisation must respond to over the coming year. Applications to utilise this budget will be strictly controlled.

Impact

34. The recommended approach would have the following implications on:
- 34.1 **GOC's reserves** – as detailed in the paper and annexes
 - 34.2 **GOC budget** – as detailed in the paper and annexes
 - 34.3 **Legislation** – none identified
 - 34.4 **Resources** – significant resources have been used in preparing and reviewing the budget
 - 34.5 **Equality and Diversity** – none identified
 - 34.6 **Human Rights Act** – none identified

Devolved Nations

35. There is no impact in relation to any devolved nation. There is no requirement to publish the report in Welsh.

Communications

36. In preparing the draft business plan and budget, input has been sought from all departments.
37. We intend to publish the business plan and budget on our website at the end of March 2014. The business plan and budget will be communicated to all staff and budget holders before the start of the new financial year.

Risks

38. We have sought to produce a business plan that is realistic, taking into account financial and staff constraints. Nevertheless, there is a risk that we will be unable to deliver the plan in its entirety, creating reputational risk and a risk that we would be unable to carry out our statutory functions effectively and efficiently.

39. The main risk inherent in the budget is that Council is unable to deliver its strategic objectives due to financial circumstances. Financial constraints have been a significant feature of our operations in 2013/14 and this is expected to continue over the next few years.
40. The Council and Executive are committed to ensuring that financial restraint and careful management continues over the coming period.
41. The measures that are already in place to manage and monitor expenditure in key areas will ensure that sufficient attention is paid to managing GOC's finances. Financial performance is one of the measures used to consider individual performance.

Recommendations

42. Council is asked to consider and approve:
 - 42.1 the GOC Business Plan 2014/15 attached at Annex 1;
 - 42.2 giving delegated authority to the Chief Executive and Registrar to finalise and approve the business plan for publication;
 - 42.3 the parameter of between 2.0% and 2.5% of income as a surplus budget level to be used as the target in budget planning;
 - 42.4 the budget for 2014/15 as presented in Annex 2 including:
 - the assumptions used in preparing the budget detailed in Annex 3;
 - the changes made to the budget since Council's 14 November 2013 meeting (see Annex 5 and paragraphs 20 to 29);
 - the forecast movement in reserves for 2014/15 (see Annex 4 and paragraphs 30 to 32);
 - the general contingency budget of **£50k** held by the Chief Executive and Registrar (see paragraph 33); and
 - 42.5 giving delegated authority to the Chief Executive and Registrar to finalise and approve the budget for publication.

Timeline for future work

43. Once approved by Council, the business plan 2014/15 will be published by the end of March 2014.

Attachments

Annex 1 – Draft GOC Business Plan 2014/15

Annex 2 – Draft budget 2014/15

Annex 3 – Assumptions used in preparing the budget

Annex 4 – Movement in reserves for 2014/15

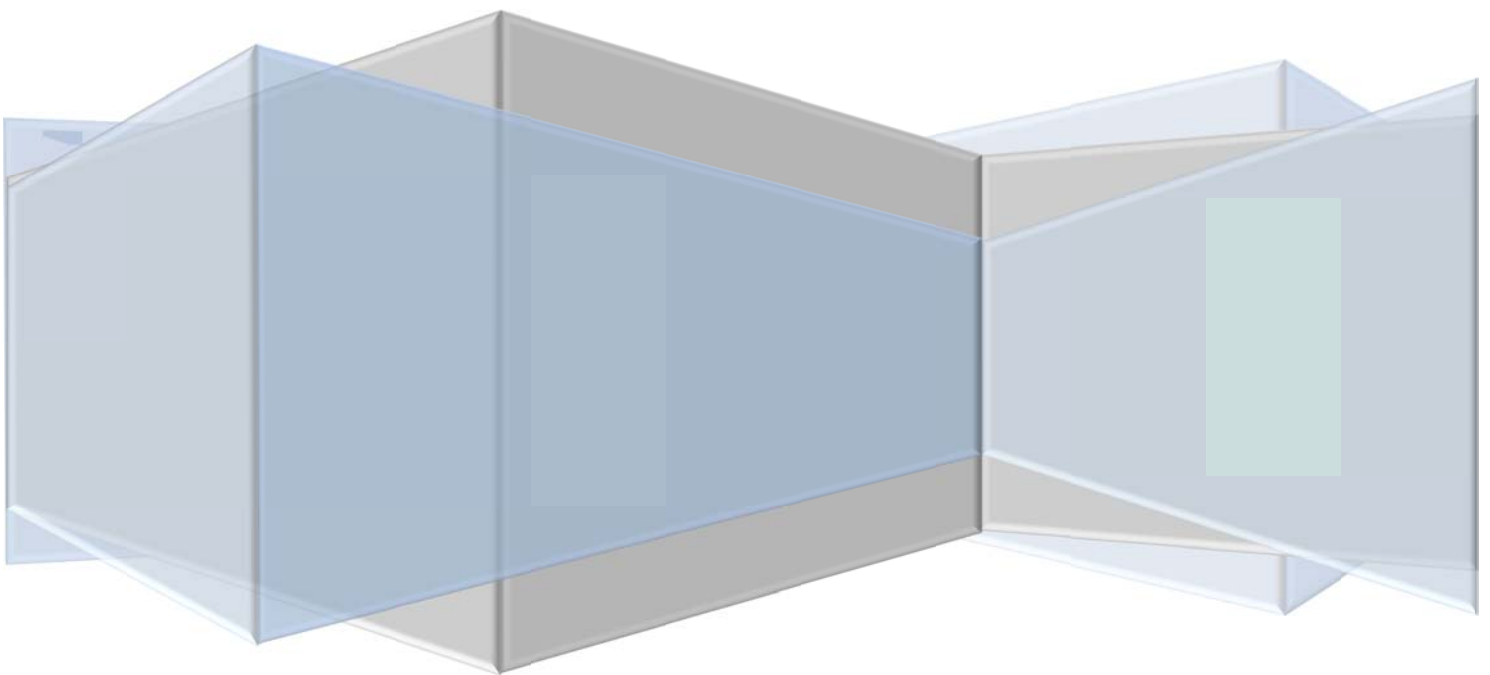
Annex 5 – Changes made to the draft budget since Council's 14 November 2013 meeting



2014/15 Business Plan

Draft for consideration by Council

12 February 2014



1. Introduction

We are the regulator for the optical professions in the UK. We currently register around 26,000 optometrists, dispensing opticians, student opticians and optical businesses. Our role is to protect and promote the public's health and safety. Further information on our approach to regulation, the environment in which we work and our strategic objectives is provided in our strategic plan for the period April 2014 to March 2017, which is published on our website – [link once published](#).

Our strategic objectives are:

1. **Higher standards** – promoting higher standards across the optical professions.
2. **Increased trust and awareness** – promoting public trust in the professions, and enabling the public to make informed decisions about optical care and raise any concerns.
3. **Improved complaints-handling** – dealing with complaints more quickly and effectively.
4. **Better service delivery** – delivering high quality services to the public and the professions.
5. **Regulatory change** – implementing a targeted and proportionate system of regulation.
6. **Improved evidence base** – ensuring our work is informed by an understanding of the public's perspective and how optical care is changing.
7. **Organisational change** – building a sustainable and modern organisation.

These seven objectives are summarised in the Figure below, which emphasises that delivering public benefit is central to our role.

Figure 1: Summary of strategic objectives



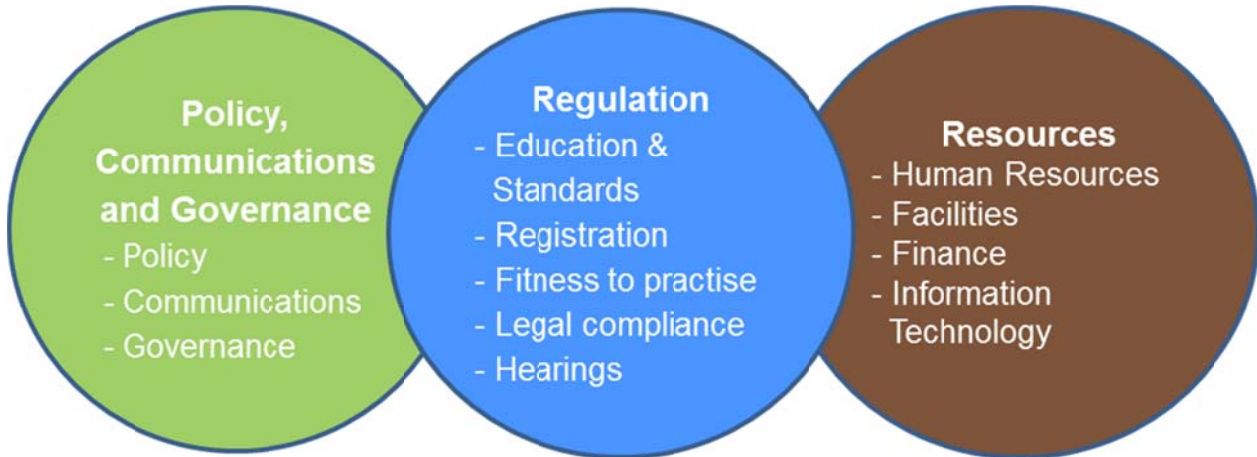
We set out in section two our business plan for 2014/15 which identifies how we will work towards our strategic objectives during the first year covered by our strategic plan.

We set out in section three the budget for 2014/15 which shows how we will allocate our resources in order to deliver our business plan.

2. Delivery of programme and projects

The GOC is structured into three directorates set out below. This ensures integrated and effective systems are in place to deliver the business plan.

Figure 2: Our directorates



This section sets out the programmes of work and projects that will be delivered by the directorates during 2014-2015.

Some areas of work involve cross-organisational activity, such as non-executive recruitment. In presenting our planned programmes of work, we have shown which directorate is leading each area of work.

We have also identified the directorate that is leading each of our planned projects, but in many cases, the projects will involve a substantial amount of cross-organisational working.

There are also cross-organisational functions that feed into various projects and programmes. For example, cross-organisational legal advice is currently provided by our legal compliance team.

We have included our planned timescales for the outputs of each of the programmes of work and projects.

We are currently developing our system of measuring and reporting on our performance. As part of this work we are considering how to measure our success in achieving our strategic objectives. We will say more about our planned approach in the report that we will publish and present to Council at the end of the first quarter of 2014/15, i.e. in July 2014.

Policy, Communications and Governance

The Director of Policy and Communications is Alistair Bridge. The directorate has responsibility for four functions: policy, research, communications and governance. The Directorate is also responsible for organisational strategy development. The work programmes and projects to be undertaken during 2014/15 are:

Policy, Communications and Governance Work programmes	Strategic objectives	Key outputs			
Policy		Q1	Q2	Q3	Q4
Horizon scanning – Identifying and reporting on developments in health regulation and optical care, including developments in the devolved nations. This will be used to support the development of GOC strategy and enable the GOC to understand and engage with developments in health regulation and optical care.	6	Input into Council quarterly review		Horizon scanning report to inform Council strategy day and 2015/16 business plan	
Legislative change – Managing engagement with the development of the new legislative framework that is expected to flow from the UK Law Commissions’ review, in order to ensure a more targeted and proportionate system of regulation. <i>This work will involve close collaboration with Regulation and Governance staff.</i>	5				New legislation governing healthcare regulation (subject to Parliamentary process)
Research		Q1	Q2	Q3	Q4
Research – Developing a framework for research into public and registrant views and introducing a programme of ongoing research. This will then be used to support the development of GOC policy and strategy.	6	Research to inform the review of standards and student regulation		Public perceptions research report	

Policy, Communications and Governance Work programmes	Strategic objectives	Key outputs			
Communications		Q1	Q2	Q3	Q4
Effective communication - Managing internal and external communications, including media relations, to ensure that we are accessible, open and responsive, including in our dealings with registrants and the public.	2 & 4	Finalise policy for raising awareness of FTP outcomes			
Ongoing internal and external communications					
Stakeholder engagement - Implementing our stakeholder engagement strategy, which will focus on engagement with patient and public groups; improving our evidence base; more engagement in devolved nations; increased public trust and awareness; and improved co-ordination of engagement.	2, 3 & 6	Strategy implementation			
Communication channels – Improving our website and digital communications, to ensure the public and registrants can find information and use our website and services.	2 & 4		Finalise revision of website content and Search engine optimisation	Implement new email system as part of CRM	

Policy, Communications and Governance - Work programmes	Strategic objectives	Key outputs			
Governance		Q1	Q2	Q3	Q4
Business planning and project management – Developing and embedding an improved system of business planning and project management to support the development of our business plans and management of projects.	7	Launch system	Training and engagement with staff	Resource and project business cases and draft business plan	Project scope statements and Final business plan
Performance reporting - Embedding improved systems of measuring and reporting on organisational performance.	7	Council's annual performance review			
		Quarterly performance report	Quarterly performance report	Quarterly performance report	Quarterly performance report
Accountability - Managing our input to the PSA performance review and the production of our annual report to openly and transparently account for our performance.	2	Review PSA performance report		Draft PSA submission	
			Draft annual report	Publish annual report	
Complaints - Embedding an improved process for corporate and member complaints handling, to ensure complaints are dealt with quickly and we learn from feedback received.	3 & 4	Publish and communicate process	Website development	Engagement of new process	
		Ongoing complaint handling			
Equality, diversity and inclusion – Managing delivery of our EDI action plan to embed and promote equality, diversity and inclusion within our organisation.	7	Consult on draft strategy	Publish strategy, action plan and monitoring report		Report progress against action plan

Policy, Communications and Governance - Work programmes	Strategic objectives	Key outputs			
Governance continued ...		Q1	Q2	Q3	Q4
Decision making - Managing Council, Senior Management Team (SMT) and committee meetings, to ensure that decisions are robust, well-informed and transparent and made in line with our legislative and governance framework.	4	5 x SMT	5 x SMT	5 x SMT	5 x SMT
		Council & committee forward plans	Annual meeting calendar		
		2 x Council	1 x Council	2 x Council	1 x Council
		4 x ctees	5 x ctees	7 x ctees	4 x ctees
Governance Framework - Developing and embedding best practice governance policies and processes, including information governance, in line with good practice, our values and our legislative framework.	7	Review Code of Conduct	Review Scheme of delegation and Standing Orders	Council and committee member annual declarations	
		Review Remuneration committee Terms of Reference (TOR)	Develop Statutory Advisory committee and review Nominations committee TOR		Review Audit and Risk committee TOR
Non-Executive support - Managing Council and committee member appointments, reappointments, appraisals and training and Council's evaluation of its performance in line with good practice, our values and our legislative framework. <i>Engagement will be required from HR in this work programme.</i>	7	Council training, appraisal and evaluation of performance		Induction process	
		Independent Member for ARC & Remco appointments and two Committee appointments		Appoint two Council members	Appoint one Council member and 40 panellists
		Panellist reappointment (2)	Council member reappointment (1)	Annual Ctee reappointments	
		FTP Panel Chairs' appraisal	Edn Ctee appraisals		

Policy, Communications and Governance Projects	Strategic objectives	Key outputs			
		Q1	Q2	Q3	Q4
Business regulation – we will consider the issues we will need to address in implementing a new system of business regulation.	5				Further consultation on implementation
Student regulation – we aim to continue our review of the regulation of students, in order to deliver a more targeted and proportionate system of regulation.	5	Council update		Publish statement and impact assessment	
Illegal practice strategy – we aim to develop and implement our strategy for dealing with the illegal practices defined in the Opticians Act 1989, such as misuse of a protected title and unlawfully supplying prescription or cosmetic contact lenses, and so reduce the risks to the public and maintain confidence in the regulatory system.	2 & 3		Publish statement following consultation		

Regulation

The Director of Regulation is Mandie Lavin. The directorate has responsibility for five functions: Education and Standards, Registration, Fitness to Practise (FTP), Legal Compliance and Hearings. The work programmes and projects to be undertaken during 2014/15 are:

Regulation Work programmes	Strategic objectives	Key outputs			
		Q1	Q2	Q3	Q4
Education and Standards					
Accreditation and quality assurance – Managing the accreditation and quality-assurance of optical education, training and qualifications, to ensure registrants are fit to practise.	1	Optometry Annual Monitoring Summary Report		Dispensing Annual Monitoring Summary Report	
		Reports showing the findings of our accreditation and quality assurance visits.			
CET - Managing the Continuing Education and Training Scheme, to ensure registrants remain fit to practise, whilst minimising administrative burden.	1				Year two compliance data
Registration					
		Q1	Q2	Q3	Q4
Public register - Ensuring our public register remains accurate, up to date and accessible, in order that the public has confidence in the integrity of the register.	2 & 4	Routinely update the register and respond to requests for information from registrants, patients, employers and the public.			
Applications – Managing and developing the process of applying for registration, in order to process applications in a timely manner and make our processes more ‘user-friendly’.	2 & 4	Student retention cycle	Student retention cycle		Fully qualified retention cycle
Guidance – Developing our registration guidance, in order to ensure it is up to date and presented in a way that is clear to registrants.	4		Review of declarations guidance		

Regulation Work programmes	Strategic objectives	Key outputs			
Registration continued ...		Q1	Q2	Q3	Q4
Non-EU applicants – Managing the assessment of applicants with qualifications gained outside the UK to determine their entitlement to register and fitness to practice, and ensure public confidence.	2	Ongoing assessment of applications.			
Fitness to Practise		Q1	Q2	Q3	Q4
Complaints – Dealing with complaints about the fitness to practise of our registrants, and learning from feedback and evidence of good practice to ensure complaints are dealt with quickly, effectively and in accordance with the legal framework and we are open and responsive in our dealings with registrants and the public.	3 & 4	Commission annual audit of FTP investigation process	FTP annual report		Consider findings of FTP annual audit
		Ongoing complaint handling			
Investigation Committee - Managing Investigation Committee meetings and training of members, in order to ensure decisions are made in accordance with the legal framework.	3	3 x IC meetings prior to case examiners	IC meetings as required		
				IC training day	
Process Improvement – Developing our FTP processes by, in particular, implementing the new FTP Rules and induction of case examiners, in order to deal with cases more quickly and effectively.	3 & 4	New FTP Rules and guidance takes effect			
		Case examiners recruited and trained	Case examiners operational	Case examiners QA commences	Case examiners end of year evaluation
		Conduct end to end case review	End to end case review report		Year end review

Regulation Work programmes	Strategic objectives	Key outputs			
		Q1	Q2	Q3	Q4
Legal advice - Providing internal legal advice in order to carry out our role effectively.	7	Ongoing provision of internal legal advice			
Information - Providing external information, including to registrants, professional bodies and the public, on the Opticians Act and related legislation, in line with our commitment to being open and responsive in our dealings with registrants and the public.	4	Ongoing provision of information to external stakeholders and the general public			
Complaints – Managing the process for dealing with complaints about illegal practice in line with our prosecution protocol, in order to reduce the risks to the public and maintain confidence in the regulatory system.	2 & 4	Manage complaints			

Regulation Work programmes	Strategic objectives	Key outputs			
		Q1	Q2	Q3	Q4
Hearings					
Fitness to Practise, restoration, interim order and registration appeals hearings – Managing Panel hearings to consider whether a registrant’s fitness to practise is impaired, in order to ensure decisions are made quickly, effectively and in accordance with our legal framework.	3	43 hearings approx	40 hearings approx	45 hearings approx	45 hearings approx
Non-executive support - Managing panel member appraisal and training in line with good practice and the legal framework.	7			Panel member training	Panel member appraisal and training

Regulation Projects	Strategic objectives	Key outputs			
		Q1	Q2	Q3	Q4
<p>Reviewing our approach to standards – We aim to ensure our standards will reflect good practice, take into account evidence of the risks to the public and be flexible enough to allow optical practice to evolve. Our standards will be presented in a way that is clear to registrants and the public and will be supported by appropriate guidance to assist registrants in meeting the standards. We will develop a framework for ensuring that standards and accompanying guidance remain clear and up to date.</p>	<p>1</p>		<p>Consultation on new code (Ethical standards)</p>	<p>New code (Ethical standards) and Standards Framework</p>	<p>Response to Public health Inquiries</p>

Resources

The Director of Resources is Josephine Lloyd. The directorate has responsibility for all the support services for the organisation. The four functions are Facilities, Human Resources, Finance and Information Technology. The directorate is responsible for ensuring the effective running of key systems and services and that staff are effectively supported. It also provides strategic advice on finance, investment in key projects and the future development of facilities and service support. The work programmes and projects to be undertaken during 2014/15 are:

Resources Work programmes	Strategic objectives	Key outputs			
		Q1	Q2	Q3	Q4
HR services - Providing and developing effective and streamlined HR services to the whole organisation, including appraisal, HR policies and payroll, to help us carry out our role more effectively and efficiently.	7	New revised payroll process			Revised web based recruitment process
Recruitment – Managing processes for recruitment of staff and supporting Governance in the recruitment of non-executives as shown in the Governance work programme.	7	Staff recruitment (tbc)	Staff recruitment (tbc)	Staff recruitment (tbc)	Staff recruitment (tbc)
Management support - Supporting managers in the application of HR policies, to ensure that we are able to carry out our role effectively and in compliance with our legal framework.	7	Ongoing day to day support			
Performance and reward - Implementing a new performance and reward framework in line with our organisational values.	7	New performance and reward policy and framework Individual staff reward statements Consultation with staff			

Resources Work programmes	Strategic objectives	Key outputs			
Human Resources continued		Q1	Q2	Q3	Q4
Training and development – Development and delivery of an organisational training and development programme, in order to ensure CPD requirements of the organisation are met and we are able to carry out our role effectively.	7	Management briefings on HR policies			
		T&D strategy and programme	T&D programme		
Facilities		Q1	Q2	Q3	Q4
Building and utilities maintenance - Providing secure physical facilities and administration services and ensuring all utilities and other services operate effectively.	7	Secure facilities that are used to best advantage and enable us to carry out our functions			
		Well procured services that offer value for money and deliver the required level of service to support the business			
Meetings management - Management of GOC meeting space, including the provision of catering and organisation of non-executive travel and accommodation.	7	Ongoing management of meetings, provision of catering and organisation of non-executive travel and accommodation.			
CSR - Define our approach to corporate social responsibility and sustainability, in order to ensure we are able to carry out our role in line with our organisational values and legal framework.	7	Draft corporate sustainability statement for use in business planning and annual report			Incorporate commitment to sustainability in project plans and activities

Resources Work programmes	Strategic objectives	Key outputs			
Finance		Q1	Q2	Q3	Q4
Payment systems - Accounting for the income and expenditure of the organisation, managing payments and payroll.	7	Ongoing month-end reporting, payments and payroll			
Budget and accounts - Preparing the annual budget and financial accounts, to ensure we account for our financial performance in a transparent and accurate manner.	2 & 7	Quarterly forecast			
Financial management - Developing our financial management skills and oversight.	7		Annual financial accounts	Draft annual budget	Annual budget
Financial reporting - Informing and advising on the financial position of the organisation; supporting and advising on financial strategy.	7	Ongoing monthly management accounts			
Risk management - Advising on our approach to risk management.	7	Ongoing monthly corporate risk register and analysis			

Resources Work programmes	Strategic objectives	Key outputs			
Information Technology		Q1	Q2	Q3	Q4
ICT - Providing robust ICT facilities, in order to support the whole business, and support, develop and safeguard our assets.	7		Review hardware and software and replace or upgrade as necessary		Delivery of new systems for document management and expenses
IT strategy - Define new strategy for IT, in order to ensure that a longer term plan is in place.	7		Draft strategy	Approval process	Implementation
IT security - Providing and enforcing effective security for GOC IT systems, in order to prevent data tampering, disruptions in critical operations, fraud, and inappropriate disclosure of sensitive information.	7	IT Audit Independent penetration testing of GOC network	Review of IT Audit and implement recommendations where possible		
Disaster Recovery and Business Continuity - Test Disaster Recovery (DR) processes, and update Business Continuity plan (BC) accordingly, in order to safeguard GOC assets.	7	BCP update	Review supplier for DR, BC update	Review online backup system, BC update	BC update DR testing

Resources Projects	Strategic objectives	Key outputs			
		Q1	Q2	Q3	Q4
<p>Customer relationship management (CRM) system – we aim to realise the benefits of our CRM system and further develop our IT infrastructure.</p>	<p>4 & 7</p>	<p>Go live Phase 1 Phase 2 planning</p>	<p>Development of reports & forms Design of Equality & Diversity process, Sage integration</p>	<p>Build entity in CRM, develop web form on MyGOC for retention, build sync method</p>	<p>Phase 2 Go Live</p>
<p>Property relocation – we aim to move to a more modern, fit-for-purpose building.</p>	<p>7</p>	<p>Planning application</p>		<p>Sale and search</p>	<p>Move</p>

Income and Expenditure
Draft budget 2014-2015 final

	December	2013-14	2013-14	2013-14	2013-14	2014-15
Description	ACTUAL	BUDGET	Q1 FORECAST	Q2 FORECAST	Q3 FORECAST	BUDGET
Income						
Registration	5,903,703	5,921,705	5,816,060	5,851,755	5,908,360	6,749,284
Investment Income	30,881	25,500	25,500	39,141	39,208	33,617
Rent	5,824	18,010	9,005	9,005	5,824	0
Database sales	5,000	3,000	3,000	5,000	5,750	6,000
Other income	226,538	0	0	3,087	226,538	0
Total Income	6,171,946	5,968,215	5,853,565	5,907,988	6,185,680	6,788,901
Expenditure						
Chief Executive						
Chief Executive Office	104,988	156,568	157,168	147,210	148,973	160,904
Contingency	11,194	50,000	50,000	50,000	50,000	50,000
Total Chief executive	116,182	206,568	207,168	197,210	198,973	210,904
Policy & Communications						
Director of Policy & Communications	99,437	137,135	136,935	136,935	130,423	137,308
Governance	313,947	425,753	425,754	449,153	430,577	530,983
Policy	98,900	136,491	136,491	136,491	144,122	184,737
Communications	107,856	182,586	180,337	153,337	146,692	160,540
Total Policy & Communications	620,140	881,965	879,517	875,916	851,814	1,013,568
Regulation						
Director of Regulation	122,856	172,607	172,607	167,584	165,566	160,131
Fitness to Practise	899,546	1,099,662	1,083,978	1,114,523	1,114,523	1,304,315
Education & Standards	490,891	658,366	658,365	658,366	640,044	797,960
Registration	250,497	424,409	424,409	452,763	427,778	412,364
Legal Compliance	29,103	94,302	94,302	83,052	83,052	88,303
Hearings	474,330	753,312	748,605	633,795	669,346	748,295
Total Regulation	2,267,223	3,202,658	3,182,266	3,110,082	3,100,309	3,511,368
Resources						
Director of Resources	123,599	201,094	201,094	201,094	213,294	271,428
Facilities	184,739	286,767	158,767	246,270	251,712	239,728
Human Resources	213,490	295,829	295,829	293,150	305,351	496,352
Finance	233,212	364,739	364,739	375,460	383,888	397,727
IT	233,107	426,169	426,169	426,169	426,169	435,037
Total Resources	988,147	1,574,599	1,446,598	1,542,145	1,580,414	1,840,271
Amortisation & Depreciation	52,394	75,683	75,683	75,683	75,683	53,470
Total Expenditure	4,044,085	5,941,472	5,791,232	5,801,036	5,807,193	6,629,580
Surplus / (Deficit)	2,127,860	26,743	62,333	106,952	378,487	159,320

Budget Assumptions

Income

- 1 Number of registrants will increase in accordance with the long-term trend.
- 2 Deposit interest rates are similar to those of September 2013.

Expenditure

General

- 6 No changes to the current office premises, therefore no related cost changes. (e.g. meeting cost, facilities costs)
- 7 No expenditure is included for items already earmarked against the strategic reserve.
- 8 Amortisation of CET and CRM are against the strategic reserve.
- 9 Inflation is applied as follows:
 - a. Electricity 5%
 - b. Rail tickets 5%
 - c. General inflation 0%
 - d. Salaries 1.5%

Staff

- 10 All staff are auto enrolled in the pension scheme.
- 11 Staff recruitment is based on 25% turnover.

Policy and Communications

- 12 Programme of on-going annual research into public perception and stakeholder survey together with more targeted research.
- 13 All committee meetings with exception of the Council meetings will be held internally.

Regulations

- 14 The number of complaints reported to the Council will increase by 15%. (The numbers of reported complaints has increased 10% so far this year but increases were higher the previous year (Complaints 2012/13 – 171, 2011/12 –149, 2010/11 – 148).
- 15 The number of cases that will be referred by the Case Examiners to adjudication is difficult to predict but has been estimated based on current referral levels.
- 16 All meetings, and training days in Regulation will be accommodated internally with exceptions only where we need to accommodate special circumstances.
- 17 No additional provision has been made for specialist legal advice in Scotland, Wales or Northern Ireland.
- 18 FTP committee panel size is reduced from 5 to 3 from October 2014. GOC requires further advice on the process to make this happen.
- 19 Education and Accreditation visitors are paid a fixed fee of £6k instead of daily rate.

Resources

- 20 FTP panel recruitment will be conducted in-house.
- 21 Tax on member travel expenses will increase due to higher cost of member travel expenses across the organisation.
- 22 The new consumer complaints service has been included in the budget.
- 23 Depreciation and amortisation cost centralised.

Movement on Reserves

Movement on reserves	Budget				
	Strategic reserve	Legal costs contingency reserve	Income & expenditure reserve		Total
			Designated -reserve ¹	General	
	£'000	£'000	£'001	£'000	£'000
Balance brought forward 1 April 2014	557	500	222	1376	2,655
Hearings venue cost			(117)		(117)
Cost of reward Project ²					0
Net surplus / (deficit) of the year				159	159
Amortisation-CET	(59)				(59)
Amortisation-CRM ³	(212)				(212)
Balance as at 31 March 2015	286	500	105	1,535	2,427

1. Any balance at the end of the financial year will be transferred back to the Income & Expenditure (general) reserve.
2. Cost not yet known.
3. Cost of Phase 2 of CRM is not taken in to account.

Changes from draft budget presented to Council in November 2013

Description	Change £	Details
Surplus as per draft budget	29,352	
Registration income	186,121	Increase in registrants fees
General Contingency	(10,000)	Agreed by SMT
PSA fee	60,000	No fee for 2014/15 confirmed by PSA
Staff cost savings	35,312	From a number of areas reflecting up to date data
Research costs	(26,182)	Increase to fund program
FTP casework administrator business case	(43,000)	Agreed by SMT to support FTP team and data collection and analysis
FTP legal costs	(90,000)	Increased budget for Interim Orders
IC costs	(6,200)	Fee increases
Catering and venue hire	(17,200)	Savings resulting from holding hearings offsite; £39k held as centralised budget
Temporary staffing	(6,121)	To cover key retention period in registration
FTP panel costs	52,500	Fee increases net of savings for reducing panel size
Corporate legal costs	(3,000)	Centralised budget (total £60k) for advice enhanced slightly and managed by Director of Resources
HR administrator business case	(15,707)	Agreed by SMT
CRM administrator business case	(6,638)	Agreed by SMT to complete project
Amortisation and depreciation	20,084	Result of deferred launch for CRM phase 1 thus expense happens later than originally planned
TOTAL REVISED SURPLUS	159,321	