



Council
9 February 2022
Business Plan and Budget 2022-23

Classification	Public
Purpose	For decision
Issue	This paper provides Council with the draft Business Plan and Budget for 2022-23
Recommendation(s)	<ol style="list-style-type: none">1. To consider the draft Business Plan 2022-23.2. To consider the draft Budget 2022-23.3. To consider the Equality Impact Assessment.
Financial and resourcing implications	These are set out in the paper and specifically Annex B, the budget for financial year 2022-23.
Equality and diversity implications	<p>The Business Plan 2022-23 includes activities that relate to Equality, Diversity and Inclusion.</p> <p>In relation to project activity outlined in the Business Plan, Equality Impact Assessments will be undertaken as required, with the results reported to Council.</p> <p>Finally, an Equality Impact Assessment has been completed and is annexed to the paper.</p>
Communications implications	The Business Plan and Budget are public documents and available on our website.
Annex(es)	A: Business Plan 2022-23 B: Budget 2022-23 C: Equality Impact Assessment
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Key messages from paper:

- The draft Business Plan for 2022-23 is presented at Annex A and represents the fourth year of the Strategic Plan 2019-24. The budget is presented at Annex B.
- Business Plan activities are set out against the four Strategic Plan goals, with the plan identifying new activity introduced in 2022-23.
- Headline activities per Strategic Goal can be found at paragraph 10, with a summary of new activities described at paragraph 13 of this paper.
- The income budget has been prepared with registration fees being frozen for the eighth successive year, following a period of fee reductions 2012-14. This means the GOsC has absorbed +£250k of lost income over the same period.
- The 2022-23 budget has been balanced with a small surplus of c.£14k forecast.
- The expenditure budget is similar to previous years but with some noticeable differences that demonstrate the Executive have taken active steps to rebalance where resources are to be deployed.
- The budget contains a greater level of resource focused on activities which are more 'upstream' in nature.
- An Equality Impact Assessment has been completed for the introduction of the Business Plan and Budget 2022-23 and is presented at Annex C.

Background

1. The General Osteopathic Council (GOsC) Strategic Plan covers the period 2019-24.
2. Underpinning each year of the Strategic Plan is an annual business plan and budget approved by Council. At every Council meeting the Executive team will report to Council progress against the delivery of the business plan objectives and the performance against budget. Performance against year three of the Strategic Plan, 2021-22, is covered elsewhere on the Council agenda.
3. This paper presents to Council the proposed business plan and budget for the fourth year of the strategic plan, 2022-23, which builds on the [Budget Strategy 2022-23](#) paper that Council considered at its November 2021 meeting.

Discussion

Strategic Plan 2019-24

4. The Strategic Plan 2019-24 sets out a vision and four strategic goals. The vision statement of the Strategic Plan is as follows:

A partnership in professional standards that fulfils our statutory duty to protect the public and promote patient safety and well-being through modern regulation which supports and develops osteopaths.

5. The four strategic goals as outlined in the Strategic Plan 2019-24 are:

We will support the osteopathic profession to deliver high-quality care, which will protect patients and the public in the context of changes in the dynamic landscape of healthcare.	We will develop our assurance of osteopathic education to produce high-quality graduates who are ready to practise.
We will build closer relationships with the public and the profession based on trust and transparency.	We will be an exemplar in modern healthcare regulation - accessible, effective, innovative, agile, proportionate and reflective.

Business Plan development

6. The Business Plan for 2022-23 can be found at Annex A.
7. The plan has been structured to follow the four strategic goals with the detailed activity articulating the work which underpins each area. We have structured the plan to identify which activities are new, and which represent ongoing business.
8. The cost of each activity (and the overhead) has not been listed in the draft plan. The Executive consider that the programme is achievable within the budget set out at Annex B.
9. The Business Plan describes how we wish to empower and support our registrants; it describes collaboration with our partners across the regulatory sector; it strengthens our approach which is to place the patient at the heart of what we do; but importantly, the plan does not deviate from delivering our core statutory functions.
10. Headline activities for each goal include:

Goal 1: We will support the osteopathic profession to deliver high-quality care, which will protect patients and the public in the context of changes in the dynamic landscape of healthcare.

- Engage with, and listen to, our stakeholders, before analysing and responding to their feedback across the full range of our work.
- Develop resources, support and guidance to apply the Osteopathic Practice Standards to real life situations, to develop professional judgement, and decision making.

- Continue to support the National Council for Osteopathic Research to increase research awareness and research activity to inform practice and patient care.
- Consider the prevalence of concerns, and information from fitness to practise and any implications for the sector connected to patient safety and the quality of patient care.

Goal 2: We will develop our assurance of osteopathic education to produce high-quality graduates who are ready to practise.

- Work with the education sector to facilitate strategic thinking and development.
- Continue to embed the OPS within education provision and within the student communities.
- Publish and disseminate revised Standards for Education and Training and Outcomes for Pre-registration Osteopathic Education.
- Explore the implementation of the principles of consent in the student environment.

Goal 3: We will build closer relationships with the public and the profession based on trust and transparency.

- Ensure patients are at the centre of our regulatory approach across all parts of our business.
- Continue with our communications around fitness to practise to demystify and humanise our work in this area.
- Undertake a registrant and stakeholder perceptions survey to enable our registrants and stakeholders to inform how they perceive us, their needs, and how we might better meet those needs.
- Undertake a patient perceptions survey to enable patients and the public to inform how they perceive us, their needs and how we might better meet those needs.

Goal 4: We will be an exemplar in modern healthcare regulation – accessible, effective, innovative, agile, proportionate and reflective.

- Explore the impact of changes to thinking in patient safety to our approach to regulating osteopaths.
- Gather feedback from our staff through a staff survey and will develop an action plan to address any issues arising.
- Complete preparations for upgrading our IT systems.
- Implement the systematic collection and analysis of equality, diversity and inclusion data for registrants, staff and members of the governance structure.

11. The plan continues to be ambitious in nature and reflects our pride in being a high-performing regulator which does not allow the size of our organisation and available resources, which are small in comparison to others, to limit our own expectations about what we can achieve. While we recognise that the regulatory landscape within which we operate may change in ways beyond our control, i.e.

the potential for reconfiguration in the number of healthcare regulators, we do not think this should limit our ambition or scale of activity.

12. We feel we have been realistic about what we can achieve within the context of an ever changing environment, particularly one which is unprecedented in nature, with the effects of a global pandemic still being felt across all parts of society. To that end, Council will recognise that the new activities we have introduced in the Business Plan build on the work of Council over recent years.
13. New activities which have been included in the Business Plan include, but are not limited to:
 - Develop and promote resources and/or supplementary guidance about social media to support the implementation of the Osteopathic Practice Standards.
 - Develop and promote resources and/or guidance about professional boundaries to support the implementation of the Osteopathic Practice Standards.
 - Implement and evaluate revised Standards for Education and Training and Outcomes for Pre-registration Osteopathic Education.
 - Develop and consult on updated Student Fitness to Practise and Health and Disability Guidance for Students and Osteopathic Educational Institutions.
 - Explore the implementation of the principles of consent in the student environment and consider whether additional guidance and resources are necessary to support the implementation of the Osteopathic Practice Standards.
 - Undertake a registrant and stakeholder perceptions survey to enable our registrants and stakeholders to inform how they perceive us, their needs, and how we might better meet those needs.
 - Undertake a patient perceptions survey to enable patients and the public to inform how they perceive us, their needs and how we might better meet those needs.
 - Implement the findings of the External Audit conducted on interim measures decisions in 2021.
 - Conduct a review of the Guidance on Imposing Interim Suspension Orders and the Undertakings Practice Note with enhanced focus on risk assessment, proportionality and the requirement for Committees to provide adequate written reasons.
 - We will gather feedback from our staff through a staff survey and will develop an action plan to address any issues arising.

- Complete preparations for upgrading our IT system.
- Source and implement enhanced cyber-security for GOsC IT infrastructure and systems through a public tender procurement exercise.
- Implement the systematic collection and analysis of equality, diversity and inclusion data for registrants, staff and members of the governance structure to inform our understanding of enablers and barriers to inclusion within our regulator processes.

Budget

14. Total income is expected to be c.£3.03m with expenditure forecast to be £3.01m resulting in a small surplus of £14k.
15. Within the income forecast is money received from registration fees. At its meeting in November 2021, Council agreed that registration fees should be held constant in 2021-22, the eighth year in succession that fees have been held steady, following three previous years of fee reductions between 2012-2014.
16. Had registration fees increased in line with inflation from 2014 when the current fees were set, the headline fee, instead of being £570, would now be c.£630. Council recognises that by not increasing registration fees in line with inflation, the organisation has absorbed +£250k of lost income, which demonstrates the cost efficiency and effectiveness of the GOsC.
17. In preparing the income budget we have not relied upon any potential future income streams which may materialise in year, for example, rental income. The exclusion of such potential revenue streams means the budget has once again been prepared on a cautious and prudent basis.
18. The 2022-23 budget has been developed upon the following core principles:

Delivery of our core statutory functions: we will ensure appropriate levels of funding are available so that our core statutory functions can be delivered.

Ensure the patient voice is heard: we will make sure resources are allocated so that the patient voice informs our current and future work.

Look upstream: we will ensure we identify and fund activities which support upstream regulation and which are relevant and appropriate for our context.

Digital first: our focus will be on developing a digital first approach to our operation in order to streamline activities we undertake.

Continuous improvement: we will use our resources to drive continuous improvement so that we can be better organisation tomorrow, than we are today.

Cost efficiency and cost effectiveness: we will ensure we are careful where our resources are deployed in order to be cost efficient and cost effective.

19. Council members will recognise that the budget for 2022-23 is similar to previous years, however with some clear differences that demonstrate the Executive have been actively considering how best to rebalance resources so there is a greater emphasis on activity which is in line with the wishes of Council and in accordance with our budget principles.
20. The budget takes account of:
 - The increase in Employer National Insurance costs announced by the Government in 2021.
 - Our Education Quality Assurance costs.
 - An increase in funds to support our communications and engagement strategy including provision for a registrant and stakeholder perceptions survey and a patients perception survey.
 - An increase in funds for our IT infrastructure and security.
 - The need to ensure sufficient funds are available for our statutory fitness to practise processes.
 - Independent assurance activities to be agreed by Audit Committee.
21. In preparing the budget we have identified areas where expenditure will not be as high, or needed, compared with the prior year. These areas include:
 - **Job evaluation:** a staff job evaluation exercise was completed in 2021-22 and the cost associated with that consultancy is not required in the budget for 2022-23 (£15k).
 - **Fitness to practise:** with the introduction of blended hearings and online activity, we have reduced the budget allocation for our work in this area (£85k).
 - **Office costs:** the pandemic has demonstrated that we have been able to operate our business remotely. While we will return to some office activity, we will not be returning to our former ways of working (i.e. paper based printing), meaning that we can make further cost reductions of around c.£7k.

Budget stress-test

22. A financially responsible organisation will continue to look hard to identify where it can streamline its work and make better use of its resources, both people and financial. This approach is something we are familiar with, and in 2022-23 we will continue to think hard about the work that we do, the value that it adds and how we operate to ensure we are modern, outward-looking, lean and importantly, fit for purpose.
23. It was reported to Council in November 2021 that as part of the budget setting process, a stress-test of the budget takes place. The Executive felt that it was important to reiterate the findings of this for Council in this paper.
 - The budget 'stress test' of the Business Plan considers to what extent it would be deliverable if we were to experience a sudden drop in resources (whether financial or of personnel in the order of 10-15%).
 - Our conclusion from this work is that the core statutory functions have to take priority above all other activities. By core statutory functions we mean the education quality assurance programme; fitness to practise regime; registration assessment pathways and the governance structure.
 - In addition, we would have on-going running costs to maintain the IT infrastructure and Osteopathy House, as well as having employment cost commitments. However, in the event of a significant downturn in available resources, a rationalisation of the staffing structure would be required.
 - When taken as a total sum (employment costs included in full before any rationalisation), this equals c.90% (£2.73m) of the budgeted expenditure. In addition to using its reserves, Council would need to slow the pace on, or bring to a conclusion, other activities, which would have to be classified as discretionary in the event of a significant drop in resources. The activity that might be classified as discretionary equates to c.£285k (excluding staff costs) within the current structure of the budget.
 - If such steps were necessary due to a sudden reduction in financial resources, this would inevitably result - in the short-term - in the need for reserves to be utilised, which justifies Council's prudent financial management approach in terms of building up reserves for unforeseen or one-off events.

Equality Impact Assessment

24. In preparing the Business Plan and Budget for 2022-23, the Executive have also prepared an Equality Impact Assessment (EIA). This is attached at Annex C.

25. Key headlines from the EIA are:

- The activities contained within the Business Plan will be individually assessed for EDI implications. Council and/or its Committees will consider those implications as part of the papers presented to them.
- The Business Plan includes specific activity relating to Equality, Diversity and Inclusion.
- The income budget is predominately funded by registrants who pay their annual registration fees. Council in November 2021 agreed to freeze registration fees for an eighth successive year.
- There is no data which suggests that approval of the Business Plan and Budget will adversely impact on people with each/any protected characteristic.

Recommendations:

1. To consider the draft Business Plan 2022-23.
2. To consider the draft Budget 2022-23.
3. To consider the Equality Impact Assessment.