



**Council**  
**1 February 2017**  
**Business Plan and Budget 2017-18**

<b>Classification</b>	Public
<b>Purpose</b>	For decision
<b>Issue</b>	This paper provides Council with drafts of the 2017-18 Business Plan and Budget.
<b>Recommendations</b>	<ol style="list-style-type: none"><li>1. To agree the Business Plan 2017-18 at Annex A.</li><li>2. To agree the Budget 2017-18 at Annex B.</li></ol>
<b>Financial and resourcing implications</b>	These are set out in the paper.
<b>Equality and diversity implications</b>	Equality and diversity issues will be considered separately where relevant for each Business Plan activity.
<b>Communications implications</b>	None
<b>Annex</b>	<ol style="list-style-type: none"><li>A. Draft Business Plan 2017-18</li><li>B. Draft Budget 2017-18</li></ol>
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## Background

1. The Corporate Strategy 2016-19 sets out a three year programme of activities under three high-level strategic objectives:
  - a. To promote public and patient safety through patient-centred, proportionate, targeted and effective regulatory activity.
  - b. To encourage and facilitate continuous improvement in the quality of osteopathic healthcare.
  - c. To use resources efficiently and effectively, while adapting and responding to change in the external environment.
2. The second year of activity will commence in April 2017.

## Discussion

### *Business Plan*

3. The Business Plan 2017-18 at Annex A follows a similar format to that adopted in previous years. The activities are listed under the three high-level strategic objectives and grouped under sub-objectives reflecting the major projects or programmes of activity proposed. For ease of reference the lead department and the indicative timings have been appended to the activities.
4. The cost of each activity (and the overhead) has not been listed in the draft Business Plan. The Executive consider that the programme is achievable within the budget set out at Annex B. During the course of the year, it is our intention to continue to ensure that cost reductions are sought, and those identified, are delivered.

### *Budget*

5. Total income is expected to be £2.88m with expenditure forecast to be £2.87m, resulting in a small surplus of £10k.
6. Within the income forecast is money received from registration fees. At its meeting in November 2016, Council confirmed that the level of the registration fee should be held constant in 2017-18.
7. Expenditure reductions identified within the 2016-17 budget include:
  - a. Decrease in consultancy/support for project development and implementation around Guidance for Pre-Registration Education (£6k).
  - b. No requirement for patient engagement workshops in FY2017-18 (£25k) as engagement activity will be focused on the *Osteopathic Practice Standards* consultation and the new CPD scheme.

- c. Reduction in budget allocation for registration appeals and registration assessment activity (£10k).
  - d. No requirement for external IT audit (£7k).
  - e. An anticipated reduction in business rates as a result of a successful charity application (£27k).
8. The 2016-17 budget also takes account of:
- a. An increase in staff salaries and associated employment costs such as health insurance and death in service premiums.
  - b. New budget provision for research projects – values work and boundaries research (£35k).
  - c. An allocation for the review of the *Osteopathic Practice Standards* to include pre-consultation engagement, interactive consultation tools and document production (£30k).

#### *Budget stress-test*

9. We have also undertaken a basic 'stress test' of the Business Plan, to consider 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%).
10. Our conclusion from this work is that the GOsC statutory functions have to take priority above all other activities. By this we mean we would need to maintain the education quality assurance programme; fitness to practise regime; registration assessment pathways and the governance structure. In addition, we would have ongoing 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, the level of staffing would need to be scrutinised and proportionate decisions reached.
11. When taken as a total sum, this equals £2.57m or c.90% of the expenditure budget in 2017-18.
12. Therefore in order to ensure that the GOsC meets its statutory functions, we would need slow the pace on, or bring to a conclusion, other activities, which while important would have to be classified as discretionary in the event of a significant drop in resources.
13. If such steps were necessary due to a sudden reduction in financial resources, this would also 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.

**Recommendations:**

1. To agree the Business Plan 2017-18 at Annex A.
2. To agree the Budget 2017-18 at Annex B.