



National Audit Office

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## **Report**

by the Comptroller  
and Auditor General

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**Cabinet Office and HM Treasury**

# Government's management of its performance: progress with single departmental plans

# Preface

## Planning and management in government: the need for a new framework

This report and *Spending Review 2015*<sup>1</sup> cover two key elements of the way government plans and manages its business. This has led us to consider how the processes fit within an overarching strategic framework.

In the National Audit Office's view there are significant weaknesses in the framework for planning and managing public sector activity in the UK. A set of processes and guidance has been established within government, but in our view it does not represent a coherent, integrated system. This means that the way government plans and manages its business is driven by processes, for example the process by which HM Treasury negotiates with and allocates funding to departments, rather than an overarching strategic plan for achieving government's objectives and achieving an appropriate balance between short-term political drivers and long-term value for money.

As departments attempt to redesign planning around single departmental plans there is now an opportunity for government to articulate and commit to an enduring framework for strategic business planning and management. Against this background, the two reports should be considered together, as the allocation of resources and the monitoring of their performance are inextricably linked.

<sup>1</sup> Comptroller and Auditor General, *Spending Review 2015*, Session 2016-17, HC 571, National Audit Office, July 2016.

## Challenges facing government

Government currently faces significant challenges in providing public services, which means there is now a greater need than ever before for an effective strategic business planning and management framework. The challenges include:

- **Continued austerity.** Departments are being asked to do more with less; to do so successfully requires a deep understanding of what they currently achieve with what they currently have.
- **Managing transformation.** Many departments are planning to do things differently. This creates uncertainty in how they manage what they do, as well as substantial change or investment programmes to manage as they move from A to B.
- **Devolution.** Moving to a devolved model, both across the nations of the UK and in terms of English service delivery, changes responsibility for delivering particular services, and the role of central government departments – and generates additional tensions in how spending and performance is tracked.
- **Capacity.** Government is trying to do all this with a smaller staff base and management capacity, particularly in the centre of departments owing to the spending reductions which have already occurred.
- **Complexity.** Many of the issues government is trying to tackle require a response which cuts across traditional departmental boundaries or services.

## Pervasive problems in government

In our work, we have repeatedly found that problems in the delivery of public services can be traced back to the way in which government makes decisions about how to implement policy. This led us to diagnose, ahead of the general election in 2015, four pervasive problems affecting service delivery. These pervasive problems stem from the lack of an effective management framework:

- **Ignoring inconvenient facts:** Departments often make decisions on poor or incomplete information, leading to poor value for money and service failure.
- **Out of sight out of mind:** Making decisions without understanding the consequences, particularly if these fall in another area of government or in the future.
- **Not learning from previous mistakes:** Having no adequate mechanism for challenge and action, or learning from good practice. Project monitoring is not good enough to identify problems in time.
- **Conflicting priorities:** The lack of a clear understanding of aims and a clear achievable plan for how to attain them.

Our work on *Managing business operations – what government needs to get right* has assessed government's maturity across five domains of operational management; strategy, information, people, process and improvement.<sup>2</sup> It shows that government has weaknesses across all domains, and that a more integrated management approach is necessary to achieve real, sustainable service improvements.

## Need for a strong framework

Government needs a proper framework for planning to the medium term and beyond, that will allow it to make achievable plans, and to understand what it needs to know to stay on track. This framework should be stable and enduring, existing independent of political priorities – whatever your objectives, there are some fundamentals you will need to allow you to plan and manage effectively, even (or perhaps especially) as you change priorities.

A robust management framework is also likely to be a strong basis for providing both civil service accountability to ministers for results, and accountability to Parliament and the public for government's use of taxpayers' money. Our work on the state of accountability to Parliament highlighted barriers to the frank and realistic discussion of plans and performance, between civil servants and ministers, which are necessary for successful delivery of reforms. It is therefore in the interests of both politicians and civil servants to commit to a framework that supports those discussions.<sup>3</sup>

<sup>2</sup> National Audit Office, *Managing business operations – what government needs to get right*, September 2015.

<sup>3</sup> Comptroller and Auditor General, *Accountability to Parliament for taxpayers' money*, Session 2015-16, HC 849, National Audit Office, February 2016.

Various parts of the centre of government have set out processes and guidance for different elements of planning and managing its business, from the principles and practice of managing public money, to option appraisal and corporate governance. Key processes also include periodic spending reviews and the new single departmental plans, as well as the ongoing 'business as usual' engagements between HM Treasury spending teams and departments. Within their own terms some of these processes – such as the spending review – are acknowledged to be strong in comparison to practice elsewhere. These processes also continue to be enhanced – for example the guidance on managing major projects has been significantly improved in recent years.

The view of government is that these individual processes together provide a management system, albeit with room for improvement. However, it is our view that this collection of processes does not amount to the coherent strategic framework for planning and managing public sector activity that is needed, and that without such a framework the way government plans and manages its business will not be able to tackle the pervasive problems it faces.

This problem is not unique to the United Kingdom. Governments across the world are grappling with how to manage large programmes and drive real progress in delivering outcomes. There are some examples of good practice across the world that the UK can look to which demonstrate strong links between planning, budgeting, monitoring and intervention, and clear expectations for delivering outcomes.

## **A possible framework for effective strategic business planning and management**

The framework we have developed sets out our expectations of strategic business planning and management at the centre of government. It is based on the standard management cycle and incorporates findings from our work, and from international good practice (**Figure 1** overleaf). We see a need for government to work towards adopting such a framework, thereby moving to a greater level of maturity than the current approach, which is overly disconnected and process-led. We see this as crucial if government is to successfully deliver the objectives and achieve the transformation it aspires to, while ensuring value for taxpayers' money.

**Figure 1**

A framework for strategic business planning and management



**Note**

1 This framework is based on the standard management cycle, which we have used in previous reports as a framework for reviewing specific projects and programmes. We have enhanced the framework to reflect the more strategic viewpoint of these reports, as well as our previous work on accountability and the centre of government.

Source: National Audit Office analysis

This framework, which should operate in a cyclical way, with continuous feedback and adjustment, would allow any new government to know what the baselines of performance and spending are, redefine objectives and reallocate resources according to its priorities, and quickly start to monitor progress, adjusting performance indicators or targets where necessary. The framework has six key elements:

**a Understanding the environment.** Numerous factors will have an impact on what government does and how it does it – departments may not control these but must seek to understand them as part of *strategic planning*, and continue to monitor them as they change over time. These include:

- The demand for services.
- Legal and other commitments.
- The fiscal landscape.
- Manifesto commitments.
- Stated policy/delivery preferences.
- The current business model.

These will have an ongoing effect on all parts of the framework and should not be considered as a one-off exercise.

- b Setting priorities.** The centre of government works with departments on *strategic planning* which sets the direction of government, including the relative importance of competing (and possibly conflicting) objectives. To do this, it must have fully understood and articulated:
- the challenges it is trying to address and the outcomes it wishes to see;
  - the constraints there are on government's ability to act; and
  - the options it has to address those challenges.
- c Understanding levers for action.** To move from high-level decisions about priorities to business planning, government must understand how the different levers for action available to it will affect the outcomes it is trying to achieve. This will include which stakeholders within and outside government are involved and their contribution, how any change in delivery model will affect the resources needed, and the relative value for money of different options.
- d Allocating resources.** HM Treasury is responsible for high-level *business planning* – allocating the resources each programme or project will receive, considering any trade-offs or prioritisation which needs to be made. This covers not only their funding, but also the capacity and capability of the staff, and must be based on a detailed understanding of what resources government has, and different ways in which they can be deployed – the levers for action. Departments have responsibility in a similar way for lower level *business planning*.
- e Monitoring performance.** An effective performance measurement and reporting system is essential to the framework – it provides the information that powers the cycle and keeps it running. Performance information is essential for management to know if it is on track, correct and improve. It is also essential to provide *accountability* to the key stakeholders who ultimately provide the authority to act/spend money – in the case of government, this means Parliament and the public. The information required to monitor performance covers:
- Inputs (money and other resources).
  - Outputs delivered and enabling actions achieved, as well as direct measures of outcomes.
  - While specific targets for service levels or outcomes may not be desired, it is important to clearly set out what constitutes 'success' – so that any mismatch with expectations can be identified and corrected.
  - For longer-term goals, both leading and lagging indicators are needed to ensure performance is on trajectory.

- f Making improvements.** Based on what the performance information is showing, there must be effective mechanisms to correct underperformance, adjust and reallocate resources if necessary. Government should also have a way to review priorities, resources, actions and performance measures, and make changes if they are no longer valuable.

This framework covers both financial and performance management, and we believe that the two are equally important in successfully managing government. We (and the Committee of Public Accounts) have commented repeatedly on the historical disconnect between financial and performance management across government. The split is apparent from the highest level downwards.

### **Our report**

This report focuses on the introduction of single departmental plans, and examines how departments are using this new approach to business planning and performance management. It is published alongside *Spending Review 2015*, which examines how HM Treasury and departments agree the high-level allocations of resources for the parliament. These two reports examine two of the key elements of the way government currently plans and manages its business, and we report on the extent to which they meet the expectations set for them, and our previous recommendations.

Taken together, while these two reports demonstrate that government has made some progress, they lead us to the view expressed at the start, that the current approach amounts to a collection of top-down, set-piece processes and guidance that fail to make the most of the understanding and expertise across government, and not the overarching integrated framework for strategic business planning and management that government needs. Without making a shift to such an enduring framework, government cannot hope to optimise value for taxpayers' money or deliver continuous performance improvement and we will be returning to this theme in future work.

This is not easy – improving practice has taken other countries a significant amount of time and effort. We do not underestimate the challenge for the UK, given the scale and complexity of government, as well as it being a time of transition in terms of devolution and exit from the European Union. But that is not an excuse not to start.



# Summary

## **Background to performance management in government**

**1** Governments are elected on the basis of their promises to improve various outcomes for citizens or the country. They also have to deliver a large amount of business-as-usual activities and services. At present government is also attempting large scale transformation of how it operates. Government needs business planning and performance management arrangements that allow it to set objectives, make robust plans to deliver its commitments, and measure and report performance. Our Parliamentary democracy is based on the idea that Parliament can hold the government of the day to account for its performance in spending taxpayers' money on services, commitments and reforms. So the same arrangements must provide adequate publicly available performance information.

**2** Government departments, led by accounting officers (AOs), are responsible for their own business planning and performance management and are accountable to Parliament for their performance, though the Committee of Public Accounts (the Committee). Cabinet Office and HM Treasury are responsible for ensuring that business planning and performance management across government can support:

- the Prime Minister and the Cabinet, and their objectives;
- corporate functions, such as procurement and digital services, which apply across government; and
- control of public spending.

**3** The periodic spending reviews managed by HM Treasury, which determine high-level allocations of funding to departments, have for some years formed a consistent feature of government's approach, though with gradual improvements (we report separately on these in the accompanying publication). But over time, governments have put in place various different arrangements for business planning and performance management at the cross-government level. In 2011, when reviewing the Coalition's then new approach, the Committee set out what it considered essential for both effective implementation of policy and effective accountability for departmental expenditure, including:

- being clear and precise about objectives;
- establishing monitoring arrangements that align costs and results for all significant areas of departmental activity and spending; and
- providing reliable, timely, accessible data to support that monitoring.<sup>4</sup>

**4** However, by the end of the 2010-15 Parliament there was no functioning cross-government approach to business planning, no clear set of objectives, no coherent set of performance measures and serious concerns about the quality of data that was available. The Committee considered that, quite apart from the gap in public transparency, AOs across government lacked the data on cost and performance they need for effective oversight of government spending, and to provide accountability to Parliament.<sup>5</sup>

**5** Government started working on a new business planning and performance management system soon after the 2015 election. Departments were asked to set out their high-level objectives in June 2015 and in July 2015 to set out Single Departmental Plans (SDPs) to 2020. SDPs were to cover formal reporting on key government priorities, cross-cutting goals which span more than one department, and the day-to-day business of departments. They were intended to be developed for the first time alongside the Spending Review 2015, but in practice the detailed planning happened after the Spending Review had been finalised in November, and SDPs continued to be refined well into the 2016-17 financial year. High-level summary versions only, of the 17 departments' SDPs, were published in February 2016. The SDPs therefore have two final forms:

- A high-level published summary (the 'published SDP') which sets out objectives for each department and public performance measures; and
- An internal version, shared by departments with Cabinet Office and HM Treasury (the 'internal SDP') which should align with the published version but includes more detail on the management of day-to-day business and resources, essentially filling the role of a business plan to 2020.

<sup>4</sup> HC Committee of Public Accounts, *Departmental Business Planning*, Session 2010-12, HC 650, May 2011, p. 4.

<sup>5</sup> HC Committee of Public Accounts, *Accountability to Parliament for taxpayers' money*, Thirty-ninth Report of Session 2015-16, HC 732, April 2016.

**6** As set out in the Preface, we are now looking to government to put in place an overarching, stable and enduring framework that fully integrates the business planning and performance management with planning and management of resources. Against this broader background, this report focuses specifically on the government's new approach to part of that challenge – the single departmental plans.

## **Scope of this report**

**7** Given that the government's new performance system has not yet completed a full annual cycle, our aim in this report is not to criticise the government for not having perfected and fully embedded it. Instead, we aim to: review the strengths and weaknesses of the approach so far; identify the potential for it to endure and form part of a stable business planning and management framework that leads to real improvement for taxpayers; and point out the risks and barriers that will need to be overcome.

**8** This report covers:

- what is meant by an effective performance system and why government needs one (Part One);
- progress towards creating a new and enduring performance system through SDPs, as led by Cabinet Office and HM Treasury (Part Two); and
- the impact of SDPs on business planning in departments and examples of improved practice (Part Three).

**9** As part of this report we examined the published SDPs which the government put on the gov.uk website in February 2016. Departments are still developing internal SDPs which they are sharing with Cabinet Office and HM Treasury but do not intend to publish. We have examined the processes behind the development of internal SDPs over the last year, at the centre of government and in selected case study departments, but we have not undertaken a detailed review of their quality at this stage.

## **Main findings**

The urgent need for an effective performance system

**10 The quality and availability of performance information in government has been of concern for a long time.** While the principle of a 'golden thread' that links strategic objectives to detailed day-to-day activities through a performance system is well accepted, achieving this in government can be challenging, as objectives are often complex and far removed from front-line services. Our work demonstrates, however, that failing to get the basics right is undermining value for money (paragraphs 1.2 to 1.5).

**11 Successive governments have come up with new ways of trying to show what they have achieved, but these have not endured.** Each new system has had elements of good practice, while also reacting against what has gone before; and each has had strengths and weaknesses. The public service agreements (PSAs) developed during the 1990s lasted some 12 years and focused on longer-term outcomes, but eventually were felt to place a significant bureaucratic burden on departments. By contrast, the business plans of the coalition government focused on short-term actions. They significantly reduced the amount of information available to Parliament and the public about what the government was planning and achieving, and fell into disuse for management purposes before the end of one Parliament. We see, elsewhere in the world, systems that endure and are able to support different incoming governments to plan and manage their programmes, whatever their objectives. We believe it should be an ambition for the UK to set up a similar system (paragraphs 1.11 to 1.14).

**12 Performance information and a robust performance system should underpin the needs of many different stakeholders:**

- For the centre of government, they should provide information on whether government is achieving its aims and meeting the needs of citizens.
- For Parliament and taxpayers, they should provide accountability on whether the government of the day is delivering on its promises.
- For departments themselves, they should allow them to make good management decisions about what they do and how they do it (paragraphs 1.17 to 1.18).

**13 The government has put a lot of effort into developing SDPs and built in learning from the past.** Cabinet Office and HM Treasury, working closely together, designed the SDP framework to cover a large number of different stakeholders' needs, by capturing for the first time the whole range of departments' aims and objectives including departmental commitments, cross-departmental goals, day-to-day service delivery, business transformation programmes and efficiency improvements. They also aimed to reduce the amount of information that central government requests from departments. In developing the SDP, the Cabinet Office Implementation Unit and HM Treasury sought to learn from the failures of the past and follow good practice in their design (paragraphs 1.15 to 1.16 and 1.20 to 1.21).

How the SDP approach so far measures up to that need

#### **For the centre of government**

**14 SDPs are designed to help Cabinet Office track progress on the government's commitments.** The Cabinet Office Implementation Unit is developing arrangements to use the SDPs to track manifesto commitments and cross-government goals for the Prime Minister and top of the civil service. It is also using them to press departments to show they have a solid plan for delivering those commitments. Cabinet Office aims to make data collection less burdensome, and a consistent basis for conversations between the centre and departments (paragraphs 2.2 to 2.3, 2.7 to 2.15 and 2.26 to 2.27).

**15 HM Treasury plans to use SDPs to inform and improve interactions between departments and their spending teams, identifying value-for-money risks before they occur.** They described this objective as “improving government’s ability to track performance and spend, link inputs to outputs, and drive improved value for money”.<sup>6</sup> The SDPs were meant to be fully integrated with the Spending Review 2015 which decided where money was to be allocated across government. In practice, departments found that they could not manage two resource-intensive exercises simultaneously, and that it was not practical to set out their plans until they knew what they had received funding for (paragraphs 2.4 to 2.5, 2.18 to 2.19 and 2.28 to 2.30).

**16 Other parts of Cabinet Office see the key strength of SDPs as supporting detailed long-term business planning.** The Chief Executive of the Civil Service said “they will show the choices we must make to ensure we can deliver what we promise over the next period”.<sup>7</sup> If the plans are successful they will allow departments to be realistic about what they can achieve with the resources they have. They will also allow departments to manage transformation, which will require the input of experts from across the centre, especially Cabinet Office (paragraphs 2.16 to 2.17 and 2.30).

#### **For the public and Parliament**

**17 The published SDPs do not provide all the public accountability the government said they would.** The government set out a significant ambition for public accountability through the SDPs. They would describe the government’s objectives, bring together inputs and outputs, and enable the public to see how government is delivering on its commitments. Each department has set out all its agreed objectives in its published SDP. Departments provide some information on how they are working together on shared objectives, but this is not done in a consistent way. Only 10 out of 17 departments link any of their objectives to detailed spending plans. The measures set out in the plans mostly cover outputs or outcomes, but some significant areas of objectives have measures of progress which are still being developed. Mid-year performance reporting to Parliament was missed because of delays in the development of SDPs, and their publication did not fill this gap in terms of presenting a “fair, balanced, and understandable picture of the Department’s financial and non-financial performance”.<sup>8</sup> The government has said that more information will be available, for example in annual reports, but it is not yet clear how this will present a coherent set of information for accountability to taxpayers (paragraph 2.20).

**18 The published SDPs do not meet the government’s stated aim to be “the most transparent government ever”.** The great majority of the detailed SDP content is not included in the public version. Although it is not reasonable to expect the government to share every detail of its plans and progress – we recognise the need for a ‘safe space’ for ministers to make decisions before options are finalised – we would expect to see greater detail than has been published (paragraph 2.22).

<sup>6</sup> Cabinet Office and HM Treasury, *Single Departmental Plans: Departmental Guidance*, July 2015.

<sup>7</sup> John Manzoni, ‘Clarifying our priorities – Single Departmental Plans’, 29 July 2015. Available at: <https://civilservice.blog.gov.uk/2015/07/29/clarifying-our-priorities-single-departmental-plans/>

<sup>8</sup> HM Treasury, *Mid-year reporting guidance 2015-16*, October 2015.

**19 The usability of the published performance data is poor, though the government has plans to improve this.** What is published fails to meet open data standards for usability, with information embedded in 17 individual departments' plans and not linked to detailed sources or context. Annual updates are proposed, as well as updates to data 'as it becomes available' but users will find it hard to know when this has been done. Cabinet Office and HM Treasury have plans to make data more accessible in future through stronger visual presentation and more information on data sources and timetables for update (paragraph 2.21).

#### **For departments**

**20 Although there have been some frustrations with the process, departments see SDPs as a step in the right direction.** Departments see the value in setting out 'a single version of the truth', using the same information for different interactions with the centre of government. Departments also saw the value in carrying out a business planning exercise alongside the Spending Review 2015. However, they did identify some additional frustrations with the process which the centre can alleviate for future years. Departments that were already conducting their own planning found it an extra burden to meet the requirements of the SDP and are yet to be convinced that there is a reduction in reporting requirements. The centre repeatedly moved deadlines in an effort to align SDP production with a range of existing planning processes, but some departments that were working to the original target found the changes led to a stop-start process (paragraphs 2.4, 2.23 to 2.25, 2.32 to 2.33 and 3.13 to 3.19).

**21 The SDPs are helping departments to develop more robust planning.** Departments are broadly supportive of the opportunity the SDPs offer to improve business planning. Internal SDPs allow departments to clarify how they are allocating resources to their published objectives and how they plan to deliver these objectives from now to 2020, although more work is needed to ensure that all parts of the delivery systems, including arm's-length bodies, are involved. Business planning in government starts from a low base, but specific examples of progress from our case studies include: the Department for Environment, Food & Rural Affairs improving its engagement with arm's-length bodies on how outcomes will be achieved; and the Department for Education improving its use of milestones and trajectories to monitor performance (paragraphs 3.2 to 3.12).

#### Opportunities and risks remaining

**22 Developing a robust performance system for government is an essential part of the business planning and management framework that we advocate.** It is also urgently required to address the gap in accountability for government performance, and the mismatch between government's statements and its practice on transparency. This is the gap into which the SDPs can step. A robust system would support better planning and management of the long-term change programmes that the government is pursuing. And it would support AOs in their key role of balancing long-term value for taxpayers' money with shorter-term political ambitions. Moreover, a sustainable system that outlasts the Parliament would allow future incoming governments to avoid wasting time, money and energy before beginning work on their programme.

**23** There are a number of significant risks to achieving the potential of the SDPs and embedding the SDP approach into government's culture. The civil service does not have a strong track record in making changes to its culture and the risks to SDPs, as with other past initiatives, lie in a lack of sustained leadership and poor engagement of civil servants within departments. Now that the SDPs are agreed between the centre and departments there is a risk that the leadership focus and momentum to keep improving and embedding them is lost. More work is needed to develop a set of measures which cover all areas of the business and clearly link spending and performance. Based on the experience of PSAs, without concerted effort this may not be complete before the end of the Parliament. There is also a risk that departments fail to take the opportunity of SDPs to change their performance culture and involve all parts of the delivery system, including arm's-length bodies, resulting in top-down, surface changes only. The centre can mitigate many of these risks if it delivers clear added value from the new approach; particularly on providing a strategic, whole-of-government view, and on reducing unnecessary burden on departments.

## **Conclusion**

**24** We support the ambitious scope that has been set out for the SDPs as business planning and management tools, and note the learning that Cabinet Office and HM Treasury have taken from the past. However, there remain significant risks to manage if the SDP initiative is to sustain and improve over time rather than following previous performance systems into history at the end of this Parliament. It may ultimately fail to make a lasting impact on departmental and whole of government performance, if it were to become no more than a veneer, mainly focused on short-term reporting on political commitments and not add more value to accountability and transparency.

**25** International comparators show that achieving progress will take time, sustained leadership and a culture change from within the civil service. The SDP initiative represents just the very start. Cabinet Office, HM Treasury and departments must be prepared for this to be a long-term process. Although meeting the needs of different stakeholders makes the challenge greater, these must nonetheless be tackled in an integrated way that addresses strategy, people, process, information and improvement, and engages all levels of staff, or else the considerable time and energy that has been put in by the centre and departments will be wasted.

## Recommendations

- 26** Our recommendations are geared towards achieving the ambitions of:
- transparent public performance reporting that improves the effectiveness of accountability to Parliament for taxpayers' money; and
  - long-term, continuous, integrated business planning and management across government.

### Recommendations for transparent public reporting

**27** Cabinet Office, and particularly the Implementation Unit, should ensure that published SDPs do much more to close the gap that currently exists in government's accountability to Parliament and the public, and that they meet its stated aims for transparency. This is likely to include:

- publishing clear and appropriate metrics to assess progress against each objective, and enough information to judge performance. This will include baseline performance and any targets, as well as more detailed information on methodologies and data quality;
- setting out which parts of the plan will be updated and precisely when this will happen, and making those changes clear when they have been made; and
- presenting information in a clear format that respects the government's information principles and the ideas behind the open data ratings.<sup>9,10</sup>

**28** Departments should take ownership of the content of their published SDPs, particularly setting up additional metrics where there are gaps. They should ensure that the published plans are not only consistent with their internal planning and other accountability tools, such as accountability system statements and annual reports, but can be easily used by stakeholders as a package.

9 'Information principles', available from the National Archives: [www.nationalarchives.gov.uk/information-management/manage-information/planning/information-principles/](http://www.nationalarchives.gov.uk/information-management/manage-information/planning/information-principles/)

10 Cabinet Office, *Open Data Strategy*, 2012, Annex 4. Available at: [https://data.gov.uk/sites/default/files/Cabinet%20Office%20Open%20Data%20Strategy\\_10.pdf](https://data.gov.uk/sites/default/files/Cabinet%20Office%20Open%20Data%20Strategy_10.pdf)



## Recommendations on business planning and management

**29** Cabinet Office and HM Treasury set out to integrate the Spending Review 2015 and SDPs but in practice this was too ambitious to achieve in one year. They should continue to work on achieving a seamless link between the SDPs as a tool for continuous business planning and performance management, and the periodic spending reviews as a high-level “reboot” exercise to respond to changes in administration, fiscal readjustments or other fundamental shifts. This will enhance the quality of spending review decisions and serve to embed the SDP approach for the long term.

**30** Cabinet Office and HM Treasury must play their full part in delivering the benefits to departments of the SDP approach. This is essential to getting buy-in from across government. The benefits we foresee include: a reduced burden on departments from integrating reports to the centre with reports to departmental boards; a clearer understanding of what information the centre needs and why; and a single shared version of the truth that facilitates better interactions between the centre and departments and better decision-making. The centre must:

- lead by example and ensure all of its interactions with departments are integrated with, and fully informed by, the SDPs; and
- avoid any separate requests for performance information.

**31** The Implementation Unit should work with departments to build strong foundations for SDP reporting within departments’ internal planning processes. The two are in close alignment, thanks to significant work and changes to processes in departments. However, there must be ongoing work to make sure that the two kinds of planning continue to move towards each other rather than drifting apart.

**32** Departments must also make sure that they make clear the links between SDPs and more detailed internal planning. This should include using the same language when setting out the SDP, when they talk to arm’s-length bodies or other bodies involved in delivering their objectives, and when setting objectives for individual staff or teams – the ‘golden thread’ which links them should be clear to all.

**33** Departments should also seek to improve their SDPs by challenging each other on how to tackle common issues and sharing good practice. The Implementation Unit should support this through its contacts with cross-government networks and departmental implementation units.