

Business Plan 2006/07

Corporate Plan 2006–2009

15. Capacitybuilders' Corporate Plan 2006–2009 (CP06) sets out the long-term, high-level objectives and the medium-term plan for achieving them. In particular, CP06 shows the financial profile for 2006–2009. BP06 covers only financial year 2006/07 (FY06/07) taking the financial allocations for FY06/07 as shown in CP06 as its start point.

Business objectives

16. The business objectives are within the summary table at Annex A.

Legal entity

17. The incorporation of Capacitybuilders as an NDPB was an essential step in demonstrating commitment to the principles of ChangeUp. Incorporation is a business objective that has been achieved.

Credibility and recognition

18. Any new organisation is susceptible to a lack of confidence by stakeholders in its ability to deliver its objectives. The business objective targets are:

- the incorporation of Capacitybuilders;
- delivering continuation funding on time;
- delivering Hub funding on time; and
- acceptance by regional offices and consortia of Capacitybuilders' ability to fulfil its role.

Branding and differentiation

19. In a complex marketplace, there is little clarity between the roles of different funders, for example FutureBuilders, Big Lottery Fund (BLF) and Capacitybuilders. Capacitybuilders must take a leading role in helping the customers (VCO/VCS), other government departments and other statutory bodies to understand the complementary roles. Means of achieving this include:

- regular meetings with other funders;
- forming a Funders' Working Group or Forum;
- links from the Capacitybuilders website to those of other funders; and
- developing Capacitybuilders' own brand.

Performance

20. Capacitybuilders will deliver best value from its investments. However, to identify and measure this value requires a known starting point. From this starting point, performance reviews will determine the progress made by Capacitybuilders and the potential and actual benefits realised by Capacitybuilders and the ChangeUp programme. BP06 sets the necessary reviews and reports as its targets:

- baseline review;
- performance review;
- Hub review;
- third-party funding plan; and
- private sector investment target.

Operational objectives

21. The operational objectives are within the summary table at Annex A.

Objective 1: Improve the quality of infrastructure support for VCOs

Continuation Fund

22. A fund mandated by the Cabinet Office to maintain existing infrastructure. The total fund is £7 million. It is paid in advance in quarterly tranches. The targets are:

- to deliver 100% of the Continuation Fund to the intended recipients; and
- to deliver 98% of payments on time each quarter.

Hub Fund

23. A fund mandated by the Cabinet Office to enable the six Hubs and Net:gain to deliver their missions. The total fund is £9 million. It is paid in advance in quarterly tranches. The targets are:

- to deliver 100% of the Hub Funding to the intended recipients.
- to deliver 98% of payments on time each quarter.

Consortia Projects programme

24. This provides funds for consortia to deliver high-priority projects up to March 2008, although all allocations made in FY06/07 must be committed by 31 March 2007. This is a discretionary fund whereby Capacitybuilders determines the size of the fund within Cabinet Office guidelines. The fund this year is £9 million. Payments will be made in the third and fourth quarters of FY06/07. The targets are:

- funding distributed across nine government regions;
- 95% of payments validated against relevant consortia or region Infrastructure Investment Plans (IIPs); and
- payments to commence by October 2006.

Non-Consortia Infrastructure programme

25. This aims to identify and develop the infrastructure of organisations that have a national presence but do not yet belong to consortia. Some £1.3 million has been allocated to this programme. The targets are to:

- write programme definition by the end of July 2006;
- release programme criteria by the end of August 2006;
- deliver 98% of payments by February 2007; and
- support at least one national infrastructure.

Website (commissioned work)

26. A major project to rationalise and improve Capacitybuilders websites (including the six Hub websites) is under way. This project has a partial dependency on the outcome of the Hub review. This is an in-year project with running costs thereafter absorbed into Capacitybuilders' agency costs. This is a £0.25 million project. The target timeline is:

- project approval by August 2006;
- project procurement completed by October 2006; and
- project delivered by February 2007.

Objective 2: Encourage extra investment in infrastructure through demonstrating its benefits

Hubs review (commissioned work)

27. There will be a review of the Hubs on how best to deliver national services to consortia. The target timeline is:

- invitation to tender for Hubs review, July 2006;
- review process, July to August 2006; and
- Board decision on best way forward, September 2006.

Learning and development (commissioned work)

28. This programme will support studies and activities that help us to understand what works in infrastructure provision and how best to improve the quality and effectiveness of services. This programme has been allocated a £0.5 million budget. The targets are:

- to commission ten studies;
- to commission or support five events or activities;
- to produce a matrix of areas for investment and sources of additional investment; and
- to produce an action plan for incorporating findings into Capacitybuilders' programme of work.

Best practice (commissioned work)

29. The aim of the best practice programme is to commission research that will help us to influence future programmes, increase investment, and secure funding for 2008 to 2014. This programme has been allocated £0.2 million. The targets are:

- to write the programme definition by the end of September 2006;
- to produce a first best practice report by November 2006;
- to deliver 85% of payments by December 2006; and
- to deliver an action plan based on the findings of this programme by March 2007.

Evaluation (commissioned work)

30. This consists of a Cabinet Office-mandated programme to evaluate the progress, outcomes and benefits of Capacitybuilders and ChangeUp. This programme is partly dependent upon the baseline review, which will report at the end of July 2006. A £0.3 million budget has been allocated for the FY06/07 review. The overall benefits realisation plan timeline targets are:

- to identify the baseline or start point for measurement of progress;
- to articulate the ChangeUp success criteria for 2014;
- to have an approved measurement methodology for the success criteria; and
- to produce a report on the benefits of ChangeUp from 2004 to 2006 by March 2007.

Objective 3: Improve reach of infrastructure services

Improved Reach programme

31. The aim of the Improved Reach programme is to extend ChangeUp beyond its current boundaries. Members of consortia are not excluded from this programme, but it is further intended for the smaller, fragile, fledgling organisations, which may need more time and support to complete applications and manage projects. With no established communication channels in place, and the number and scale of potential applications unknown, this is a higher-risk programme. Some £6.3 million has been allocated to this programme. The target timeline is:

- to develop Capacitybuilders' knowledge of those parts of the VCS that have not yet benefited from ChangeUp;
- to increase awareness of ChangeUp and Capacitybuilders among non-consortia VCOs and marginalised communities;
- to design application, payment and monitoring processes by October 2006; and
- to receive expressions of interest and deliver payments by January 2006 .

Objective 4: Develop capacity-building funding sources

Research programme (commissioned work)

32. The research programme will enable Capacitybuilders to develop expertise on changes to VCS management and work with others to use funds more effectively. This programme relates directly to the business objectives of delivering a growing proportion of ChangeUp using non-public funds, and also of becoming the delivery third party of choice for other government departments and NDPBs. This programme has been allocated £0.1 million. The targets are:

- market analysis through research studies, reports and surveys;
- to produce a database of potential sources of investment;
- a communications plan for influencing and approaching likely sources of investment; and
- to become the third-party fund deliverer of choice for other government departments and agencies, organisations and NDPBs.

Governance

Performance monitoring

42. The delivery of this plan will be monitored at three levels. The delivery against targets will be monitored by the Board on a quarterly basis. The programmes and funds will be monitored by the Grants Committee using a planned review programme. Programmes and funds will be monitored by the Programmes Directorate on a monthly basis, using the returns that grant recipients must submit as a condition of funding.

Risk management

43. Formal risk management is at the heart of Capacitybuilders' operations. The targets are:

- risk strategy approved by June 2006;
- risk workshop to be held July 2006; and
- corporate risk register approved by September 2006.

Operational continuity/disaster recovery plan

44. The VCOs funded by Capacitybuilders are highly dependent upon that funding. It is vital, therefore, that data and records are always available so that the operations of Capacitybuilders can continue. The targets are:

- operational continuity/disaster recovery plan approved by October 2006; and
- operational continuity/disaster recovery plan tested by March 2007.

Equality and diversity policy

45. Capacitybuilders will be an advocate of sound equality and diversity practices. The targets are:
- equality and diversity policy approved by October 2006; and
 - all Board members and staff to undergo diversity training by November 2006.

Key Performance Indicators

46. The KPIs given at Annex A are fundamental and effective. They are, however, more quantitative than qualitative measures and must be developed further in preparation for FY07/08. The Capacitybuilders FY06/07 deliverable is:
- to hold a KPI workshop in October 2006; and
 - to approve KPIs by March 2007.

Benefits realisation

47. To enable the benefits of Capacitybuilders and ChangeUp to be fully assessed in 2014 and monitored in the interim years, the foundation needs to be set in FY06/07. There will be a number of deliverables under BP06 which will permit benefits monitoring to begin from FY07/08. The FY06/07 deliverables are:
- a. **Baseline report.** The baseline report will assess the impact of ChangeUp from 2004 to March 2006 by reviewing the IIPs produced by each consortium. The baseline report will be delivered in July 2006.
 - b. **Evaluation report.** The evaluation will confirm the baseline and report on progress to date against IIPs. Measuring progress requires that success criteria for 2014 be agreed, and that the means of measuring these criteria are approved and validated. The evaluation report will be delivered by March 2007. The key outputs for FY06/07 are:
 - 2014 success criteria; and
 - measurement methodology.

Capacitybuilders will employ and validate the criteria and methodology in FY07/08.

Personnel development

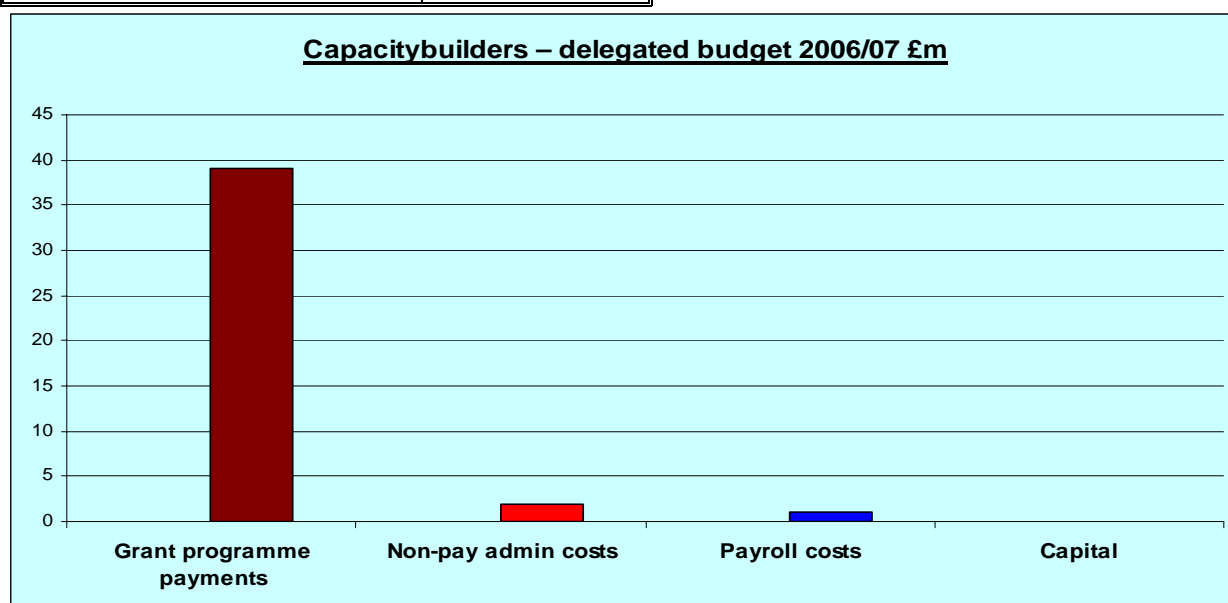
48. Capacitybuilders values its workforce and will make a considerable investment in its staff. The model will be very similar to the Civil Service model, with planned and open personnel development records, and individual personnel development plans, which are regularly reviewed and discussed with line managers.

Financial resources

49. Capacitybuilders has been allocated a budget of £37.3 million for 2006/07; this was agreed with the Cabinet Office.
50. As the Accounting Officer of Capacitybuilders, the Chief Executive is personally responsible for safeguarding public funds, ensuring propriety and regularity, and submitting the Capacitybuilders Annual Report and Accounts for public scrutiny.

Delegated budget limits for resource and capital

	2006/07 £
Resource Allocation	
Grant Programme Payments	33,827,000
Non-pay Admin Costs	2,192,000
Payroll Costs	1,229,000
	37,248,000
Capital Allocation	
Capital Costs	50,000
	37,298,000



Breakdown of budget by main areas of spend

	2006/07 £ million
Infrastructure	
Continuation Fund	7.00
Hub	9.20
Consortia	9.30
Non-Consortia	1.30
Learning and development	0.50
Best practice	0.20
Improved reach	6.30
Programme support	0.96
	34.76
Running cost	2.54
	37.30

