

Company Handbook



Annual cycle

Business planning

A summary of the business planning process and key outputs required from the companies



Introduction

1. This guidance note applies to Business Planning for the Bristol Holding Group companies only, other processes apply for joint ventures.
2. In March each year, each company submits a business plan to the Strategy and Resources Committee for approval, in a process overseen by the Shareholder Liaison Service.
3. This submission is in the form of a Key Decision report which is drafted by the Shareholder Liaison Service, with input from a number of BCC officers, Bristol Holding Limited (**BHL**) and the subsidiaries (also known as companies).
4. The business plans are prepared by the companies, approved by Shareholder Group (**SHG**), and reviewed by the council officers and key councillors informally, prior to submission to Strategy and Resources committee.
5. The purpose of this Guidance Note is to explain the business planning process.

Overview of process

1. Each company will be asked to prepare a Business Plan Framework Document (a high level version of the business plan containing core assumptions) for review by Shareholder Group in November or December, having first consulted with the Strategic Client (who will also feed in the input of the operational clients and sponsors) and BCC Finance as regards the content and alignment with the councils budgets and plans. The purpose of the framework document is to enable Shareholder Group to provide a strategic steer on the content of the final business plan which then will be reviewed by Shareholder Group in January (for information on the Shareholder Group, and Council Committees, see Guidance Note: Overview of Council Governance Relating to the Companies).
2. Once the board of directors of each company is satisfied that the final business plan is ready for review, each company will submit the business plans for initial review by the Companies Assurance meeting, followed by Shareholder Group in January. The companies will be asked to make any amendments to reflect Shareholder Group comments prior to submission of the draft business plan to the Council's decision pathway, and for Strategy and Resources committee to scrutinise in late January/February. The companies may also be asked to make any final amendments to reflect councillors' comments prior to submission of the final draft business plans to Strategy and Resources committee for key decision approval in March.
3. The companies will also be asked to support in the development of the Committee Report in respect of the business plans. This note sets out the detail of what participation is needed and when.

Indicative Business Planning timelines

1. Below is an indicative timeline for the business planning process each year, assuming that the business plans are presented for key decision to the March Strategy and Resources committee. The Shareholder Liaison Service will issue a detailed timeline each year, depending on the exact dates. The below table does not include the review requirements of each subsidiary's Board. This will be left to the subsidiaries to discuss and agree.

Business Plan Decision Pathway

Key dates	Actions	Responsibilities
Early Nov	<p>Companies Assurance</p> <p>Attended by Bristol Holding, Strategic Client and other council officers to review draft business planning framework document before Shareholder Group, trouble shoot issues and confirm alignment between council and companies.</p>	<p>Subsidiary MDs/FDs + Strategic Client + BHL + BCC Finance.</p> <p>Shareholder Liaison to coordinate</p>
Nov	<p>Shareholder Group</p> <p>Receives <u>a short (max 4 page) Business Plan Framework Document</u> from each subsidiary summarising:</p> <ul style="list-style-type: none"> • Confirmed Strategic Objectives • Business Plan level KPIs • Key financial information • Summary of approach to social value • High level indication of anticipated material risks • Related reserve matter requests 	<p>Subsidiary MDs and FDs, approved by their Boards and reviewed by the Companies Assurance Group.</p>
Early Dec	<p>Reserve Shareholder Group</p> <p>Meeting date held in the event of 'overflow' of items from November date or unavoidable process delays.</p>	<p>Subsidiary MDs and FDs, approved by their Boards and Holding Company</p>
Mid Nov – End of Dec	<p>Confirm Financial Assumptions for inclusion in BCC budget papers.</p> <p>Work between Companies, Strategic Client, BCC Finance and Bristol Holding to ensure that BCC and company financial assumptions are the same, with pressures/targets and borrowing requirements for the subsidiaries fixed at this time.</p>	<p>Strategic Client + Director: Finance + BCC Finance Business Partner + Group FD</p>
Early Jan	<p>Companies Assurance</p> <p>Receives draft business plans and provides assurance to Shareholder Group</p>	<p>Subsidiary MDs/FDs + Strategic Client + BHL + BCC finance</p> <p>Shareholder Liaison to coordinate</p>
Jan	<p>Shareholder Group</p> <p>Receives draft business plans</p>	<p>Shareholder Liaison Manager to coordinate</p>
Jan	<p>BCC's budget is published for consideration by Strategy and Resources Committee, including financial aspects which relate to funding /</p>	<p>Director: Finance + BCC Finance Business Partner + Group FD</p>

Key dates	Actions	Responsibilities
	contracts with companies.	
Jan/Feb	Draft business plans published for review by Strategy and Resources Committee	Shareholder Liaison Manager to coordinate
Feb	Strategy and Resources Committee Reviews draft business plans	Shareholder Liaison Manager to coordinate Group FD, MDs and FDs to attend and participate
Feb	Key Decision reports published	N/A
Feb	Full council Considers budget	N/A
Mar	Strategy and Resources Committee Considers final business plans (which will reflect any amendments required from SHG and Strategy and Resources Committee considerations)	N/A

Committee Report Recommendations

1. The Committee Report will include recommendations approving the business plan and also approving anything within the business plan that constitutes a Reserved Matter. For example, where funding is requested from the council as part of the business plan, that funding will need to be approved as a separate recommendation in the Committee Report.
2. If the business plan includes anything which constitutes a reserved matter which is not expressly approved in the Committee Report recommendations, it will not be deemed approved and separate Committee authority or Shareholder approval will be needed in the future. For example, if the business plan includes a proposal to write off £2m, and this is not included in the recommendations, separate Shareholder approval will be required to approve this write off. This approach is intended to ensure that the Committee has full sight of the impact of the business plans and that nothing material is overlooked when it gives its approval.
3. The Shareholder Liaison Service is responsible for structuring the recommendations, but the company is responsible for identifying where reserved matter approvals are required within their business plan.
4. Each company should flag these to the Shareholder Liaison Service in good time, to ensure the recommendations can reflect the required approvals and can be considered by Shareholder Group.

Company outputs

1. Each company will be asked to prepare, or contribute to, the following aspects of the Committee Report in line with the indicative timelines set out above:

- a) a **public business plan** for inclusion in Appendix A of the Committee Report, which expressly refers to any reserved matters that need approving as part of the business plan and includes clear cross-references to any exempt information included in the exempt appendix;
- b) an **exempt appendix** suitable for inclusion in Appendix I of the Committee Report (if any exempt information is referred to in the business plan, in line with the Guidance Note: Exempt Information);
- c) **Appendix E** of the Committee Report (Equality Impact Assessment (**EqlA**)), setting out any positive or negative impacts of each business plan on citizens and staff with protected characteristics;
- d) **Appendix F** of the Committee (Eco-Impact screening), setting out any positive or negative impacts of each business plan on the environment (in the widest sense);
- e) **in the case of the Holding Company only, a written commentary and recommendation** on each of the subsidiary business plans (which may be split into public and exempt information, if necessary, in accordance with the Guidance Note: Exempt Information).

Shareholder Liaison outputs

1. The Shareholder Liaison Service will prepare, or coordinate, the following aspects of the Committee Report, in line with the indicative timelines set out above:
 - a) **text of the Report**, which must:
 - i. state the date(s) on which the Companies Assurance meeting, Shareholder Group and Strategy and Resources councillors reviewed the business plans;
 - ii. highlight any material issues that were raised in any of those reviews and cross reference the Committee Report's Appendix B (see below) for more information on those issues and how they were resolved;
 - iii. state the date the financial information in the business plans is based on;
 - iv. state the date the final version of the business plan was received by the council;
 - v. state that the companies have confirmed that no material amendments need to be made to their business plans, following submission of their final versions; and
 - vi. include clear recommendations that seek approval of both the business plans and any related reserved matter approvals (see below for more information on this).
 - b) **Appendix B** (Details of consultation carried out - internal and external) – Shareholder Liaison will coordinate commentary from:
 - i. Bristol Holding Limited providing assurance on each business plan;
 - ii. the relevant BCC operational client; and
 - iii. Shareholder Group indicating, at a high level, what comments were provided upon review of the business plans and how these have been addressed in the

final draft. This should expressly reference the views of any Independent Non-Executives, the statutory officers and the Strategic Client.

- c) **Appendix D** (Risk assessment) – the Shareholder Liaison Service will ensure that BCC Finance completes a risk assessment, illustrating the key risks that the business plans pose to the council.
- d) **Appendix E** (EqIA) – the Shareholder Liaison Service will provide a copy of this appendix to each subsidiary and ensure the companies feed into it;
- e) **Appendix F** (Eco-Impact screening) – the Shareholder Liaison Service will provide a copy of this appendix to each subsidiary and ensure the companies feed into it;
- f) **Appendix G** (Financial Advice) – the Shareholder Liaison Service will ensure that BCC Finance completes this advice and that as much of the advice is public as possible. Any exempt information will be included at Appendix I.
- g) **Appendix I** (Exempt Information) – the Shareholder Liaison Service will coordinate with the companies to ensure that any exempt information is included in this section, in line with the Guidance Note: Exempt Information.

Committee Report Equality and Inclusion Assessment

1. An EqIA is a way to evaluate the potential impact of the council’s internal and external policies, procedures, activities and decisions on individuals within the company and individuals affected by the business plan in the wider community, to make sure the requirements of the Public Sector Equality Duty are fulfilled (see the Guidance Note: Equality and Inclusion for further information).
2. When the companies write their business plans it is expected that they complete an EqIA and the Shareholder Liaison Service will ensure they receive the template in good time. This will be submitted to the Strategy and Resources Committee as part of the Committee Report seeking approval of the business plans.
3. The EqIA requires:
 - a) confirmation as to whether the Committee Report will affect any of the following;
 - i. BCC / company workforce;
 - ii. service users;
 - iii. the wider community;
 - iv. commissioned services; and/ or
 - v. city partners / stakeholder organisations.
 - b) data and/ or evidence which shows the potential impact of the business plan on the following protected characteristics;
 - i. age;
 - ii. marriage and civil partnership;
 - iii. religion or belief;
 - iv. disability;
 - v. pregnancy/maternity;

- vi. sex;
 - vii. gender reassignment;
 - viii. race; and/or
 - ix. sexual orientation.
- c) mitigations of, or justifications for, negative impacts;
 - d) plans to evaluate and measure the positive and negative impacts on the community, workforce and stakeholders.

Presentation of Exempt Information

1. Please refer to Guidance Note: Exempt Information.

Version control and accessibility

1. Preparation of the business plans is an iterative process. Once the company Board , has agreed that the business plans can be submitted to the Shareholder Representative for review, the Shareholder Group and other BCC officers will review and provide comments. This may result in some request for further amendments to the drafts. It is therefore important that each version is clearly labelled and accessible.
2. If significant changes have been made between versions, the companies are required to highlight what changes have been made, or summarise them separately, so that officers can focus on reviewing these revised parts of the business plans.
3. The draft business plans and exempt appendices are then submitted directly to the Shareholder Liaison Service, ensuring provision to the Group Finance Director of the Holding Company and relevant Strategic Client.

Further Information

1. For more information on any aspects of the above topic, please contact the Shareholder Liaison Service: ShareholderLiaison@bristol.gov.uk

Version Control Table

Version	Summary of Edits	Editor	Date of Version
V 1	First draft for publishing	Shareholder Liaison Service	November 2021
V 2	Second draft for publishing	Shareholder Liaison Service	June 2023
V3	Third draft for publishing	Shareholder Liaison Service	April 2024