

Agenda Item 5

26th March 2010

WNC 11.10

## OUR PURPOSE AND DIRECTION: FC WALES CORPORATE PLAN 2010-13

### Purpose

1. To present to the National Committee for approval the updated version of FC Wales's Corporate Plan 2010-13.

### Background

2. Our Corporate Plan, *Our purpose and direction*, was published in April 2009, following the launch of the revised woodland strategy, *Woodlands for Wales*. In the lead up to producing this Plan we agreed to move to a model of a 3 year 'rolling' corporate plan based on our 10 corporate programmes, setting out our activities in detail for the current year, and in outline and headline format for subsequent years. *Our purpose and direction* will therefore be updated annually, incorporating any developments of our corporate programmes, as well as wider organisational issues. This is the first of these updates. A revised summary document will also be produced annually, partly as a demonstration to staff and stakeholders that corporate planning is a dynamic, ongoing process.

### Context

3. The revised corporate plan follows the same general format as the 2009-12 plan with any changes in text shown in blue.
4. Under each corporate programme section in the plan, two additional headings have been added:
  - *Our ongoing work* – setting out actions we undertake year on year;
  - *What we did in 2009/10* – showing some of the work we have taken forward in the previous year as well as detail, outline and headline activities for 2010/11 – 2012/13. This is helping to establish a clearer link between performance and future delivery.
5. The Management Board had approved one corporate programme, Programme 8 - Promotion of timber and development of the forest sector, early enough for this to be built into this corporate plan. Other corporate programmes are either under development or awaiting final approval by the Management Board and so have not been fully included. However, each corporate programme section in the corporate plan has been updated to some extent, based on current activities and those actions in the Action plan for *Woodlands for Wales*, where we have agreed to take a lead role.

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6. Performance and Business measures were agreed in March 2009 for a 3-year period (explanatory note of approach provided in Appendix 1). A number of baselines have been derived and are shown, as well as slight textual changes to clarify meaning. Again these changes are shown in blue.
7. High level business plan income and expenditure is shown against the corporate programmes, reflecting the work we have undertaken in 2009/10 to revise our accounts to bring business and corporate planning into closer alignment.

## Next steps

8. Following comments and approval from the National Committee, the full Plan will be published electronically while the accompanying summary will be produced in both electronic and printed format for distribution to all staff in April, in good time for the all staff meetings scheduled for May.

## Financial Implications

9. The production of the update has no further financial implications directly, except for publishing and printing costs for the summary.

## Risks

10. Risks are as follows: -

Risk Component	Risk Type: Economic Reputational Env. & Social	Impact / Likelihood Score (range 1 – 5)	Risk Score (I x L)	Controls
Failure to develop a corporate response to WAG Policy including (but not exclusively) <i>Woodlands for Wales</i>	All	4x1	4	Corporate Plan produced and annually updated; programme for production of corporate programmes and policy positions
Failure to communicate purpose and direction of organisation to staff and external stakeholders	All	3x1	3	Clear communication of corporate plan including all staff meetings
Failure to respond to WAO recommendations	All	4x1	4	Process of aligning strategy and corporate and business planning in progress, responding to recommendations
<b>Overall Risk Scoring Ranges: 0 – 5 Insignificant / 6 – 10 Low / 11 – 20 Medium / 21 – 25 High</b>				

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## **Communications**

11. The update will be communicated in line with our communications plan, with a web version of the full document available and both web and printed versions of the summary available. A copy of the summary will be sent to every member of staff, as well as key stakeholders.

## **Recommendation**

12. That the National Committee notes the developments to the corporate planning process and approves the Plan for adoption from 1 April 2010.

**Sue Ginley & Clive Thomas**  
**Policy and Programme Development Team**  
**March 2010**

### **STRATEGIC PERFORMANCE MANAGEMENT**

#### **Background**

At earlier National Committee meetings, queries have been raised regarding the nature of the FC Wales 3-year corporate targets based on our agreed Performance measures.

Performance management of organisations charged with public service delivery as a discipline is highly contested and has been the subject of much academic discussion and political direction in recent years. This discussion and direction is complex but has tended to centre around two main issues:

- Firstly the role of performance measures and targets; the main discussion has been the tension between the role of performance measures as a tool to deliver focus in strategic areas of performance versus the focus on achieving targets as an end in itself, with all the attendant risks of 'gaming' and perverse consequences;
- Secondly the tension between performance measures and targets that primarily focus on aspects of the organisations remit where complete control over delivery is possible versus the aspiration to deliver societal outcomes that are rarely within the direct control of any one institution.

#### **FC Wales approach – 2009/12 targets**

As part of the attempt to achieve better strategic alignment between the activities of FC Wales and Welsh Assembly Government forestry policy, as expressed in *Woodlands for Wales*, a strategic performance management approach was agreed by the National Committee in March 2009. This demonstrates good alignment and has already begun to achieve increased focus on some difficult areas of delivery highlighted by the performance measures e.g. woodland creation, improving species diversity and native woodland restoration.

#### **Discussion**

Contingent with this approach, is the requirement to view increased and constructive focus on addressing strategic performance measures, some of which can only be achieved by working with and influencing others, as the real outcome rather than the achievement of the targets *per se*.

The directly opposite approach would be to adopt principally output targets that are completely in the control of the organisation. In the case of FC Wales, this would lead to an over-emphasis on targets that could be achieved principally through the management of the public forest estate, where control and influence is strong. Influencing the management of other woodlands or wider socio-economic or environmental outcomes would be viewed as too risky, if control and delivery of targets were the overriding consideration.

## **Conclusion**

The Management Board is confident that the approach we have adopted is appropriate for an organisation seriously interested in demonstrating its relevance in helping to achieve wider government outcomes. However, we have to be prepared to exercise good managerial judgement and take the view that strategic focus and alignment is the real aim rather than perfect 100% delivery of all targets.