

Business plan: 2018-19 to 2020-21

- 1.1 Our remit and responsibilities are based on the requirements of the *Budget Responsibility and National Audit Act*, the *Charter for Budget Responsibility*, the *Framework document* and the *Memorandum of Understanding* between the OBR and other government departments. In addition, we are guided by various Treasury Select Committee recommendations and reports, the 2015 Treasury review of the OBR, agreements that set out our working relationship with the devolved governments and central government operational guidance on finance, HR and other reporting requirements.
- 1.2 This plan sets out our business and corporate objectives for 2018-19 and anticipated outputs and structure to 2020-21.
- 1.3 To deliver against the remit given to us by Parliament we focus on two overarching objectives.

Business objective 1: Fulfil our duties under the Act and Charter to examine and report on the sustainability of the public finances

- 1.4 In 2018-19 we aim to achieve this by:
 - producing two economic and fiscal forecasts on dates set by the Chancellor of the Exchequer;
 - publishing our next *Fiscal sustainability report* in summer 2018;
 - publishing our next *Welfare trends report* in autumn/winter 2018;
 - publishing our next *Forecast evaluation report* in autumn 2018;
 - scrutinising the Government's costings of new policies;
 - continuing to publish monthly commentary on the ONS public sector finances data;
 - publishing further working papers and briefing material, with continued focus on using the website to deliver this material, as well as standalone documents;
 - working with our advisory panel on our work programme and analytical methods;
 - informing our analysis and methodological approaches by engaging widely with economic and fiscal analysts in Government and the private sector from across the UK and internationally;
 - continue to develop our website to deliver a wider range of information for different audiences; and
 - maintaining and developing our communications with external stakeholders.

Business objective 2: Ensure our governance and operational arrangements are fit for purpose and allow us to operate as a responsible, effective and transparent NDPB, while meeting statutory and other requirements

1.5 In 2018-19 we aim to achieve this by:

- facilitating and working with our Oversight Board, and maintaining and developing appropriate corporate processes;
- recruiting a new non-executive member and developing an induction for a new member of the Budget Responsibility Committee;
- maintaining corporate and human resources policies and processes that will facilitate the hiring, retention and development of a skilled, highly motivated and professional staff;
- develop our learning and development offer, in response to feedback in the annual staff survey;
- ensuring independent financial reporting and accounting arrangements are in place, and maintain appropriate internal controls, working with our independent qualified Financial Adviser and endorsed by the Audit & Risk Assurance Committee. In particular we will:
 - ensure we have appropriate processes in place to record and monitor all financial transactions;
 - record hospitality and expenses and publish those of the BRC on the website;
 - keep our budget under review on a monthly, quarterly and annual basis, and provide appropriate reporting to the Oversight Board;
 - ensure we have an agreed strategy to live within our multi-year financial settlement;
 - produce and publish audited annual accounts within our *Annual report and accounts*; and
 - review support service contracts ahead of renewal to ensure value for money and appropriate level of service.
- maintaining a security policy, business continuity plan and risk management plan that have been endorsed by our Audit & Risk Assurance Committee; and
- being transparent about the way we work and how we spend public funds, demonstrated by:
 - publishing our correspondence with Parliament and minutes of our Board meetings;
 - publishing a regular log of substantive contact that BRC members have with Treasury Ministers, Special Advisers and their private offices;
 - publishing records of hospitality and expenses of the BRC members, and all financial transactions over £500; and
 - publishing a transparent *Annual report and accounts*.

Staff

- 1.6 At full capacity, we have a headcount of 27 OBR staff supporting the BRC and non-executive members. Staff work flexibly across the department and across the analysis necessary for our published reports. The bi-annual forecast process is the biggest project, incorporating intensive input from all staff for two ten-week periods from mid-October to mid-March. The *Forecast evaluation report*, *Welfare trends report* and *Fiscal sustainability report* are less intensive but also require input from across the team.
- 1.7 As part of our delegated budget for 2018-19 we have been given access to funding from the Government’s Brexit preparations budget. This will allow us to recruit additional staff to undertake more detailed work in preparation for incorporating changes to the UK’s relationship with the EU once this has been agreed.

Budget Responsibility Committee



Graham Parker
CBE



Chairman
Robert Chote



Prof. Sir
Charlie Bean

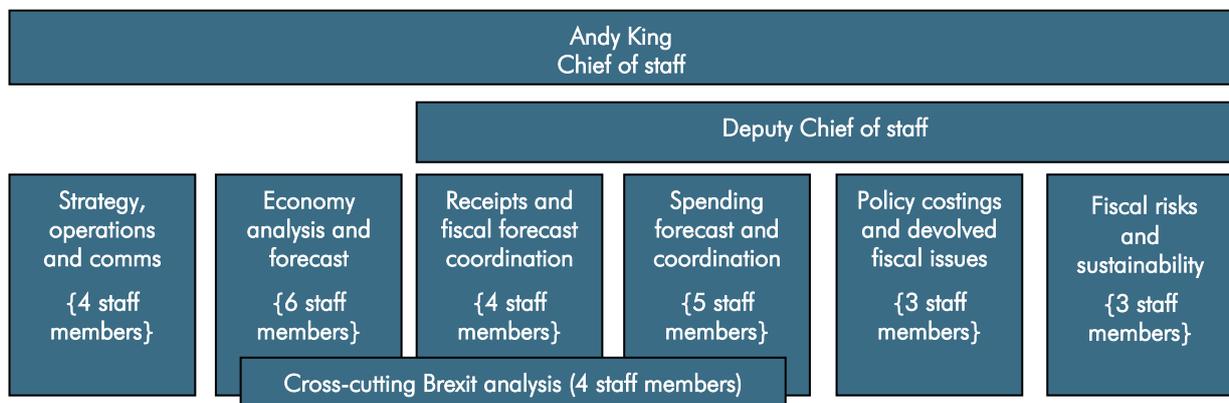
Non-Executive Members



Sir
Christopher
Kelly



Bronwyn
Curtis
OBE



Finance

- 1.8 In March 2016 we agreed a new multi-year financial settlement with the Treasury covering the years 2016-17 to 2020-21. A multi-year settlement allows us to be confident of our funding and plan across a number of years. Our funding settlement included an increased budget for additional members of staff to cover the new requirement for us to produce a (bi-annual) fiscal risks report and other recommendations of the Treasury review of the OBR, including increasing the capacity and resilience of our team.

- 1.9 In 2018-19, over 80 per cent of our expenditure is expected to be on staff costs. The next single largest component of expenditure is accommodation, which is expected to be around 10 per cent of our total budget.

2019-20 and beyond

- 1.10 At present we expect to deliver against our objectives in future years in the same ways as detailed above. There are some notable exceptions:
- We alternate between the *Fiscal sustainability report* and the *Fiscal risks report* to deliver the requirement to produce an annual analysis of the sustainability of the public finances. We will produce our second *Fiscal risks report* in 2019-20, following the publication of the Government's response to our first report, published in July 2017.
 - Our funding allocation for Brexit analysis is for the current financial year only. We will need to assess our need for further analysis ahead of next year's bidding round, which will be dependent on the outcomes of the eventual agreement between the UK and the EU.