

CULTURE COMMITTEE - CC-11-01(p.3)

Date: 20th June 2001

Time: 9.00am-12.30pm

Venue: Committee Room 1, National Assembly

BUDGET AND CORPORATE PLANNING ROUND 2001

Edwina Hart MBE AM

Our ref/Ein cyf:

Your ref/Eich cyf:

Chairs of Committees (see list attached)

And

Welsh Local Government Association

Welsh Council for Voluntary Action

CBI

TUC

May 2001

BUDGET AND CORPORATE PLANNING (BPR) ROUND 2001

I attach a paper (**Annex 1**), which I am circulating to all Committees and making available to partners today. The paper sets out how I intend to support the Assembly's planning and budgeting process for 2002-2003 onwards. This will be the third BPR since the Assembly was formed and I hope we can build on the experiences of the previous rounds.

There is not a Spending Review this year and we will therefore be conducting the BPR on the basis of the indicative spending plans set out in the Supplementary Budget approved by the Assembly on 29 March 2001. I do not expect to receive large bids for new spending but rather suggestions for reshaping or re-focussing the published plans. This year we will be focussing on the Partnership Agreement - *Putting Wales First*, betterwales.com and the targets in related planning documents. We will also be conducting the exercise on a resource basis rather than in cash terms and I have made separate arrangements to provide Committee Chairs with advice about how this will affect budgets.

One of the key budgeting issues I want to address is how to ensure that the amount of underspending each year is minimised. To this end it is proposed to look closely at existing baselines, especially those where underspending routinely occurs each year. The objective will be to seek profiles of expenditure that are more in tune with actual spending expectations. This will allow us to use the resources at our disposal far more effectively than we do at present.

In terms of the corporate planning process, there will need to be evidence of progress towards the strategic objectives in current published plans. In particular *Putting Wales First: a partnership for the people of Wales* and betterwales.com. Moreover, the Assembly needs to continue to refine and develop its strategic thinking and intends to publish a revised plan later this year. It will be an important part of the process this year to ensure the budgets clearly focus on the outputs that will be delivered. As we move towards the next Assembly elections, it will be important to focus on the results of its policies and priorities.

Edwina Hart