

**Education and Lifelong Learning Committee**

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**BUDGET AND CORPORATE PLANNING (BPR) ROUND 2002**

I attach a paper, 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 2003-2004 onwards.

It is a UK Spending Review year, in which the baselines for UK Government Departments are determined for the period 2003-04 to 2005-06. The outcome of the Spending Review for the Department of Health was announced in the Chancellor's Budget on 17 April and I have already announced that this additional money will be used for new and better ways for improving health. The outcomes for the remaining Departments are expected to be announced in July. This year's BPR will be conducted in the context of the 2002 Spending Review (SR2002) and there is every expectation that the Assembly's settlement will be a challenging one, with little or no change in 2003-04 baselines.

I do not therefore expect to receive large bids for new spending but rather suggestions for refocusing existing programmes to achieve our long-term aims. This year we will be focussing on targets set in *A Plan for Wales*, outstanding targets in the Partnership Agreement - *Putting Wales First* and as well as the targets in related planning documents. Like last year, we will be conducting the exercise on a resource basis rather than in cash terms.

In the last financial year we made significant progress on reducing the amount of annual under-spending that occurs across Assembly budgets. However, there are still a number of areas where under-spending is not yet under

control and I shall be looking closely at the existing baselines for these budgets.

I shall also be looking at what progress has been made in mainstreaming equal opportunities into all the Assembly's activities.

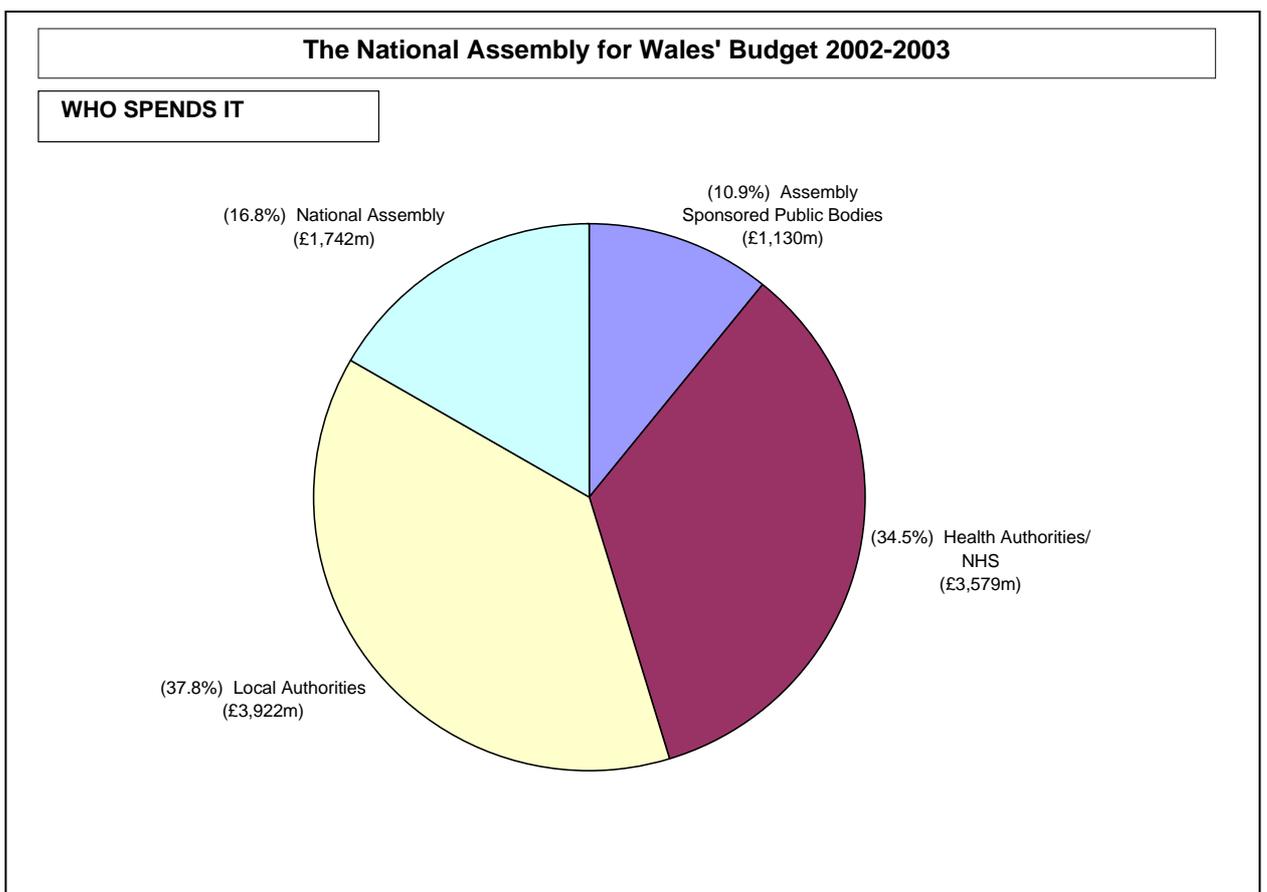
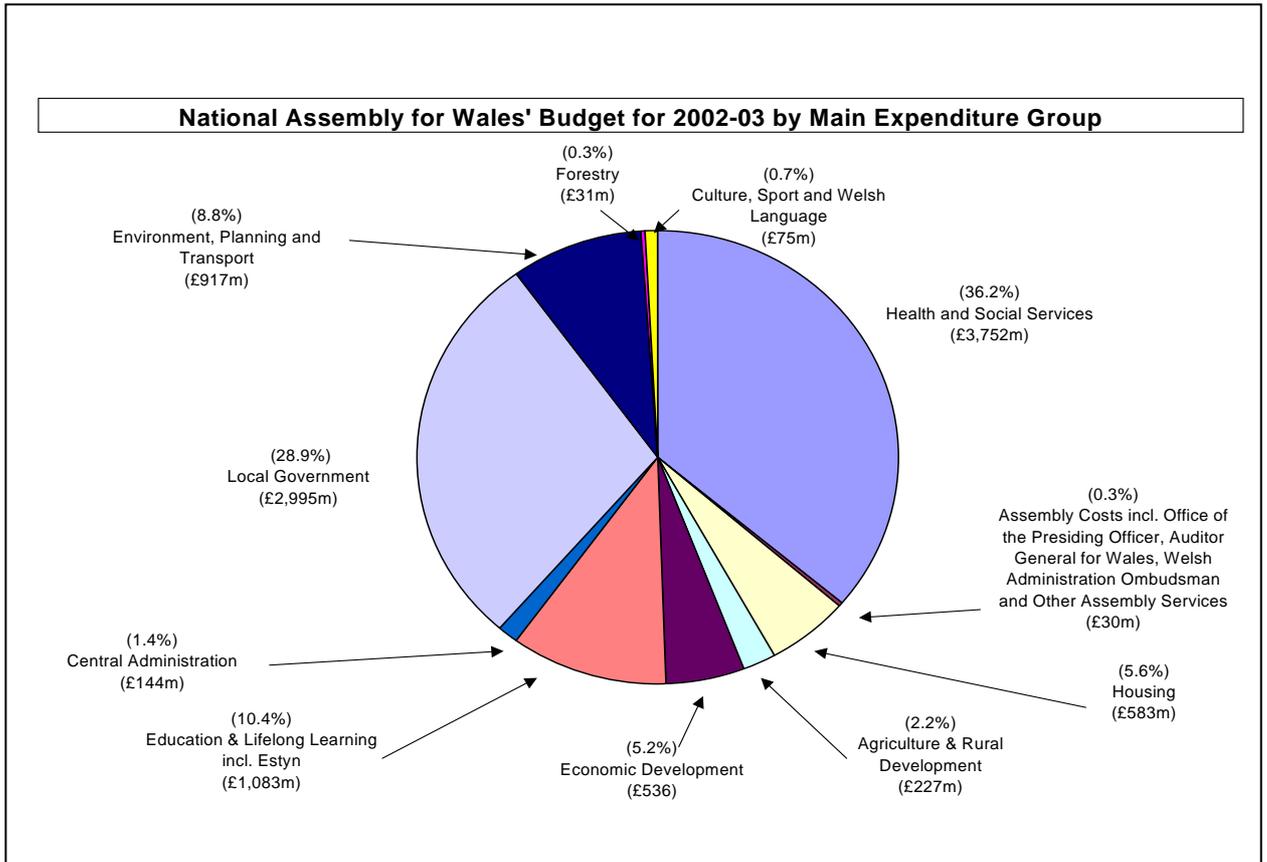
## NATIONAL ASSEMBLY FOR WALES

### COMMISSIONING PAPER FOR THE 2002 BUDGET PLANNING ROUND

#### Introduction

1. This paper describes the plans for the 2002 budget round and formally sets in motion the budget process under Standing Order 19.
2. **Assembly Committees and other partners are requested to respond to this, and any subsequent papers that Ministers may issue by 16 July at the latest.** This will assist the Finance Minister to draw up the draft budget in September.
3. The main aims for this round are:
  - to measure progress and focus on delivering against existing key targets, including those in *A Plan for Wales* and *Putting Wales First: A partnership for the people of Wales* ;
  - to continue to test the effectiveness of our existing performance within existing budgets;
  - to identify emerging pressures;
  - to look ahead, and provide positive ideas for meeting medium to long terms objectives to create a better Wales.

## The financial background



4. In terms of the main service areas, [almost 47 per cent] of the Welsh budget is spent on health, personal social services and education.

### **Issues for consideration**

5. Like last year, we would like all committees and partners to consider the following issues as they relate to their areas of interest –

#### *Sustainable Development*

- How well is current work contributing towards sustainable development and in particular the integration of its social, economic and environmental aspects?

#### *Social Deprivation*

- How far is current work addressing deprivation? For background see the new index of deprivation. Particular issues include:
  - how work might change to reflect the proposals for a Communities First programme which bring funding from different sources together;
  - whether there is sufficient consistent focus on the needs of children and young people; and
  - the extent to which support is made available for older people.

#### *Equality*

- What progress has been made during the last financial year towards mainstreaming equal opportunities to meet the aims of the Assembly for equality of opportunity?
- What steps could be taken to improve performance?

### *Simplification*

- Significant progress has been made over the last 12 months in reducing bureaucracy. What scope is there for further reductions?

### *Delivery*

- Are the current delivery mechanisms the most suitable and effective to deliver the Assembly's goals? In particular:
  - could more use be made of the voluntary sector?
  - Is the role of the sponsored bodies the right one?
  - What barriers remain to effective joint working?

### **Handling the budget planning round**

6. The main elements are:

#### *Position Papers from Ministers*

7. This commissioning note gives committees and partners early notice of the BPR process. Ministers will bring forward position papers later.

8. The papers will give a view on:

- performance during 2001-2002;
- report on progress, barriers and issues in achieving the key existing 2004 targets, eg in *A Plan for Wales*; and

- report on progress with *Putting Wales First*.

### *Draft Budget*

9. In the light of the views received, the administration will bring forward a draft budget for consideration in October. This is required under Standing Order 19.2. This will allow Committees and other interested parties to make comments on the proposed allocations.

### *Final Budget*

10. In accordance with Standing Order 19.3, the aim is to set a final detailed budget in late October. This will allow recipients of funding plenty of time to plan for their programmes.
11. Committees and formal partners should respond to the relevant Minister.
12. All other partners, individuals and organisations should respond to:

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