

**ANGUS COUNCIL**

**EDUCATION COMMITTEE - 21 NOVEMBER 2000**

**2000/2004 FINANCIAL PLAN AND 2001/02 CAPITAL BUDGET**

**REPORT NO. 1105/00**

**REPORT BY THE DIRECTOR OF FINANCE**

**ABSTRACT**

This report advises the Committee of the latest position with regard to the preparation of the 2000/2004 Financial Plan (incorporating the 2001/2002 capital budget) for the Education department. Appended to the report are the departmental Financial Plan submissions for 2000/2004 as returned to the Director of Finance and subsequently reviewed by the Technical Validation Group.

**1. RECOMMENDATIONS**

The Committee is asked only to note the contents of this report for its interest at this stage in the Financial Plan process. More detailed reports with specific recommendations will be brought forward later in the Financial Plan cycle.

**2. BACKGROUND**

The 2000/2004 Financial Plan preparation procedures were outlined in report 684/00 and approved by the Finance & Information Technology Committee of 13 June 2000. The 2000/2004 Financial Plan Guidance issued to Chief Officers required departmental submissions to be returned to the Director of Finance by 13 October 2000.

**3. FINANCIAL PLAN REVIEW PROCESS**

The review process for each departmental Financial Plan submission is separated into three distinct stages - a Technical Validation Group (TVG), the Capital Budget Sub Group (CBSG) and a Budget Review Group (BRG). This allows the technical and strategic issues arising during the budget process to be focused on independently in more suitable forums.

Technical Validation Group

The departmental Financial Plan submissions form the basis for preparing a set of summary budget papers, for review by the TVG - an officer group chaired by the Finance department's Head of Financial Services. TVG meetings are held in late October / early November to review the accuracy and adequacy of Financial Plan submissions in relation to the guidance issued by the Director of Finance.

Capital Budget Sub Group

The CBSG, an officer group chaired by the Chief Executive, concentrates on strategic issues relating to the Financial Plan process. Meeting on 1 December 2000, the CBSG will consider Financial Plan submissions, and the 2001/02 capital budget in particular, in light of estimated capital resources. The CBSG will subsequently put proposals to each department's Budget Review Group meeting regarding departmental programmes for 2001/02.

Budget Review Group

Departmental Financial Plan submissions and any proposals made by the CBSG will be considered at the respective BRG meeting - an officer group chaired by the Chief Executive. BRG meetings will take place on 6 and 7 December 2000.

#### **4. DEPARTMENTAL FINANCIAL PLAN SUBMISSION**

Departmental Financial Plan submissions (attached at Appendix A) have been submitted to the Director of Finance in response to target submission levels established by the CBSG. These target submission levels allow departments to concentrate on those projects which have a realistic prospect of being undertaken in the foreseeable future.

It should be noted that as the 2000/2004 Financial Plan is still subject to the budget review process, the expenditure detailed in the Appendix is very much provisional in nature and may be subject to alteration as the budget process progresses.

#### **5. GOVERNMENT ANNOUNCEMENTS**

The level of Section 94 Consent to be awarded to the Council for 2001/02 is not expected to be announced until early December, at the earliest. A report in respect of this will be submitted to Committee at the appropriate time detailing the impact on Angus Council and any action which may be necessary.

#### **6. CONSULTATION**

The Chief Executive, Director of Law and Administration and Director of Education have been consulted in the preparation of this report.

#### **7. CONCLUSION**

The 2000/2004 Financial Plan preparation process is now well underway and all Financial Plan submissions have been returned to the Director of Finance. The next key stage in the process will be the meeting of the Capital Budget Sub Group to review Financial Plan submissions in light of estimated capital resources and put proposals to the Budget Review Group regarding departmental programmes for 2001/02. Thereafter, the Budget Review Group meetings will consider the Financial Plan submissions and any proposals put forward by the CBSG and report back to the relevant service committees any adjustments deemed necessary.

DAVID S SAWERS  
Director of Finance

**NOTE:** No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.