
Meeting: Executive
Date: 28 September 2010
Subject: Quarter 1 Budget Management Report 2010
Report of: Customer & Central Services Overview & Scrutiny Committee
Summary: The report proposes a number of recommendations for Executive consideration following a review of the Council's Budget Monitoring Report for Quarter 1 of 2010/11 by the Customer & Central Services Overview & Scrutiny Committee at its meeting on 6 September 2010.

Advising Officer: Richard Ellis, Director of Customer & Shared Services
Contact Officer: Bernard Carter, Overview & Scrutiny Manager
Public/Exempt: Public
Wards Affected: All
Function of: Executive
Key Decision No

CORPORATE IMPLICATIONS

Council Priorities:

The recommendations will contribute indirectly to all 5 Council priorities.

Financial:

n/a

Legal:

n/a

Risk Management:

n/a

Staffing (including Trades Unions):

n/a

Equalities/Human Rights:

n/a

Community Safety:

n/a

Sustainability:

n/a

RECOMMENDATION(S):

- 1. That the Executive reiterates the need for budget managers to be fully responsible and accountable for the development, accuracy and monitoring of their own budgets and that this responsibility be explicitly included as a target within relevant staff Performance Development Reviews (PDR); and**
- 2. That the Executive take steps to improve the SAP reporting system and associated training to ensure the timeliness and accuracy of budget monitoring reports.**

Reason for Recommendation(s): So that the Council's budget monitoring system and processes can be improved further.

1. At its meeting on 6 September 2010 the Customer & Central Services Overview & Scrutiny Committee received and considered the Quarter 1 Budget Management Report 2010 prepared by Cllr Maurice Jones, Portfolio Holder for Finance, Governance and People, which had originally been considered by the Executive on 17 August 2010. The Committee also considered the more detailed Quarter 1 Budget Management reports for the Office of the Chief Executive and the Directorate of Customer & Shared Services.
2. During consideration of these reports Members of the Committee made a number of comments regarding their form and content and sought assurance from the Portfolio Holder that the accuracy of the data therein and the quality of the commentary provided would be improved in the future (It was the Committee's opinion that year end forecasting was overly pessimistic, reflecting as it did worse case scenarios rather than knowledge based expectations, with commentary regarding budget variations deficient in its explanation of the underlying causes). The Portfolio Holder was content to provide such assurance and agreed that the Quarter 2 (and subsequent) reports would take account of the comments made.
3. In addition to these comments, Members of the Committee also discussed a number of recommendations for Executive consideration today, which centred on the need to improve further the accountability of budget managers for their own budgets and provide them with the necessary tools (including timely and accurate reports) and training to be able to undertake this task effectively – an issue that had been raised previously by the Budget Task Force and included in its final recommendations considered by the Executive at its meeting on 8 June.

4. At the end of the discussion, Members of the Committee agreed to submit the following 2 recommendations to the Executive:-
 - (i) That the Executive reiterates the need for budget managers to be fully responsible and accountable for the development, accuracy and monitoring of their own budgets and that this responsibility be explicitly included as a target within relevant staff Performance Development Reviews (PDR); and
 - (ii) That the Executive take steps to improve the SAP reporting system and associated training to ensure the timeliness and accuracy of budget monitoring reports.
5. The Executive is therefore asked to consider and approve the above recommendations today so that officers can take steps to implement them at the earliest possible opportunity.

Appendices:

None

Background Papers: (open to public inspection)

Q1 Budget Management Report 2010 considered by Executive on 17 August 2010

Location of papers:

Priory House, Chicksands