

Financial Reporting – Budget Holder Projections

Note on Methodology

Financial Management Reporting

At the end of each accounting period, summary financial data is downloaded by Accountancy Services to a reporting database. The database's many tables that are linked through queries provide the means for a range of management reports to be produced, tailored according to the level of detail required and the position of the recipient in the Social Services Directorate. Reports range from detailed cost centre reports for individual budget holders to high level summary reports that are considered by the management team.

All reports provide comparison of actual spend and commitments against budget.

Budget Holder Projections – Minimum Corporate Standard

The County Council's minimum standard is that all budget holders should input projections of outturn against each budget to the Council's ledger on a monthly basis. In Social Services, this is difficult to coordinate in order that monthly management reporting remains accurate and complete. (There are approximately eighty budget holders with different levels of responsibility within the Directorate's Financial Scheme of Delegation and over 8,000 individual budget lines.)

There are eight Resource Managers who provide localised financial support to operational managers / budget holders across the Social Services Directorate. Each month, the reporting database creates eight files corresponding with the service areas supported by Resource Managers. These reports are downloaded automatically to spreadsheet templates that are emailed to Resource Managers.

The projections files that are created in this way contain a maximum of three projections lines for each cost centre : aggregate totals for each of employees costs, running expenses and income.

Resource managers are given two weeks to update projections that were entered in the previous months in the template spreadsheets and these are returned to the Accountancy Team. Although Resource Managers are responsible for ensuring that projections are completed to timescale, responsibility for the accuracy of projections lies with budget holders. The Accountancy Team coordinate this monthly activity and then upload projections to the Council's ledger using a batch load routine.

Through this process, each month's management reports that are produced also include projections of outturn made locally against budget across the Directorate's gross budget which stands in excess of £200 million. The same projections data is reported to individual budget holders, local management teams, the Directorate's Management Team and the Council's Executive.

This system of reporting provides all tiers of management with the financial information that is required to identify significant variances to plan and take remedial action as appropriate. The issue of local projections not matching those made by accountants is removed !

Future Improvements

Through improved training and better access to IT, it is hoped that individual budget holders will become empowered to input their own projections of spend against budget directly the Council's ledger.