

Policy Reference Number:	1.41
Classification:	General
First Issued/Approved:	9 June 2015 (Res. 487/2015)
Review Frequency:	After the general election – every 4 years
Last Reviewed:	9 April 2019 (Res 419/2019)
Next Review Date:	April 2020
Responsible Officer:	Chief Executive Officer
Applicable Legislation:	
Relevant Policies:	
Related Procedures:	
Compliance Standard:	

Purpose

This policy provides clear direction to management and staff in relation to amending and reporting performance against Council's adopted budget.

Scope

The intention of the Budget Reporting and Amendment Policy is to provide management with a framework to operate within in regard to the following:

- The content, timing and process to be followed for reporting to Council on its performance against budget;
- The scope and conditions associated with the Chief Executive Officer approving variations in activity (that are within the scope of the approved budget allocations) without obtaining Council approval; and
- The process required to be followed as well as general guidelines in relation to the carrying forward of expenditure authority associated with projects included in the budget for the previous year.

Timing and Content of Budget Reporting to Council

A Finance Report is to be prepared and included in the agenda of the Ordinary Meeting of Council every month. The report will highlight at summary level budget activity for the year to date, original and revised budget information, and include the latest revised forecast of expected budget results for the year.

Approval of Variations outside the scope of the Budget

Council approval must be sought and obtained before commitments are made that would result in activity outside of the budget limits.

In considering a request for a revision to its budget, Council will consider the impact the approval would have on the achievement of the targets for financial indicators established in Council's original budget. It will also consider the capacity to increase other revenue or reduce other expenditure (either of a corresponding operating or capital nature as appropriate) to offset

the variation and the merit of so doing.

Approval of variations within the scope of the Budget

Where circumstances so warrant (e.g. for reasons of urgent necessity), the CEO may in consultation with the Principal Member authorise variations in activity that are within the scope of approved limits for budget items providing that variations made do not:

1. in aggregate exceed threshold value limits for that function/activity outlined in the Budget;
2. materially impact on the quality, quantity, frequency, range or level of service previously provided for or implicitly intended in the original allocation; and
3. impact on any explicit proposals Council has included in its Annual Business Plan or has otherwise publicly committed to and accommodated in its budget.

Whenever such changes are made, the following Budget Update must include information from the CEO explaining the rationale for the decision.

Guidelines in relation to the carry forward of expenditure authority associated with projects included in the budget for the previous financial year.

Funding approval for budgeted activity not completed at the end of any budget year is forfeited unless approval to carry-over the activity and associated budget allocation is granted by Council.

While there may be one-off exceptions, operating activity budgeted for but not expended in a year generally should not be carried forward to the following year. Identifiable projects that will not commence in the year that they have been budgeted for should be re-evaluated and where warranted included in the budget for the following year at the time of its adoption. Similarly capital projects that have not commenced in one year should be considered against other competing priorities in determining the content of the budget for the following year rather than treated separately as 'carried forwards'.

The scope and funding requirements of capital projects and major operating-type activities that are committed or underway but not completed at the end of one-financial year needs to be reviewed and the projects/activities considered for carrying forward as soon as possible in the following financial year.

FURTHER INFORMATION

This policy will be available for inspection at the Council offices listed below during ordinary business hours and available to be downloaded, free of charge, from Council's internet site: www.robe.sa.gov.au

Royal Circus, Robe SA 5276

Copies will be provided to interested parties upon request. Email council@robe.sa.gov.au

Any grievances in relation to this policy or its application should be forwarded in writing addressed to the Chief Executive Officer of Council.

POLICY REVIEW

This policy may be amended at any time and must be reviewed at least every four years since its adoption (or latest amendment).