

Introduction to Budget Manager

Version Control

Version	Author Name	Comments	Date
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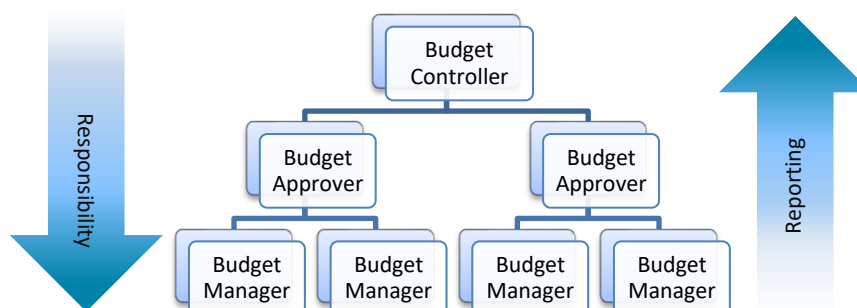
Collaborative Planning, known as Budget Manager, is the software used to monitor and control income and expenditure within Cumbria County Council.

Managing the Council's Budget

The Council's planned income and expenditure for the coming year is set out in its Budget. This is normally approved in February for the year from April to March.

Responsibility for managing the budget effectively and ensuring that total spend does not exceed the approved budget is allocated to Corporate Directors. Responsibility for specific areas is delegated through the Council to individual Budget Managers.

Budget Managers report on their specific areas of responsibility back up through the Council hierarchy.



Models

Budget Manager is the tool used throughout the Council for this management process. It has 4 models, used to forecast or to monitor spend, and dealing with either revenue or capital spend.

	Revenue Spend	Capital Spend	Note
Forecasting	CC REVENUE	Capital Project Model	<i>Write models, used to forecast</i>
Enquiry	BM ENQUIRY	Capital Enquiry	<i>Read only models, for information</i>

Dependent on their role in the Council, users may have access to only one model – or to all four.

Forecasting models

Budget Manager's main function is to enable staff to monitor and manage budgets. The Council's forecasting cycle means that spend and forecast are continuously monitored throughout the Council.

At the end of each month, Budget Manager reports on actual spend against budget for the previous period, and also estimates what the full year spend will be. This is the forecast for the year, which is then compared to the full year budget.

Budget holders can review actual spend so far. As the people on the ground, they are best placed to know if and why spend is not in line with what is planned. Known variations can be explained and unexpected variations identified, investigated and corrected (if required).

In this way, where spend is not as planned, it can be managed on a timely basis. If required, budget transfers may be approved or recovery plans implemented during the year.

Enquiry Models

Within Budget Manager there are also 2 read-only enquiry models, one for revenue and one for capital spend. These are updated daily with details of spend from the e5 accounting system.

In Budget Manager, users can look at details of spend at individual transaction level and can look at images of specific invoices. In this way, they can see what is included in the figures and can query items not in line with their knowledge and expectations.

Forecasting Cycle

Forecasts are updated each month. Budget managers throughout the Council work with the Budget Manager software which uses information from the e5 accounting system.

At the end of each month, Finance staff have **3** working days to make month end adjustments. These are input into the e5 accounting systems and imported into Budget Manager. Based on actual spend and Finance forecast adjustments, Budget Manager produces a forecast of full year spend. This initial forecast figure is a starter for managers to review and amend.

After the 3 day Finance window, forecasting passes to individual Budget Managers. This is for revenue expenditure. For capital costs, these individuals are called Project Leads. They have a window of **5** working days to input and/or comment on forecast spend for the year.

At the end of the Budget Manager/Project Lead window, forecasting passes to Budget Approvers - these are the Assistant Directors (Revenue) and Project Managers (Capital). They also have **5** working days to review, input and/or comment on forecast spend for the year.

Finally, the forecasting window passes to Budget Controllers – These are the Corporate Directors (Revenue) and Assistant Directors (Capital). They have **5** working days to review, input and/or comment on forecast spend for the year.

Once each window has closed, data is locked and only the next level up in the hierarchy can then make any adjustments. As the authorisation level increases, the level of detail provided in Budget Manager decreases.

Budget Manager term	CCC Revenue role	CCC Capital role	Available days	Time elapsed since month end
	Finance	Finance	3	3
Budget Manager	Budget manager/Devolved Budget Manager	Project Lead	5	8
Budget Approver	Assistant Director	Programme Manager	5	13
Budget Controller	Corporate Director	Assistant Director	5	18

In this way, after 18 working days, forecast spend throughout the Council has been subject to a process of review and authorisation at ascending levels through the Council hierarchy. The forecasting process for the month is complete and forecast information for the Council as a whole can be taken to the CMT or Council Cabinet.