

POLICY: CORP-F-008 BUDGET AMENDMENT

PURPOSE

The Budget Amendment Policy provides clear direction to management and staff in relation to amending Councils adopted budget.

DEFINITIONS

CEO – Chief Executive Officer

OCM – Ordinary Council Meeting

STATEMENT

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

- The scope and conditions associated with the CEO approving variations in activities (that are within the scope of the approved budget allocations) without obtaining Council approval.

This policy applies to all departments having funds appropriated in the annual budget.

- Departments are responsible for monitoring their budgets and determining if a budget amendment is necessary.
- The Finance Department manages the budget amendment process and prepares reports for Council consideration as required.

1. Procedure to amend the Council's Adopted Budget

A Budget Amendment request will follow the following procedure:

- 1.1 The Responsible Officer will complete a budget amendment request form available from the intranet, ensuring it is within the delegated authority of the CEO and send it through the applicable workflow in ECM.
- 1.2 The ECM workflow will process the amendment request through the applicable Manager, Director, the CEO and onto Finance for budget amendment..
- 1.3 The applicable Manager and Director will review the Budget Amendment request for accuracy and impact on any explicit proposals Council has included in its Annual Business Plan or has other wise publicly committed to and accommodated in its budget then forward it on to the CEO through the workflow process. Once the CEO has approved the amendment the Finance Department will process the budget amendment and present the request in a report at the next available OCM.

2. CEO authority to approve minor budget amendments

In considering a request for a revision to its Budget, the CEO will consider the impact the approval would have on the achievement of the targets for financial indicators established in Councils original Budget. The CEO will also consider the capacity of the increase or reduction of revenue or expenditure (either of a corresponding operating or capital nature as appropriate) to offset the variation and the merit of so doing. Where circumstances so warrant (e.g. for reasons of urgent necessity) the CEO may authorise variations in activity that are within the scope of approved limits for budget items providing that variations made do not:

- 2.1 Materiality impact on the quality, quantity, frequency, range or level of service previously provided for or implicitly intended in the original allocation; and
- 2.2 Impact on any explicit proposals Council has included in its Annual Business Plan or has other wise publicly committed to and accommodated in its budget.
- 2.3 Exceed the value of \$25,000

3. Reporting Budget Amendments

A list of approved budget amendments authorised by the CEO will be presented to Council each month in the matter for information agenda item, including information about the “to” and “from” GL accounts / jobs, value of the amendment, and an explanation why the budget amendment was necessary.

Relevant Documents