
REPORT TO THE GOVERNANCE & AUDIT COMMITTEE
MEETING ON: 27th JULY 2016

Status: Consultation
Title: KPMG - Local Government Budget Survey
Originator: Head of Finance and Corporate Services (S.151 Officer)
Where from: N/A
Where to next: N/A

1 Outcome Sought from Committee

- 1.1 To consider options the Attached KPMG report 'Local Government Budget Survey' which sets out the results of a survey completed in 2015 and the assumptions and techniques that Councils apply in their financial planning and subsequent monitoring. KPMG raise a series of questions that Councils may want to consider in the context of their own organisation.

2 Recommendations

- 2.1 Note the Local Government Budget Survey as set out in Appendix A and make suggestions/recommendations on how this should be applied within the Council.

3 Background

- 3.1 In a KPMG report in 2011 'The Brilliant Local Authority of the Future; they concluded that 'in an age of austerity and iron-like grip on the organisation's financial position will be imperative....This will entail a focus on management accounting and understanding the financial and operational performance of all parts of the business' This report details research from 97 local authorities.
- 3.2 Reductions in core Government funding in the last parliament and this parliament means that financial risks and rewards continue to be localise. This has a consequential impact that budgets need to become more and more flexible and responsive to changes within financial years.

4 Points for Consideration

- 4.1 The report raises a series of questions for Members to consider in arriving at key budget decisions, their monitoring and sensitivity to both external and internal challenges. This is a national report, therefore the findings and questions derive from analysis of both upper tier and lower tier Councils.

Therefore, some of the questions will have more relevance to the District Council than others.

- 4.2 Each year the S151 officer reports to Budget Council on the robustness of the budget assumptions. This report will be used to inform the budget process for 2017/18 and can form a basis for budget scrutiny in January by Members. The S151 Officer will verbally answer any queries on the 2016/17 approved budget that Members may have at the meeting.

5 Equality Impact Assessment

- 5.1 None arising directly from this report.

6 Conclusions

- 6.1 The report complements the analysis already undertaken by the S151 officer and reported annually to budget Council. The series of questions provides a useful aide-memoir to Members in scrutinising the Council's financial planning and monitoring arrangements
-

Previous report(s):

Information Issued Under Sensitive Issue Procedure: *N*

Ward Members Notified: