

INTRODUCTION

The Budget Booklet is produced with a number of users in mind. It pulls together the Council's finances, performance, vision and values. It is also an internal working document for elected Members and the officers who are responsible for ensuring that the Council's policies and spending plans reflected in the budget are met. For Departmental managers the budget information is held electronically at greater levels of detail and analysis in order to provide the necessary control information needed for day-to-day activities.

In December 2003 the first phase of a new corporate financial management system was implemented. The revised budgets for 2006/07 and budgets for 2006/07 have been produced using the new system functionality which has improved both the preparation and analysis of budget information which is needed to plan, control and monitor the Council's revenue spending on services which now exceeds £675 million gross.

The Council's budgetary control procedures are carried out by responsible budget officers for every area of financial activity. The process is designed to sharpen control by delegating responsibility down to the staff who place the orders for goods and services, and to eliminate waste and duplication throughout. At the same time the framework of accountability encompasses flexibility for local managers of services and gives a wider discretion to use the financial resources under their control than would have been possible under a more traditional centralist approach. To facilitate this the Council allows Chief Officers maximum flexibility in the use of budget virement and delegated responsibilities in order to manage Departmental budgets within overall cash limits and in compliance with the concepts of Best Value.

This process is underpinned by the production of regular budget monitoring reports to the Executive Cabinet distinguishing between budgets under direct control and those, which are centrally allocated. This process allows earlier recognition of budgetary problems and where possible corrective action to mitigate identified overspendings. We aim to identify, quantify and manage risks to our strategy.

Finally this document discusses in some detail the preparation of the Budget, the impact of central financing mechanisms and the local determination of needs and resources in accordance with the Council's overall policies.

It is hoped that external readers of this booklet will also find the information presented here of value in understanding the Council's finances, the Council's budget process set against the national scene, the way in which financial resources are allocated between the competing demands of the services, and between the various 'inputs' of staff, premises, transport etc. within budgets for 2006/07. The budget book is also available on the Council's web site at www.wiganmbc.gov.uk

My thanks go to my dedicated team of finance staff who have worked hard to produce the budget for 2006/07 and to colleagues in other Departments who have helped in the process.

David J. Smith, M.A. Ph.D, C.P.F.A.

Director of Finance and Information Technology
March 2006