

Unit Title: Manage budgets

OCR unit number 421
 Sector unit number T/601/2580
 Level: 4
 Guided learning hours: 29
 Credit value: 5

Unit purpose and aim

This unit is about managing and monitoring a budget for a department or section within an organisation.

Learning Outcomes	Assessment Criteria	Exemplification
The Learner will: 1. Understand the purpose of budgets	The Learner can: 1.1 Explain the purpose and benefits of managing financial resources effectively and efficiently 1.2 Identify legal, regulatory and organisational requirements for managing a budget 1.3 Describe different types of budgetary systems and their features	Learning outcome 1 to 3 must be assessed using methods appropriate to the assessment of knowledge and understanding. A holistic approach to assessment should be adopted so that one piece of evidence covers more than one learning outcome and several assessment criteria.
2. Understand how to manage budgets	2.1 Describe methods for monitoring, controlling and recording income and expenditure 2.2 Describe ways in which costs may be minimised in own area of responsibility 2.3 Identify situations in which corrective action may be needed 2.4 Describe the scope of own authority for managing a budget and authorising expenditure	
3. Understand how to report	3.1 Explain the purpose and	

performance against budgets	<p>benefits of reporting information on performance against budget</p> <p>3.2 Explain how to check the accuracy of budget calculations</p> <p>3.3 Explain the purpose and benefits of recording information that will help with the future preparation of budgets</p>	
4. Be able to manage budgets	<p>4.1 Control budget performance within limits and deadlines</p> <p>4.2 Analyse and take action to minimise costs where possible</p> <p>4.3 Take corrective action to make sure of best value for money</p> <p>4.4 Authorise expenditure within the scope of own authority</p>	Assessment should be planned to maximise the opportunities for the candidate to demonstrate their ability to manage budgets.
5. Be able to monitor budgets	<p>5.1 Record transactions, as required</p> <p>5.2 Produce information on performance against budget, when required</p> <p>5.3 Make sure all calculations are accurate</p> <p>5.4 Record information that will help with the preparation of future budgets</p>	

Assessment

This unit is centre assessed and externally verified. A holistic approach to assessment should be adopted so that one piece of evidence covers more than one learning outcome and several assessment criteria and where appropriate, provides evidence across several units. Your assessor will use a range of assessment methods which may include:

- observation of performance in the work environment
- examination of work products
- questioning the learner
- discussing with the learner
- use of others (witness testimony)
- looking at learner statements
- recognising prior learning

Evidence requirements

A range of evidence should be gathered to cover the Learning Outcomes and Assessment Criteria. Examples may include:

- Budgets, financial records
- Monitoring records
- Budgetary analysis
- Communications relating to budget changes
- Budgetary control reports
- Minutes of team and management meetings
- Minutes of 1 to 1 meetings
- Information and guidance on preparation of budgets

Guidance on assessment and evidence requirements

Refer to sections on Assessment and Evidence requirements above.

National Occupational Standards (NOS) mapping/signposting

This unit is based on the NOS BAA533 Manage budgets.

Functional skills signposting

This section indicates where candidates may have an opportunity to develop their functional skills.

Link to functional skills standards <http://www.qcda.gov.uk/15565.aspx>

Functional Skills Standards					
English		Mathematics		ICT	
Speaking and Listening	✓	Representing	✓	Use ICT systems	✓
Reading	✓	Analysing	✓	Find and select information	✓
Writing	✓	Interpreting	✓	Develop, present and communicate information	✓

Resources

Access to a working environment with associated equipment and resources

Additional information

For further information regarding administration for this qualification, please refer to the OCR document '*Admin Guide: Vocational Qualifications*' (A850) on the OCR website www.ocr.org.uk .