

CYNGOR SIR POWYS COUNTY COUNCIL.

**Full Council
22nd July, 2022**

**REPORT AUTHOR: County Councillor David Thomas, Cabinet Member for
Finance and Corporate Transformation**

REPORT TITLE: Revenue Virements

REPORT FOR: Decision

1. Purpose

1.1 This report sets out a Cabinet recommendation to Council for two virements that were approved on the 5th July 2022. They relate to the use of surpluses at the 2021/22 year end, to address specific requirements in relation to replacement vehicles.

2. Advice

2.1 The Revenue Outturn Position as at the 31st March 2022 was reported to Cabinet on the 5th July, with agreement that the surplus be transferred to a number of agreed reserves. There were two virements over £500k proposed in that report and following Cabinet agreement these are now recommended to Council for approval.

2.2 A Virement is the process of amending budgets during the financial year, which requires approval, as it is the transfer of funds outside the agreed budget set for the year. Virement authorisation limits over £500k require sign off by the Head of Service, the Section 151 Officer and Full Council.

2.3 Revenue virements have been requested for the following items:

2.3.1 Vehicle Replacement Reserve - The Fleet Management Services reported an underspend against depreciation charges of £1,054,400 (due to delayed replacement of the waste and recycling vehicles and keeping existing vehicles longer). The service has asked to utilise this underspend with an additional contribution to the vehicle replacement reserve to assist in managing the increasing pressure on the transport fund arising from significant inflation on purchase costs and where possible this funding will be used to purchase "green" vehicles.

2.3.2 Vehicle Replacement Reserve - During the year, Fleet Management Services generated £226,086 of income from the sale of vehicles/equipment, and it is requested that this be transferred to the vehicle replacement reserve to be used to fund the purchase of future vehicles and/or equipment, where possible this funding will be used to purchase "green" vehicles.

3. Resource Implications

3.1 The Head of Finance (Section 151 Officer) supports the recommendation and notes that the Fleet Management Service will utilise this underspend to assist in managing the increasing pressure on the transport fund.

4. Legal implications

4.1 The Monitoring Officer has no specific concerns with this report.

5. Data Protection

5.1 The proposal does not involve the processing of personal data.

6. Comment from local member(s)

6.1 This report relates to all service areas across the whole County.

7. Integrated Impact Assessment

7.1 No impact assessment is required

8. Recommendation

8.1 That Council approve the two virements set out in section 2.3 transferring the funds to the specific reserve.

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