

# CYNGOR SIR POWYS COUNTY COUNCIL.

Full Council  
18th May 2023

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

**REPORT TITLE:** Revenue Virements

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**REPORT FOR:** Decision

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## 1. Purpose

1.1 For council to consider a number of virements which have been recommended for approval by Cabinet on the 18<sup>th</sup> April 2023.

## 2. Advice

2.1 The Revenue Outturn Forecast as at the 28<sup>th</sup> February 2023 was reported to Cabinet on the 18<sup>th</sup> April, 2023. The report included budget virements which Cabinet approved for consideration and approval by Council.

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 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 **School transport** has been significantly affected by a 9% inflationary rise on contracts in September 2022 due to the wider economic conditions, this has resulted in a budgetary pressure of £270,000 on school transport costs in the 2022/23 financial year. The service was also targeted with generating a saving of £549,000, however plans to deliver this saving were delayed and are expected to be concluded in early 2023/24; the £549,000 savings target is therefore reported as unachieved in the 2022/23 financial year.

The service has an unapplied Bus Emergency Support Grant of £2.7 million which has been rolled forward from 2021/22, this grant is available to support public transport costs. In order to mitigate the effect of the inflationary pressure and unachieved saving on the Council's budget, the service are requesting to use this unapplied grant to support public transport costs thus releasing base budget to address the other financial pressures. It is therefore proposed as a one off temporary measure to vire £834,190 from public transport to the school transport budget, and to vire £834,190 of the Bus Emergency Support Grant to fund public transport.

### 2.3.2 Adult Social Care

- When the Business Support Units were disbanded and transferred back to the service in Adult Social Care the budget was transferred to the Commissioning for Adults & Childrens service area. The virement proposed now transfers the budget of £804,970 to the Administration & Finance staffing budgets within Adult Social Care to align it under the correct line management and budget holder responsibilities. This is a simple transfer of staffing budgets and has no wider implications.
- Social Care were provided with funding of £2.3 million in 2022/23 to support the implementation of the Real Living Wage (RLW) for Care Support staff employed by external providers. The budget was originally held under the 'Head of Service Operations' until the precise allocations were finalised. The virement proposed transfers £2 million of the budget to the respective service area cost centres in both Adults and Childrens to support the expenditure incurred following the completion of the work. It is also proposed that the underspend of £0.3 million against this budget be set aside in a specific reserve to be utilised to support the RLW uplift required in 2023/24.

### 3. Resource Implications

- 3.1 The Head of Finance (Section 151 Officer) supports the recommendation which ensures that budgets are correctly aligned, and that grant funding is utilised effectively to support the Councils financial position.

### 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 virements set out in section 2.3 to comply with the relevant financial regulations.

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