

**Minutes of the Budget and Corporate  
Scrutiny Management Board**

**22<sup>nd</sup> June, 2017 at 3.00pm**  
**at Sandwell Council House, Oldbury**

**Present:** Councillor P Hughes (Chair);  
Councillors Edis, Hickey and Underhill.

**In Attendance:** D Carter (Executive Director – Resources);  
J Smith (Interim Head of Finance);  
C Davey (Business Partner – Adults).

1/17 **Minutes**

**Resolved** that the minutes of the meeting of the former Budget and Corporate Scrutiny Board held on 30<sup>th</sup> March, 2017 be noted.

2/17 **Consideration of the Council's Financial Outturn 2016/2017**

On 17 May 2017, the Cabinet considered proposals arising from the Directorate outturn reports 2016/2017 for each service area, the Housing Revenue Account, the Council's capital programme outturn and the Treasury Management outturn. The Cabinet also received commentary in relation to the 2016/2017 revenue collection performance for the major income streams of the Council, including Council Tax, Non-Domestic Rates, Housing Rents and General Debtors. The Cabinet referred the proposals to the Budget and Corporate Scrutiny Management Board for detailed review.

It was reported that the Council operated a multi-year rolling budget planning process that gave services the ability to manage budgets across three financial years. The services had delivered savings of £20.805m in 2016/17 and would deliver a further £16.653m of savings in 2017/18.

## Budget and Corporate Scrutiny Management Board – 22<sup>nd</sup> June, 2017

Key to the Council's three year rolling budget strategy was the flexibility to allow services to retain any budget surpluses that arose. So, a service that was required to deliver savings across four financial years could restructure once, delivering savings earlier than required, secure in the knowledge that any surpluses generated would be retained by the service.

This approach encouraged sensible and prudent financial planning; avoided the traditional rush to spend money before the end of the financial year; provided greater security for staff; and helped to ensure that challenging savings targets were achieved.

Many services had delivered their 2017/18 savings early and, consequently, had generated surpluses in 2016/2017 that would be retained and reinvested in those services. The proposals for what the surpluses would be utilised for were set out in the outturn reports.

From the comments and questions by members of the Board, the following responses were made and issues highlighted:-

- A Cabinet Summit had been held on budget planning and a further summit was being planned on the Council's Housing Revenue Account Stock.
- The Executive Director – Resources, in his role as Section 151 Officer had ensured that the Council was already meeting tougher targets that were due to be introduced in relation to checking and signing of accounts. This was welcomed by the Board.
- In relation to Council Tax collection rates, it was reported that Sandwell was the joint top performing metropolitan borough council. The Board congratulated all officers involved for the continued good performance.
- The Board suggested that tolerances should be introduced when using RAG ratings on Key Performance Indicators as minor changes in performance could result in colour ratings that did not reflect the reality of the situation.
- The Board received information on the Council's processes for handling sundry debtors. Debts were only written off where the Executive Director – Resources was satisfied that the Council would be unable to reclaim them.

## **Budget and Corporate Scrutiny Management Board – 22<sup>nd</sup> June, 2017**

- It was acknowledged that in addition to the levy paid by the Council to be a constituting member of the West Midlands Combined Authority, it was important to understand and quantify the amount of support provided through Sandwell Council officers to the Authority.
- The Resources Directorate made positive use of succession planning and planned leaver programmes. The Trades Unions were happy with the approach and the Board commended the Executive Director – Resources and recommended the approach for active implementation in all directorates.
- The Board highlighted the need to ensure the Council’s Overview and Scrutiny function was adequately supported. The newly appointed Director – Monitoring Officer would be considering this as part of a wider review of services in the directorate.
- The Council had been successful in negotiating with Health partners in relation to funding of complex cases where different aspects of care would be the responsibility of different agencies.
- An important issue affecting Adult Social Care was the need to improve hospital discharge and reablement. This was identified as a potential topic for scrutiny to investigate and support the Executive Director – Adult Social Care, Health and Wellbeing.
- The Board noted the surplus generated within Public Health and Regulatory Services due to reduced expenditure on weight management initiatives and the health survey, together with lower than anticipated activity levels on health checks. Members felt that, given the health challenges in Sandwell this should be considered as a potential topic for scrutiny to investigate.
- Members commented on the capital surplus relating to the Black Country City Deal and the need to ensure that Sandwell was well-placed to draw down funding from various sources to remediate land for various types of development.

The Board thanked officers for attending the meeting and agreed to hold an additional meeting to conclude its consideration of the 2016/17 outturn reports.

## Budget and Corporate Scrutiny Management Board – 22<sup>nd</sup> June, 2017

### Resolved:-

- (1) that congratulations and appreciation from the Board be sent to all officers involved with ensuring the Council's Balances and Reserves are signed off in a timely manner;
- (2) that congratulations and appreciation from the Board be sent to all officers involved with ensuring the Council Tax collection rate within the borough remains amongst the best performing in the country;
- (3) that the Executive Director – Resources, when compiling future budgetary and financial reports, be requested to take account of the following:-
  - (a) reporting of Key Performance Indicators, particularly RAG ratings, should factor in agreed tolerances to ensure that information reflects the reality of sometimes very small changes in percentages;
  - (b) the order in which information is included in both the summary and appendices is the same.
- (4) that the Executive Director – Resources provide further information on the nature of the Windfall income included in the Corporate Management financial outturn;
- (5) that the Cabinet be requested to quantify the support the Council is providing through its officers to the West Midlands Combined Authority;
- (6) that the Cabinet be requested to ensure that all Directors consider the approach to succession planning and planned leavers that is being utilised successfully within the Resources directorate;
- (7) that the Director – Monitoring Officer and Executive Director – Resources ensure that adequate support to the scrutiny function is included in any reviews or restructures of Governance Services;

## Budget and Corporate Scrutiny Management Board – 22<sup>nd</sup> June, 2017

- (8) that the Executive Director – Adult Social Care, Health and Wellbeing consider how the Health and Adult Social Care Scrutiny Board can support the work being done on supporting hospital discharge and reablement;
- (9) that the Director – Prevention and Protection provide all elected members with information on the newly established Environmental Health Fast Response Service;
- (10) that the Economy, Skills, Transport and Environment Scrutiny Board be requested to review the Council's approach to identifying suitable sites and programmes for the Black Country City Deal and the West Midlands Combined Authority Land Reclamation Fund;
- (11) that the Health and Adult Social Care Scrutiny Board be requested to consider the performance of programmes to address Long Term Conditions (including health checks and weight management initiatives);
- (12) that the newly established group that is considering early help aspects of Children's Services and Public Health keep the relevant Scrutiny Boards informed of its work;
- (13) that the Executive Director – Resources be requested to raise the potential of programmes of small works (such as replacement doors or guttering) with the Housing Revenue Account Steering Group as a means of investing to save by preventing future problems such as damp in properties;
- (14) that the Executive Director – Resources liaise with the Interim Director – Neighbourhoods to investigate the possibility of the Chair of the relevant Scrutiny Board(s) attending a forthcoming Cabinet Workshop regarding Housing Revenue Account property stock;
- (15) that the proposals for the use of outturn surpluses for the following General Fund Services be endorsed:
  - Corporate Management;
  - Resources;
  - Adult Social Care;
  - Regeneration and Economy;
  - Public Health and Regulatory Services;

## Budget and Corporate Scrutiny Management Board – 22<sup>nd</sup> June, 2017

- (16) that an additional meeting of the Budget and Corporate Budget Scrutiny Board be arranged for 7 July, 2017 to that an additional meeting be held to consider the outturn reports for Children's Services, Neighbourhoods and the Housing Revenue Account;
- (17) that the following items be included on the work programme for the Budget and Corporate Scrutiny Management Board in 2017/18:-
  - (a) the Council's Street Lighting Column Replacement Programme;
  - (b) Schools' Finances.

(Meeting ended at 5.19pm)

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