

Minutes of Budget and Corporate Scrutiny Management Board

**Wednesday, 1 March 2023 at 6.00 pm
at Council Chamber - Sandwell Council House, Oldbury**

Present: Councillor Moore (Chair)
Councillors Fenton (Vice-Chair), Hinchliff, Taylor and Chidley

Also present: Simone Hines (Director of Finance – Section 151 Officer), Rebecca Maher (Assistant Director of Finance), Comie Campbell (Head of Financial Business Partnering – Place), Surjit Tour (Director of Legal Services, Monitoring Officer), Suky Suthi-Nagra (Democratic Services Manager, Statutory Scrutiny Officer) and Anthony Lloyd (Democratic Services Officer).

187/23 Apologies for Absence

Apologies were received from Councillors Anandou, Bhullar, Giles and Trumpeter.

188/23 Declarations of Interest and Party Whip

There were no declarations of interest made.

189/23 Minutes



Resolved that the minutes of the meeting held on 2 February 2023 be approved as a correct record.

190/23 Additional Items of Business

There were no additional items of business to consider.

191/23 Improvement Plan Progress, Phase 2 Refresh and External Follow-up Reviews

It was agreed that this item be deferred to a future meeting of the Budget and Corporate Scrutiny Management Board.

192/23 Q3 Budget Monitoring

On 15 February 2023, the Cabinet considered the 2022/23 Budget Monitoring report for Quarter 3 and referred the report to the Budget and Corporate Scrutiny Management Board for consideration and comment.

The overall projected outturn position for the General Fund was an underspend of £1.824m. The previous forecast at Qtr 2 was an overall net overspend of £1.9m. The main reason for the movement between the period was a change in the Council's Minimum Revenue Provision Policy, which set out how the Council repaid debt.

The cost of living crisis, inflation pressures and the increased agreed pay award had a significant impact across the council's finances.

The projected variance against the budget for Children's Services was an overspend of £6.750m due to a significant increase in the projected overspend on SEND transport, the pay award for the service and Sandwell Children's Trust, placement pressures and the cost of exit packages as a result of restructuring within the directorate. Campaigns were underway to obtain more foster carers to help address the significant placement costs.

Day-to-day controls were already in place to monitor areas with significant overspends. It was stated that local SEND provision could help with the rising costs of SEND transport.

It was also highlighted that the Children's Services and Education Scrutiny Board would be looking at how the Council could provide residential spaces within the borough as part of their work programme within the next municipal year.

Following the request for clarification in relation to how the contingency budget figure was calculated, it was confirmed that the figure was calculated by making prudent and reasonable estimates. The contingency figure was a provision for pay awards and was not given to individual directorates as the exact costs would not be known in the first instance. Financial planning reserves were in place to protect the Council against any unexpected fluctuations in costs.

Concerns were raised around the lack of information available to residents on the Council's website detailing the procedures for renting commercial properties. Members were worried that the Council's website was not regularly updated to display available properties and therefore, the potential to obtain income was not being capitalised upon.

Assurance was sought on the effectiveness of the procedures in place to utilise Section 106 money within the allotted timescales. As a result, it was agreed that a spotlight session should be scheduled to discuss the issue.

Regarding Oracle Fusion, reassurance was provided on the use of reserves to fund the project; it was made clear by officers that this was not an overspend. The contract with the previous implementation partner had been terminated and a new partner had been procured. The first phase of the project had been completed and an augmentation plan was in place to ensure that the requirements and desires were clear and achievable. Benchmarking exercises had been taken to learn lessons from other authorities who had undertaken the same journey. It was hoped that the system would be implemented in time for April 2024.

Resolved that Cabinet be requested to:-

- (1) ensure that Directors review and update any pages they hold on the Council's website, in particular, the webpage where the Council have facilities/offices to rent;

- (2) authorise the Cabinet Member for Finance and Resources and the Director for Finance to consider the introduction of additional financial controls on general spend, in particular, matters relating to recruitment and day to day spend where necessary’;
- (3) authorise the Director of Children’s Services, Director of Adult Social Care and Director of Finance, in consultation with the Cabinet Member for Children’s Services, Cabinet Member for Adult Social Care and Cabinet Member for Finance and Resources to explore the feasibility of providing in house care for young people in care, SEND placements and adult social care placements.

193/23

Cabinet Forward Plan

After consideration by members of the Board, no items within the forward plan were considered for pre-decision scrutiny.

194/23

Budget & Corporate Scrutiny Management Board Work Programme

The work programme for the year 2022/23 was noted.

Meeting ended at 6.55 pm

Contact: democratic_services@sandwell.gov.uk