

Agenda

Budget and Corporate Scrutiny Management Board

Thursday, 29 June 2023 at 6.00 pm
In the Council Chamber - Sandwell Council House, Oldbury

1 Apologies for Absence

2 Declarations of Interest

Members to declare any interests in matters to be discussed at the meeting.

3 Minutes 7 - 12

To confirm the minutes of the meeting held on 6 June 2023 as a correct record.

4 Additional Items of Business

To determine whether there are any additional items of business to be considered as a matter of urgency.

5 Oracle Fusion Implementation Progress 13 - 26

To consider and comment upon the progress made towards the implementation of the Oracle Fusion ERP system.

6 2022/23 Financial Outturn 27 - 58



To consider the 2022/23 Financial Outturn report and identify any recommendations to be made to Cabinet.

7 **Scrutiny Review - Customer Journey**

59 - 86

To consider the findings of the Customer Journey Scrutiny Review report and request that Cabinet approve the subsequent recommendations arising from the report.

Shokat Lal

Chief Executive

Sandwell Council House

Freeth Street

Oldbury

West Midlands

Distribution

Councillor Moore (Chair)

Councillors Fenton, Anandou, Chambers, Fisher, E M Giles, Hinchliff, Lewis,
Taylor, Tipper and Owen

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Minutes of Budget and Corporate Scrutiny Management Board

Wednesday 6 June 2023 at 6.00 pm
In the Council Chamber at Sandwell Council House, Oldbury

Present: Councillor Moore (Chair);
Councillors Chambers, Fenton, Fisher, Hinchliff, Lewis,
Owen, Taylor and Tipper.

Observing: Councillor Melia.

In attendance: Rebecca Jenkins (Senior Lead - Service Improvement), Kate Ashley (Strategic Lead - Service Improvement), Surjit Tour (Director of Law and Governance and Monitoring Officer), Suky Suthi-Nagra (Democratic Services Manager, Statutory Scrutiny Officer) and Anthony Lloyd (Democratic Services Officer).

34/23 **Apologies for Absence**

Apologies were received from Councillor Giles.

35/23 **Declarations of Interest**

There were no declarations of interest made.



36/23

Minutes

Resolved that the minutes of the meeting held on 29 March be approved as a correct record.

37/23

Additional Items of Business

There were no additional items of business.

38/23

Improvement Plan Progress

The Board received an update on the progress of the Improvement Plan up to 11 May 2023. On 22 September 2022, Budget and Corporate Scrutiny Management Board received the Improvement Plan and requested regular updates on progress. This report was the fourth quarterly progress report to Budget and Corporate Scrutiny Management Board.

Specific feedback and comments made by external reviewers were relayed to the Board. Feedback had largely been positive with no further recommendations highlighted from return visits. Continuous development of member development programme was underway and Chairs and Vice-chairs of Committees and Boards were receiving training. The Cabinet Forward Plan was also being shared with Scrutiny Boards and the Audit Committee.

A summary of progress as of April 2023 consisted of a significant milestone with the expert determination process for Lion Farm, approval of the commercial strategy, a response to the CIPFA follow-up review had been embedded into the improvement which, in turn, had been embedded into the refresh of the Corporate Plan.

An annual report had been prepared that reflected the significant progress over the year with examples of how the changes had an impact on the organisation. Within the annual report was the next steps of the improvement journey.

Areas of concern were broken down by each theme contained within the improvement plan and highlighted to the Board.

Organisation Culture

Issues had been encountered in the member-officer relationship survey work-stream. A lower response rate than expected was received and therefore, consideration would be given to timescales for a repeat survey. Slippage was witnessed in the approval of the next phase of the member development programme due to revisions needed to the member induction as a result of the large quantity of new members. A Member Development Plan was now in place and member handbooks and inductions packs had been issued.

Corporate Oversight:

Slippage had been experienced in establishing the infrastructure for Corporate Transformation. Resources from across the Council had been collated to consolidate resources. Local Partnerships were now supporting a review of Corporate Transformation and PMO arrangements in the Council. Delays to actions related to the improvement framework and lessons learned framework had occurred due to a lack of resources. Directorate level restructuring and reviews of spans of control were initially put on hold but was now being considered after the appointment of an Assistant Chief Executive. The planned due date of March 2023 for the implementation of the workforce development plan had not been met however, it was due to be finalised by July 2023.

Strategic Direction:

The planned due date for the procurement of a strategic delivery partner for the regeneration pipeline had not been met however, a decision was going forward to Cabinet in July. A small response rate had been received in relation to the Customer Journey Strategy member survey. Additional meetings with members were being arranged. Issues in the procuring stock conditions had been experienced as only one tender had been received. An award was not made and therefore, a re-tendering process would need to take place.

Decision Making:

No exception items were raised.

Procurement and Commercial:

Slippage had occurred regarding the original timescales to bring forward an options appraisal due to a lack of resources. Resources and a project plan were now in place. The options appraisal was due to take place by August 2023.

Partnerships and Relationships:

A VCS strategy was being prepared for approval in Autumn. It was brought to the attention of the Board that the strategy was now being developed over a longer period of time to enable a fundamental look at the relationship with the VCS to take place.

Next steps were being considered with the next phase being vital to demonstrating that the changes made were embedded and sustainable. A focus on a stable medium-term financial position to build on Council prosperity and continued focus on improving customer experience were key to streamlining processes and delivering a high quality service.

Following questions from members, the following clarifications were reported:-

- The Assistant Chief Executive position had been advertised via a number of channels. The vacancy was listed in the municipal journal and advertised on WM Jobs. Penna, an external consultant, had also targeted individuals to encourage them to apply.
- The Council's approach to ensuring that the procurement process included a diverse range of companies would be clarified and reported back to members.
- Low response rates to member surveys were most likely due to the busy election period – members suggested the potential of incorporating face-to-face interviews instead.
- A report detailing the implementation of Oracle Fusion would be presented at the next available Budget and Corporate Scrutiny Management Board.
- Further communications would take place with members following the request for further information on stock surveys and the timeframes that can be expected for the issues to be addressed and resolved.
- An update regarding the Lion Farm Expert Determination Process would be provided once officers were legally allowed to do so.

- When considering voluntary section funding and grants, officers would ensure that community partnership grants from the Communities Team would be included.
- In the event of organisations not following the correct procedures, they would be removed from the process.

Officers were thanked for presenting to the Board.

39/23

Cabinet Forward Plan

Members considered the possibility of receiving an urgent briefing on the Parking Charges Policy item.

The Monitoring Officer highlighted that a 12-month forward plan was being planned with directorates to enable Scrutiny to add value to the decision-making process well in advance. The suggestion of including further information on each item would be considered by Cabinet Members. Members were reminded that working groups could be created across Boards for certain cross-cutting items if required.

40/23

Scrutiny Tracker

Members noted the updates to the Scrutiny Tracker.

Meeting ended at 6.59pm.

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Report to Budget & Corporate Scrutiny Management Board

29 June 2023

Subject:	Oracle Fusion Implementation Progress
Director:	Simone Hines - Director of Finance
Contact Officer:	Simone Hines Simone_hines@sandwell.gov.uk

1 Recommendations


- 1.1 That the Budget and Corporate Scrutiny Management Board consider and comment upon the progress made towards the implementation of the Oracle Fusion ERP system.

2 Reasons for Recommendations






- 2.1 The Oracle Fusion implementation is a key corporate project and will fundamentally change the way the Council's Finance, Procurement, HR and Payroll services operate
- 2.2 Any recommendations arising from the consideration of this report will be reported to the Cabinet.

3. How does this deliver objectives of the Corporate Plan?

Having an effective, modern Finance and HR system helps to underpin the Council's Corporate Plan and service delivery.

	Best start in life for children and young people
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	People live well and age well
	Strong resilient communities
	Quality homes in thriving neighbourhoods
	A strong and inclusive economy
	A connected and accessible Sandwell

4 Context and Key Issues

- 4.1 Oracle Fusion is a cloud-based Enterprise Resource Planning (ERP) system and will enable the Council to deliver key functions such as Finance, HR, Payroll and Procurement more efficiently and effectively to support the delivery of frontline services. Oracle Fusion represents an organisation wide Transformation Programme
- 4.2 The Council currently uses Oracle E-Business Suite (EBS), running on in-house servers. In 2019 the Council selected Oracle Fusion as a replacement for the current EBS system and appointed Inoapps as the Systems Integrator. In 2021 the Council opted to pause implementation due to slow progress and low confidence that the right outcomes would be delivered. Grant Thornton also highlighted governance and programme management weaknesses in their 2021 governance review.
- 4.3 In early 2022 the programme was reset and Socitm Advisory were appointed to support a review of the project as follows:
- Establish a stronger Programme Team and resource model
 - Select a new Systems Integrator
 - Undertake a Programme Health Check
 - Refocus and clarify the future vision
- 4.4 In August 2022 the Council awarded a contract to Infosys for the Systems Integrator role and a new Project Plan was agreed in November 2022 with a Go Live date of April 2024 for all modules.



4.5 The vision for the implementation is ‘simpler, quicker, and better finance, HR and purchasing systems that help us make better-informed decisions and deliver excellent outcomes for residents’. The programme has established clear design principles to ensure the objectives are achieved. These are:

Our Design Principles

This programme will deliver to these core design principles as far as possible:



Transformation
not Lift & Shift



Adopt
not Adapt



Cloud first

- Adopt, not adapt / out-of-the box;
- Maximising self service and empowerment;
- Paper-free;
- No offline processes;
- Automation where possible;
- Oracle Fusion first (i.e., closing down satellite systems where possible or taking every opportunity to integrate with satellite systems where it supports the end-to-end process);
- One source of truth – Oracle Fusion as the core source of HR & Finance information.

The only instances where exceptions to these principles will be considered are where they will lead to:

- Incorrect payments to staff or suppliers;
- Failure to meet statutory/ legal/ regulatory requirements;
- Risks to health, safety or wellbeing.
- Or where the business case outweighs the benefits of Oracle in terms of combined budget, benefits, user experience, productivity etc

4.6 The table below summarises the key benefits and changes that the new system will bring:

Wider Organisation including Children’s Trust	Functions: HR, Payroll, Finance, Procurement
<p>All employees – including professional services such as Finance, HR, Recruitment and Procurement</p> <ul style="list-style-type: none"> • More, easier, user-friendly opportunities to self-serve • New system – and new training need <p>Managers</p> <ul style="list-style-type: none"> • Quicker, more accurate reporting <p>Requisitioners</p> <ul style="list-style-type: none"> • New procedure, potentially new approvals and controls <p>Budget managers</p> <ul style="list-style-type: none"> • Easier to access, understand and take accountability for finances • New chart of accounts 	<p>Preparing for Oracle Fusion</p> <ul style="list-style-type: none"> • Confirm detail of what new system needs to accomplish • Review policies to ensure they are complete and support the future way of operating • Test new system to check it works as planned • Make sure data is right before it is moved to new system • Manage short term alternative processes as we move across <p>Using Oracle Fusion</p> <ul style="list-style-type: none"> • More accurate and up to date information in new dashboards and reports • More consistent way to get things done in standardised system • Less manual intervention in processes • Supporting internal customers (managers, budget managers) to self-serve



- 4.7 The Programme is overseen by the Director of Finance as the Senior Responsible Officer (SRO) and Programme Manager. The programme team is a blend of in-house and external resources to ensure the right balance of expertise and experience.
- 4.8 The programme has a detailed project plan and approaches to data cleansing, data migration and testing have been agreed. The Project has completed the 'Discovery Phase' where detailed requirements are agreed and has just completed the 'Modelling Phase' for Finance and Procurement where the Council's requirements are mapped to standard functionality in Fusion. This phase has been extended for HR and Payroll due to slippage against the outcomes needed by this stage and a mitigation plan has been put in place to complete this phase by the end of June. At this stage it does not impact on the overall project plan or Go Live date but it is being closely monitored.
- 4.9 The next phase is 'Realisation' where configuration, integration, data migration, testing and training begins.
- 4.10 In January 2023 Cabinet agreed a new project implementation budget of £9.7m and a Benefits Case. Cashable savings identified so far are in the region of £1m per annum once the system is fully operational and new processes are in place. The project budget includes a 15% contingency and is monitored and controlled at SRO Finance Review meetings and Programme Board. The project is currently forecasting to be within budget.
- 4.11 A summary of the high-level project plan and milestones is shown in the table below based on the original Project Initiation Document. This is owned by the Project Management Office and is subject to change as we proceed through the phases.

Phase	Milestone	Date
Discovery	RTM Complete	27/01/2023
Modelling	Fit GAP Analysis & Solution Design	13/02/2023
Modelling	A summary Data Migration 1 (DM1)	27/03/2023
Modelling	Control Room Pilot 2 (CRP2)	12/04/2023
Realisation	Data Migration 2 (DM2)	15/06/2023
Realisation	Configuration Books Signed - Off	02/06/2023
Realisation	Control Room Pilot 3 (CRP3)	15/07/2023
Realisation	Data Migration 3 (DM3)	21/07/2023



Realisation	System Integration Testing (SIT)	18/08/2023
Realisation	Key User Training	30/09/2023
Realisation	Data Migration 4 (DM4)	01/10/2023
Realisation	User Acceptance Testing (UAT)	30/11/2023
Realisation	Data Migration 5 (DM5)	09/11/2023
Realisation	Payroll Parallel Run 1 (PPR1)	22/12/2023
Realisation	Payroll Parallel Run 2 (PPR2)	31/01/2024
Realisation	Payroll Parallel Run 3 (PPR3)	29/02/2024
Deploy	Soft Go/ No-Go Decision 1	01/02/2024
Deploy	Data Migration 6 (DM6)	01/03/2024
Deploy	Trial Cutover	15/03/2024
Deploy	Data Migration 7 (DM7)	25/03/2024
Deploy	Go/ No-Go Decision 2	26/03/2024
Deploy	Go Live – Finance, SCM, HCM & EPM – Financial Year Accounting Effective from 1 st April 2024	01/04/2024
Deploy	Transition to Production	19/04/2024
Hypercare	Hypercare	03/07/2024

- 4.12 Any changes to the project plan are subject to approval by the Programme Board and the dates above have been flexed as the project has progressed, although the Go Live date remains April 2024. There is a small amount of contingency in the project plan.
- 4.13 The Programme operates best practice project management governance arrangements and uses the RAIDD approach to regularly assess risks, actions, issues, decisions and dependencies. RAIDD logs are kept at Workstream level and updated weekly. Escalations are captured and reported at Programme Board with appropriate actions.
- 4.14 An extract of the current Risk Log is shown at Appendix C. The main risk that the Programme Board are managing at the current time relates to slippage in the modelling phase for HR and Payroll. There is a mitigation plan in place with daily update meetings to monitor progress and consider any further actions needed.
- 4.15 There is a Comms and Engagement workstream to ensure there is a shared understanding across all stakeholders of what is required and



what the new system will bring. This includes a Learning and Development Plan to identify skills gaps and training needs.

- 4.16 The Programme Team are aware of the implementation issues experienced by Birmingham City Council, although it should be noted that there are also examples locally where Oracle Fusion has been implemented successfully. However, with such a significant transformation project it is inevitable that there will be challenges during the process and having a strong governance structure and clear design principles will enable any issues to be managed appropriately. A summary of the lessons learned from Birmingham City Council and why Sandwell’s implementation is different is set out at Appendix D.

5 Alternative Options

- 5.1 The report is for noting but the Board may wish to make recommendations to Cabinet

6 Implications

Resources:	Cabinet approved an implementation budget for the programme in January 2023. A comprehensive resource model is in place to provide appropriate capacity and capability
Legal and Governance:	The Programme has a revised governance structure in place with external support.
Risk:	The project maintains a robust Risk Log which is reviewed regularly by the Programme Team. Further information is contained within the main body of this report.
Equality:	No direct implications arising from the recommendations.
Health and Wellbeing:	The financial prosperity of the Council provides a foundation for health and wellbeing across the remit of the Council.
Social Value	No direct implications arising from the recommendations.
Climate Change	No direct implications arising from the recommendations.
Corporate Parenting	No direct implications arising from the recommendations.



7. Appendices

- Appendix A – Benefit Summary
- Appendix B – Governance Structure
- Appendix C – Extract of Risk Log
- Appendix D – Lessons Learned Review

8. Background Papers

A presentation will also be given to the Committee during the meeting

Appendix A – Oracle Fusion Benefits Summary

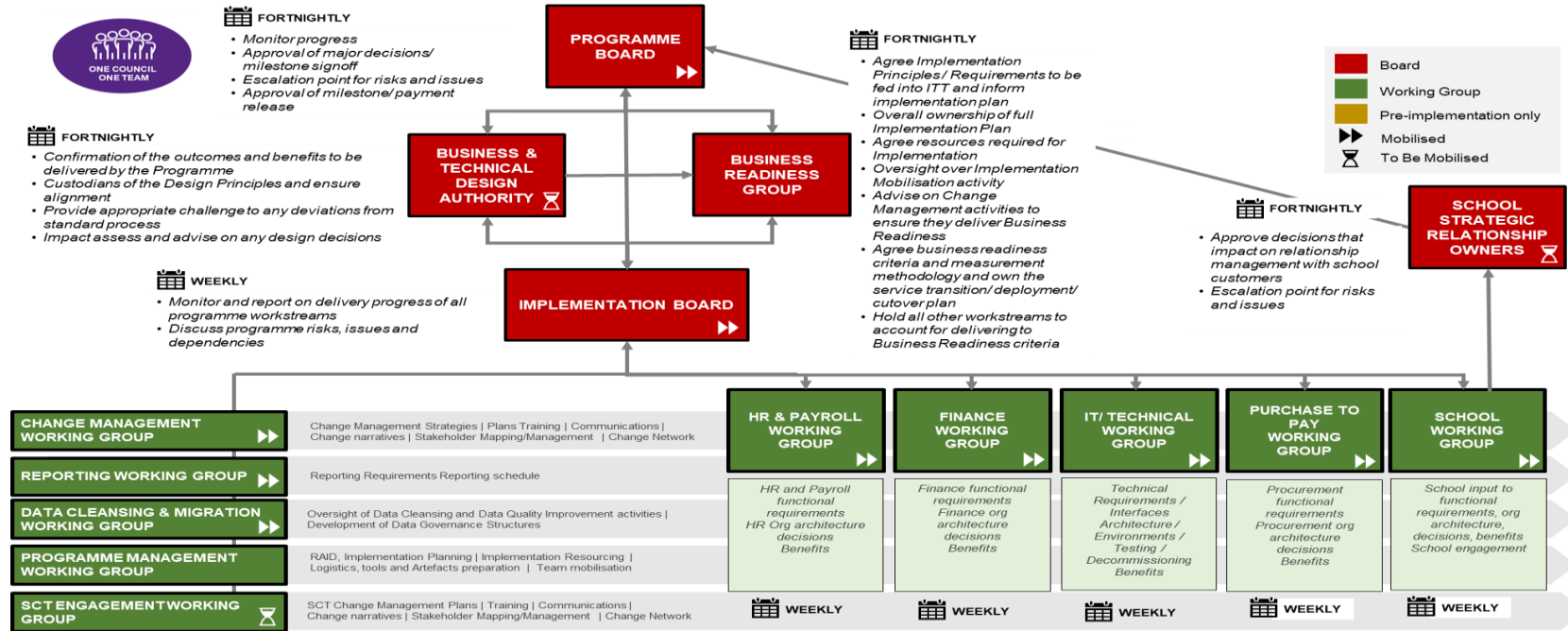
Strategic priority	Benefits	How this can be achieved
Best practice processes	Process efficiency / productivity	Reduction in manual interfacing, automation of processes (e.g. supplier invoice scanning) automated reporting, removal of all offline spreadsheets
	Digital organisation (paper free)	Sandwell have a paper free commitment that their ERP related process are currently not meeting – opportunity for Fusion to replace paper processes
Service effectiveness	'One-Sandwell' – consistency of processes	Potential to develop greater consistency across the organization for a 'One Sandwell' approach, further benefit of not having to relearn new processes whenever there is an internal move . Potential to centralise approaches e.g. grant management, IT purchasing
	Self-service, employee empowerment	Full adoption of employee and manager self service



	Corporate services move from transactional to strategic / assurance	Linked to self service, reduced reliance on central services, reduced work on report creation (should be automated)
User experience	Engaged workforce / employer brand	Opportunity to give all staff access via personal/ unmanaged devices and use as a foundation for further access e.g. corporate comms. Overall improvement in user experience. System reflecting a modern organisation. Redeployment improvement.
	Reputation with supply chain	Opportunity to improve engagement with suppliers e.g. via supplier portal
Informed decision making	Informed decision making/ business intelligence	Significant improvement in reporting and on information available to decision makers Bringing together information from multiple systems
	One source of the truth	Move to single platforms and opportunity to establish oracle cloud as core source of information on Finance, HR, Procurement, Payroll vs. current position of multiple satellite systems
Continuous Improvement	Platform for innovation	Linked to move to greater efficiency – opportunity to move to standard (non-customised) processes and be able to take advantage of quarterly releases. Development of more sophisticated functionality for HR e.g. career families, skills mapping etc. Platform for further automation.
Social Value	Social value	Improve data on spend going through local suppliers. Ensure suppliers are providing environmental creds via supplier portal / supplier set-up process. Potential for capturing data on orgs with female chief execs. Improved speed of payment to suppliers. Paper free. Redeployment improvement.
Financial effectiveness	Savings	Systems, dependent on replacing satellite systems Reduction in off-contract spend Improved category management Improved budget visibility and intelligence
	Potential for income generation	Developing a system which would support a compelling commercial offer in the future



Appendix B – Programme Governance Structure



Appendix C Risk/Issues extract

TOP PROGRAMME RISKS / ISSUES	Current RAG	Description and update	Mitigation	Projected Close	Impact of Risk	Impacted Workstreams
Programme Resources		<p>Capacity to support Programme activity and conflicts with BAU are ongoing:</p> <ul style="list-style-type: none"> • HR workstream capacity due to extension to Modelling Phase and overlapping activities required to be finalized. Many part time resources with BAU constraints. • Infosys capacity due to overlapping activities in the Development Phase • Changes to SMEs impacting on pace • P2P availability of SMEs due to part time allocation / BAU constraints. • AP SMEs due to retire in December. • Head of Procurement finishing in July 23. 	<ul style="list-style-type: none"> • Ongoing work with Senior Management, weekly governance calls to review resources and manage gaps / actions agreed to progress • Workshops for HCM to be scheduled based on full days where content allows to help manage time more effectively • Review of resource model for Realisation phase to take place (HCM / P2P) • Early planning of resources and 	31/05/23	Time / Engagement	HCM



			<p>additional SMBC resources for Test and Training activities to take place.</p> <ul style="list-style-type: none">• Discussions with HoS re resources• Workshops to be scheduled ahead for the phase.			
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Appendix D

Summary of Lessons Learned from Birmingham City Council

1. Birmingham was a SAP to Oracle Fusion implementation – a more significant change of processes than an Oracle EBS to Fusion transition;
2. This was further complicated by their SAP system being heavily-customised and the Council’s requirement for a heavily-customised Oracle Fusion implementation which went against the ‘adopt not adapt’ best practice design principle;
3. A high number of custom roles (200+) led to complex security issues and user account conflicts and therefore access issues (and issues with provisioning training environments);
4. Overly-complex Chart of Accounts – together with high degree of system customisation – has led to ongoing system and functionality issues;
5. High churn of resources within BAU and programme team contributed to lack of ownership/ clarity in ‘to be’ processes, with design changes still happening up to go-live and not fully documented;
6. TOM programme and ERP programme were separate workstreams, with the TOM being designed after the solution and not necessarily in alignment to system design.

How is Sandwell’s implementation different?

1. Clear commitment to the ‘Adopt not Adapt’ design principle by programme leadership and wider programme team;



2. Strong governance and control of our design to ensure it is fully documented and shared with all relevant workstreams through the change control process;
3. Timely approval for planned learning support. We have invested in Oracle Guided Learning and have approved budget for trainers. Also minimising the need for bespoke training collateral through adopting standard system functionality;
4. Focus on resource management for programme team. Some changes are inevitable on a programme of this size and duration, so we will continue to manage those changes through controlled handover of content and focus on swiftly addressing any gaps;
5. Chart of Accounts structure has been simplified for SMBC and agreed early in the programme.



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Report to Budget & Corporate Scrutiny Management Board

29 June 2023

Subject:	2022/23 Financial Outturn
Director:	Simone Hines - Director of Finance
Contact Officer:	Rebecca Maher (Head of Finance) Rebecca_Maher@sandwell.gov.uk

1 Recommendations


- 1.1 That the Budget and Corporate Scrutiny Management Board considers the 2022/23 Financial Outturn report and identify any recommendations it wishes to make to Cabinet.

2 Reasons for Recommendations






- 2.1 At its meeting on 21 June 2023, the Cabinet considered the 2022/23 Financial Outturn and referred the report to the Budget and Corporate Scrutiny Management Board for consideration and comment.
- 2.2 Any recommendations arising from the consideration of this report will be reported to the Cabinet.

3. How does this deliver objectives of the Corporate Plan?

The Council's financial status helps to underpin the Council's Corporate Plan and the associated aspirations.

	Best start in life for children and young people
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	People live well and age well
	Strong resilient communities
	Quality homes in thriving neighbourhoods
	A strong and inclusive economy
	A connected and accessible Sandwell

4 Context and Key Issues

- 4.1 The Budget and Corporate Scrutiny Management Board has been requested to consider the 2022/23 Financial Outturn to ensure the Council can conduct its business efficiently, act to provide for the security of the assets under its control, and for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves best value.

5 Implications

Resources:	Further details on the financial implications will be presented to the meeting.
Legal and Governance:	The Local Government Act 2003 places a requirement on local authorities to provide Members with regular financial monitoring.
Risk:	This information is contained within the main body of this report.
Equality:	No direct implications arising from the recommendations.
Health and Wellbeing:	The financial prosperity of the Council provides a foundation for health and wellbeing across the remit of the Council.
Social Value	No direct implications arising from the recommendations.
Climate Change	No direct implications arising from the recommendations.



6. Appendices

2022/23 Financial Outturn Cabinet Report

2022/23 Financial Outturn Appendices

7. Background Papers



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Report to Cabinet

21 June 2023

Subject:	2022/23 Financial Outturn
Cabinet Member:	Cllr Bob Piper
Director:	Simone Hines, Director of Finance
Key Decision:	Yes
Contact Officer:	Rebecca Maher, Assistant Director - Finance Rebecca.Maher@sandwell.gov.uk

1 Recommendations

- 1.1 That Cabinet receive the financial outturn reports of each directorate service area (Appendices 1A to 1J), the Housing Revenue Account (Appendix K) and the ISB (Appendix L), and refer them to the Budget and Corporate Scrutiny Management Board for consideration and comment.
- 1.2 That Cabinet approve the Revenue Contributions to Capital Outlay (RCCO) and reserve transfers of £32.388m set out in Appendix 1 and Appendix 3.

2 Reasons for Recommendations

- 2.1 Section 151 of the 1972 Local Government Act requires the Chief Financial Officer to ensure the proper administration of the council's financial affairs. Budgetary control, which includes the regular monitoring and reporting of budgets is an essential element in discharging this statutory responsibility. The recommended treatment of the year end variances supports the financial sustainability of the council.



3. **How does this deliver objectives of the Corporate Plan?**

The Council's financial status helps to underpin the Council's Corporate Plan and the associated aspirations.

4 **Context and Key Issues**

4.1 **General Fund Outturn**

4.2 The overall outturn position for the General Fund is an underspend of £1.917m. The Council has been impacted by the high levels of inflation across the UK during 2022/23 and this has led to higher than budgeted salary and contractual costs. The Council budgeted for a 2% pay award whereas the actual local government pay award agreed averaged 7%. Salary costs overall were £5.6m above budget. Some of the Council's key contracts are linked to CPI or RPI and although the Council has had some protection from utility increases due to pre-purchasing through the ESPO contract, there has still been additional utility costs during the year. Inflation has also impacted on placement costs in Adult Social Care.



Area	Appendix	Total Budget £'000	Outturn £'000	Variance from Budget £'000	RCCO	(Use of) Reserve £'000	Corporate Funding of COVID Pressures £'000	Outturn Variance £'000
Corporate Management	1A	(196)	(519)	(323)				(323)
Borough Economy	1B	63,987	67,007	3,020		(900)		2,120
Adult Social Care	1C	80,876	73,437	(7,439)		6,998		(441)
Regeneration & Growth	1D	9,292	12,570	3,278		(1,732)		1,546
Housing	1E	2,350	1,031	(1,319)		1,090		(229)
Children's Services	1F	88,656	92,231	3,575		(790)		2,785
Business Strategy & Change	1G	12,423	12,433	10		(268)		(258)
Finance	1H	9,729	10,077	348		(1,674)		(1,326)
Law & Governance	1I	3,679	3,459	(220)	0	(356)		(576)
Net Service Expenditure (ex PH)		270,796	271,726	930	0	2,368	0	3,298
Public Health	1J	64	1,613	1,549		(1,549)		0
Total Net Service Expenditure		270,860	273,339	2,479	0	819	0	3,298
Capital Charge Adjustment		(26,461)	(26,461)	0				0
External Interest Payments		16,374	12,681	(3,693)				(3,693)
Interest/Dividend Receipts		(3,753)	(4,661)	(908)				(908)
West Midlands Transport Levy		13,117	13,117	0				0
West Midlands Magistrates Court		41	41	0				0
Environment Agency (Flood Defence)		88	88	0				0
Net Service Expenditure before use of balances		270,266	268,144	(2,122)	0	819	0	(1,303)
Contingency		1,544	0	(1,544)		1,544		0
RCCO				0	2,947			2,947
Change in Earmarked Reserves		(13,612)		13,612		(16,559)		(2,947)
Change in Balances		459	459	0				0
Central Items		(21,613)	(1,751)	19,862		(19,622)		239
Use of Balances/RCCO/Central Items		(33,222)	(1,292)	31,930	2,947	(34,637)	0	239
Collection Fund Deficit		16,973	16,973	0				0
Council Tax		(117,968)	(117,968)	0				0
Business Rates		(136,049)	(136,902)	(853)				(853)
Total Net General Fund Expenditure (inc Central Items and use of balances)		0	28,955	28,955	2,947	(33,818)	0	(1,917)

4.3 The overall net directorate outturn variance, excluding the HRA, is an overspend of £3.298m following reserve transfers. The variance for each service area is summarised in the following table and analysed in more detail within Appendix 1. The higher than budgeted pay award contributes to the variances in all Directorates and has been mitigated with savings during the year where possible.

4.4 Individual outturn reports for each directorate, the Housing Revenue Account and the Individual Schools Budget can be found in Appendices 1A to 1K.

Corporate Management (1A)

4.5 The outturn for Corporate Management is an underspend of £0.323m. The main reason for this is due to a write off of unallocated income.



Borough Economy (1B)

- 4.6 The variance against budget for Borough Economy is an overspend of £2.120m. The main reasons for this overspend are the pay award and inflationary pressures on Highways and the Waste contract as well as under recovery of income from Green Spaces.
- 4.7 The Waste contract is linked to RPI and the Local Government pay award, both of which were higher than anticipated in the original budget. The Council keeps a Waste reserve to smooth fluctuations in contract costs and this has been used to partly offset the overspend. This reserve has been replenished as part of the 2023/24 budget process.
- 4.8 The Highways Service has been significantly impacted by inflation, both in terms of utility costs and materials.
- 4.9 Green Spaces has faced commercial challenges in 2022/23, with income budgets not realised as anticipated and one-off expenditure incurred, as the service transitions to a sustainable business model under which visitor services are scheduled to become cost neutral over the medium term.

Adult Social Care (1C)

- 4.10 The variance against budget for Adults Social is an underspend of £0.441m. There are some budget pressures which includes market sustainability fee uplifts (not funded from government grant), increased placement costs and market supplement for social workers, within this total variance that have been offset by use of reserves, other savings together with the use of the Better Care Fund and Social Care Grant.
- 4.11 Reserve transfers of £6.998m are requested for a number of items relating mainly to the Better Care Fund (arising from late receipt of grants from government and partners) and Social Care Grant underspends. The grants receipt will be fully spent in 2023/24 as activities has commenced to ensure that the council delivers o these priorities.

Regen & Growth (1D)

- 4.12 The variance against budget for Regeneration is an overspend of £1.546m. The main reasons for this are: -



- Unexpected dilapidation costs relating to a lease exit
- Cost of interim staff cover for a Service Manager post
- Reduction in rental income from council markets
- Reduction in internal recharge income for cleaning and postal services due to a change in the recharges process – a corresponding saving was realised in other directorates

In relation to the pay award cost pressure (7% on average), corporate growth funding of 2% was provided and the remaining 5% was funded by vacancy management and other savings within the Regeneration directorate.

Housing General Fund (1E)

4.13 The variance against budget for Housing is an underspend of £0.229m. The main reasons for this are: -

- Vacancies across the Income Management Service;
- Central adjustments for recharges

Childrens Services (1F)

4.14 The variance against budget for Children’s Services is an overspend of £2.785m. The main reason for this is an overspend of £3.836m against SEND transport which has been offset by various one-off savings across the directorate. These include (but not limited to) vacancies across some services including Educational Psychologist (EP) and in the School Improvement Service.

4.15 Sandwell Children’s Trust (SCT) provisionally overspent by £1.578m during the year. This is primarily due to pressure in out of borough placement (for children) and agency staff cost on social workers. This pressure was mitigated through the use of additional Social Care grant and reserves.

4.16 The pressure in the SEND Transport service is due to a significant increase in EHCP over the years, particularly for complex and out of borough placements which have the highest cost. This means that request for travel assistance has therefore increased significantly. Most importantly however, is the increased nature and complexity of need of these pupils which has led to:



- them being placed in out of Borough (OOB) schools
- reduction in use of multi-occupancy vehicles
- More children are now travelling alone with passenger assistant

4.17 In addition, there are savings arising from the flexible utilisation of Holiday Activities Fund (HAF) grant, training, supply and services and Community Transport Grant. Finally, the directorate received additional Social Care grant that was more than the original budget.

Business Strategy & Change (1G)

4.18 The variance against budget for Business Strategy & Change is an underspend of £0.258m. The main reason for this is delays in ICT projects which has resulted in contract savings.

Finance (1H)

4.19 The variance against budget for Finance is an underspend of £1.326m. The main reason for this is due to an accounting adjustment relating to Council Tax and NNDR court income in previous years.

Law & Governance (L&G) (1I)

4.20 The variance against budget for L&G is an underspend of £0.576m. This mainly relates to vacancy savings.

Public Health (1J)

4.21 Public Health is a ringfenced grant and therefore any underspend has to be transferred into a specific Public Health Reserve. The variance following reserves transfers is therefore nil.

4.22 Public Health has promoted education aimed at reducing Communicable Diseases (e.g. genitourinary medicine (GUM)), Long Term Conditions, Healthy lifestyles (e.g. free swimming, weight management and food nutrition services), Early Years Parenting, Road Safety, School Nursing, online safety, substance misuse better mental health promotion and support for Sandwell Council Voluntary Organisations. The variance against budget for Public Health prior to reserve transfer is an overspend of £1.549m. This is a planned use of the Public Health reserve.

Housing Revenue Account (HRA) (1K)



4.23 The overall variance against budget for the HRA is nil, as any surplus or deficit at year end is offset by a corresponding transfer to/from the HRA reserve. Prior to transfers to reserves, the HRA outturn for 2022/23 shows a surplus of £7.3m against a budgeted surplus of £0.3m, giving a £7.0m variance against budget. Although repairs and maintenance expenditure was significantly over budget by £2.5m, this was more than offset by an underspend of £9.5m on capital financing costs, interest payable and investment income.

Dedicated Schools Grant (DSG) ISB (1L)

4.24 The Dedicated Schools Grant (DSG) outturn is expected to be a surplus of £1.43m. When added to the surplus balance from last year of £4.07m, the overall DSG reserve is expected to be £5.5m. The main area of underspend is High Needs Block (HNB).

4.25 There is pressure in Out of Borough, place funding, and pupil's top-up payments. These were mitigated by underspend in SEN Development and reduction in recoupment for import/export pupils.

Central Items/RCCO/Use of Balances

4.26 The council has a number of centrally held budgets. The nature of these is such that they are not within a specific directorate's control. The council also makes use of balances towards one-off expenditure and as Revenue Contributions to Capital Outlay. The net outturn variance against these budgets is an overspend of £0.239m and more detail is provided in Appendix 2.

Use of Reserves

4.27 At the end of 2021/22 £146.346m was held in General Fund earmarked reserves and during the year balances have reduced by £33.818m. However, £30.499m of this relates to the use of Section 31 grants which funded reduced Business Rates income due to COVID. The net movement of reserves excluding this is a reduction of £3.319m. The year-end earmarked reserve balance is therefore £112.528m. Further detail is provided in Appendix 4.

4.28 The use of earmarked reserves is largely to fund specific projects or use of ring-fenced grants. However, there has also been some use of risk-based reserves to offset inflationary costs in year. This includes the Waste and Children's reserves.



General Fund Balance

- 4.29 At the end of 2022/23 the General Fund balance is expected to be £17m which equates to 5.38% of net General Fund expenditure and is within the prudent limits set by the Section 151 Officer.

5 Alternative Options

- 5.1 Cabinet could vary the proposed treatment of the year end variances from budget.

6 Implications

Resources:	Resource implications are contained within the main body of the report.
Legal and Governance:	No direct implications arising from the recommendations.
Risk:	This information is contained within the main body of this report.
Equality:	No direct implications arising from the recommendations.
Health and Wellbeing:	No direct implications arising from the recommendations.
Social Value	No direct implications arising from the recommendations.
Climate Change:	No direct implications arising from the recommendations.
Corporate Parenting:	No direct implications arising from the recommendations.

7. Appendices

- App 1 Outturn Summary
- App 2 Central Items
- App 3 Reserves



8. Background Papers

None



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2022/23 Revenue Outturn Summary

Area	Appendix	Total Budget £'000	Outturn £'000	Variance from Budget £'000	RCCO	(Use of) Reserve £'000	Corporate Funding of COVID Pressures £'000	Outturn Variance £'000
Corporate Management	1A	(196)	(519)	(323)				(323)
Borough Economy	1B	63,987	67,007	3,020		(900)		2,120
Adult Social Care	1C	80,876	73,437	(7,439)		6,998		(441)
Regeneration & Growth	1D	9,292	12,570	3,278		(1,732)		1,546
Housing	1E	2,350	1,031	(1,319)		1,090		(229)
Children's Services	1F	88,656	92,231	3,575		(790)		2,785
Business Strategy & Change	1G	12,423	12,433	10		(268)		(258)
Finance	1H	9,729	10,077	348		(1,674)		(1,326)
Law & Governance	1I	3,679	3,459	(220)	0	(356)		(576)
Net Service Expenditure (ex PH)		270,796	271,726	930	0	2,368	0	3,298
Public Health	1J	64	1,613	1,549		(1,549)		0
Total Net Service Expenditure		270,860	273,339	2,479	0	819	0	3,298
Capital Charge Adjustment		(26,461)	(26,461)	0				0
External Interest Payments		16,374	12,681	(3,693)				(3,693)
Interest/Dividend Receipts		(3,753)	(4,661)	(908)				(908)
West Midlands Transport Levy		13,117	13,117	0				0
West Midlands Magistrates Court		41	41	0				0
Environment Agency (Flood Defence)		88	88	0				0
Net Service Expenditure before use of balances		270,266	268,144	(2,122)	0	819	0	(1,303)
Contingency		1,544	0	(1,544)		1,544		0
RCCO				0	2,947			2,947
Change in Earmarked Reserves		(13,612)		13,612		(16,559)		(2,947)
Change in Balances		459	459	0				0
Central Items		(21,613)	(1,751)	19,862		(19,622)		239
Use of Balances/RCCO/Central Items		(33,222)	(1,292)	31,930	2,947	(34,637)	0	239
Collection Fund Deficit		16,973	16,973	0				0
Council Tax		(117,968)	(117,968)	0				0
Business Rates		(136,049)	(136,902)	(853)				(853)
Total Net General Fund Expenditure (inc Central Items and use of balances)		0	28,955	28,955	2,947	(33,818)	0	(1,917)
Housing Revenue Account (HRA)	1K	(300)	(7,297)	(6,997)	450	6,547		0
Individual Schools Budgets (ISB)	1L	0	(1,430)	(1,430)		0		(1,430)
Total Net Expenditure		(300)	20,228	20,528	3,397	(27,271)	0	(3,347)

Directorate: Corporate Management

APPENDIX 1A

Service Area	Total Budget	Outturn	Variance	(Use of) Reserves/ RCCO	Corporate Funding of COVID-19 Pressures	Outturn Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive	384	522	138	0	0	138
Corporate Management	(580)	(1,041)	(461)	0	0	(461)
TOTAL	(196)	(519)	(323)	0	0	(323)

Borough Economy Directorate

APPENDIX 1B

Service Area	Total Budget	Outturn	Variance	(Use of) Reserves/ RCCO	Corporate Funding of COVID-19 Pressures	Outturn Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Contracts, Projects, Strategy & Policy	35,588	36,633	1,045	(280)	0	765
Highways Services	16,599	17,035	436	(128)	0	308
Green Spaces, Greens	3,061	4,830	1,769	(298)	0	1,471
Public Protection and Community	3,484	3,396	(88)	(131)	0	(219)
Libraries, Archives and Heritage	4,909	4,806	(103)	(63)	0	(166)
Directorate Management	346	307	(39)	0	0	(39)
TOTAL	63,987	67,007	3,020	(900)	0	2,120

Directorate Adult Social Care

APPENDIX 1C

Service Area	Total Budget	Outturn	Variance	(Use of) Reserves/ RCCO	Corporate Funding of COVID-19 Pressures	Outturn Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Management Team	1,799	1,449	(350)	90	0	(260)
Social Work & Therapy	4,732	4,592	(140)	181	0	41
External Placements	64,008	62,662	(1,346)	2,439	0	1,093
Integrated Hub	788	796	8	(60)	0	(52)
Direct Services	6,390	5,793	(597)	(39)	0	(636)
Commissioning	3,159	2,532	(627)	0	0	(627)
Better Care Fund	0	(4,387)	(4,387)	4,387	0	0
			0	0	0	0
TOTAL	80,876	73,437	(7,439)	6,998	0	(441)

Regeneration Directorate

APPENDIX 1D

Service Area	Total Budget	Outturn	Variance	(Use of) Reserves/ RCCO	Corporate Funding of COVID-19 Pressures	Outturn Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Development and Planning	662	533	(129)	(59)	0	(188)
Growth and Spatial Planning	2,224	2,461	237	(531)	0	(294)
Strategic Assets and Land Management	5,720	8,810	3,090	(1,142)	0	1,948
	686	766	80	0	0	80
			0	0	0	0
TOTAL	9,292	12,570	3,278	(1,732)	0	1,546

Directorate Housing

APPENDIX 1E

Service Area	Total Budget	Outturn	Variance	(Use of) Reserves/ RCCO	Corporate Funding of COVID-19 Pressures	Outturn Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Community Partnerships and Support Services	1,100	1,294	194	(200)	0	(6)
Housing Solutions	1,252	(9)	(1,261)	1,217	0	(44)
Income Management and Money Advice	202	(6)	(208)	73	0	(135)
Tenancy & Estate Management	(767)	(601)	166	0	0	166
Management	563	353	(210)	0	0	(210)
TOTAL	2,350	1,031	(1,319)	1,090	0	(229)

Children's Services

APPENDIX 1F

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Service Area	Total Budget	Outturn	Variance	(Use of) Reserves/ RCCO	Corporate Funding of COVID-19 Pressures	Outturn Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Director of Children's Services	8,212	9,012	800	0	0	800
Education Services	655	181	(474)	217	0	(257)
Inclusive Learning	799	554	(245)	0	0	(245)
Children & Education Support	9,025	12,388	3,363	0	0	3,363
Commissioning, Partnerships & Children's Trust	8,970	7,523	(1,447)	571	0	(876)
	60,995	62,573	1,578	(1,578)	0	0
				0	0	0
TOTAL	88,656	92,231	3,575	(790)	0	2,785

Business Strategy and Change

APPENDIX 1G

Service Area	Total Budget	Outturn	Variance	(Use of) Reserves/ RCCO	Corporate Funding of COVID-19 Pressures	Outturn Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Directorate	(22)	195	217	0	0	217
ICT	5,117	5,399	282	162	0	445
Human Resources	3,851	3,365	(486)	(46)	0	(532)
Business and Corporate Services	3,478	3,474	(3)	(384)	0	(387)
TOTAL	12,423	12,433	10	(268)	0	(258)

Finance

APPENDIX 1H

Service Area	Total Budget	Outturn	Variance	(Use of) Reserves/ RCCO	Corporate Funding of COVID-19 Pressures	Outturn Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Directorate	194	(298)	(492)	0	0	(492)
Oracle	561	1,153	592	(592)	0	0
Financial Management	3,563	5,177	1,614	(1,078)	0	536
Revenues and Benefits	2,443	1,160	(1,283)	(3)	0	(1,286)
Business Management	2,968	2,885	(83)	0	0	(83)
TOTAL	9,729	10,077	348	(1,674)	0	(1,325)

Law and Governance

APPENDIX 1I

Service Area	Total Budget	Outturn	Variance	(Use of) Reserves/ RCCO	Corporate Funding of COVID-19 Pressures	Outturn Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Directorate	498	672	173	0	0	173
Democracy	1,523	1,541	18	32	0	50
Registration Services	(1,607)	(1,480)	127	(370)	0	(243)
Legal and Assurance	2,276	2,095	(181)	(18)	0	(199)
Equality, Diversity and Inclusion	435	241	(194)	0	0	(194)
Leaders Office	554	391	(163)	0	0	(163)
TOTAL	3,679	3,459	(220)	(356)	0	(576)

Directorate Public Health

APPENDIX 1J

Service Area	Total Budget	Outturn	Variance	(Use of) Reserves/ RCCO	Corporate Funding of COVID-19 Pressures	Outturn Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Communicable Disease	3,313	2,860	(454)	0	0	(454)
Long Term Conditions	3,048	2,229	(819)	0	0	(819)
Childrens	10,429	9,974	(454)	(27)	0	(482)
Substance Misuse & Smoking	3,747	3,792	44	(87)	0	(43)
Wider Determinants	5,864	6,103	239	(178)	0	61
Public Health Management	2,345	2,471	126	(121)	0	5
Public Health Grant	(25,816)	(25,816)	0	0	0	0
Public Health Savings / Reserve	(2,866)	0	2,866	(1,135)	0	1,731
TOTAL	64	1,613	1,549	(1,549)	0	0

Directorate HRA

APPENDIX 1K

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Service Area	Total Budget £'000	Outturn £'000	Variance £'000	These will be hidden			(Use of) Reserves/ RCCO £'000	Corporate Funding of COVID-19 Pressures £'000	Outturn Variance £'000
				RCCO (Spend in Year) £'000	RCCO Contribution to Reserves (Future Years Use) £'000	(Use of) / Contribution to Reserves £'000			
Asset Management & Maintenance	39,674	40,496	822				0	0	822
Business Excellence	3,305	3,932	627				0	0	627
Services in BE	3,573	3,423	(150)				0	0	(150)
Corporate HRA	48,901	41,703	(7,198)			6,500	6,500	0	(698)
Housing Management	14,394	13,178	(1,216)			47	47	0	(1,169)
PFI	(594)	(1,779)	(1,185)		450		450	0	(735)
Rents & Other Charges	(117,153)	(115,891)	1,262				0	0	1,262
SLA's	7,600	7,641	41				0	0	41
TOTAL	(300)	(7,297)	(6,997)	0	450	6,547	6,997	0	0

Service Area	Total Budget £'000	Outturn £'000	Variance £'000	(Use of) Reserves/ RCCO £'000	Corporate Funding of COVID-19 Pressures £'000	Outturn Variance £'000
Schools Block	308,463	309,038	575		0	575
High Needs Block	60,890	59,109	(1,781)		0	(1,781)
Early Years Block	24,114	23,890	(224)		0	(224)
Central School Services Block	2,283	2,283	0		0	0
DSG Income	(395,750)	(395,750)				
TOTAL	0	(1,430)	(1,430)	0	0	(1,430)

Central Items

Appendix 2

Central Item	Annual Target Budget	Outturn	Variance	(Use of) Reserves/ RCCO	Corporate Funding of COVID-19 Pressures	Outturn Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Local Authority Subscriptions	104	127	23	0		23
Wolverhampton: WMCC and WMRE	45	26	(19)	0		(19)
Combined Authority	1,660	1,658	(2)	0		(2)
External Audit Fee	144	388	244	(79)		165
New Homes Bonus Grant	(786)	(786)	(0)	0		(0)
No Recourse to Public Funds	531	1,090	559	0		559
Business Rates Compensation Grant	(28,253)	(14,995)	13,258	(11,887)		1,371
Microsoft Enterprise Agreement	1,000	1,081	81	0		81
Insurance	(395)	(1,256)	(861)	1,256		395
Bank Charges	335	405	70	0		70
Airport Rent Income	(100)	(107)	(7)	0		(7)
Apprenticeship Levy	480	492	12	0		12
Past Service Pension Costs	5,178	5,065	(113)	0		(113)
Local Welfare Provision	0	(1)	(1)	0		(1)
Housing Benefits	501	870	369	0		369
Council Tax Rebate - Energy	0	(124)	(124)	124		0
Household Support Fund	0	(169)	(169)	0		(169)
Pensions General	4,560	4,124	(436)	0		(436)
Coroners	352	533	181	0		181
Members Allowances	1,474	1,407	(67)	0		(67)
Public Law Fees	366	316	(50)	0		(50)
Special Events	25	8	(18)	0		(18)
Templink	(429)	(307)	122	0		122
COVID-19 Facilities	0	(27)	(27)	0		(27)

COVID-19 Emergency Funding	0	6,041	6,041	(6,041)		0
COVID-19 Containing Outbreak	0	939	939	(939)		0
COVID-19 Local Restriction Support	0	(42)	(42)	42		0
COVID-19 Local Restriction Support	0	0	0	(0)		(0)
COVID-19 Test and Trace	0	39	39	(39)		0
COVID-19 Omicron Hospitality Grant	0	(0)	(0)	0		(0)
COVID-19 Local Council Tax Support	0	2,467	2,467	(2,467)		(0)
COVID-19 Restart Grant	0	(4)	(4)	4		0
COVID-19 Business Support Grants	0	(404)	(404)	404		0
COVID Funding - Collection Fund	(1,900)	(1,900)	0	0		0
COVID Funding - Airport Dividends	(1,488)	(1,488)	0	0		0
Building Schools for the Future	400	400	0	0		0
Lower Tier Services Grant	(596)	(600)	(4)	0		(4)
New Services Grant 2022/23	(7,015)	(7,015)	(0)	0		(0)
Quarterly Vacancy Savings	2,196	0	(2,196)	0		(2,196)
TOTAL	(21,613)	(1,751)	19,862	(19,622)	0	239

Reserves

Appendix 3

Earmarked Reserve	Balance as at 31 March 2022	Projected use / (addition to) in year	Other Reserve Movements	Projected Balance as at 31 March 2023
	£'000	£'000	£000	£'000
<u>Corporate Management</u>				
Kickstart Revaluation (NEW 2022/23)	(1,553)	0		(1,553)
	(1,553)	0	0	(1,553)
<u>Borough Economy</u>				
Portway Lifestyle Centre	(730)	(72)		(802)
Physical Activity Board	0			0
Borough Economy General Reserve	(1,652)	780		(872)
Dartmouth Park HLF	(265)	8		(257)
Aquatics Centre UOW	(100)			(100)
SERCO Waste Commitments	(3,816)	188		(3,628)
BE Grant Carryforward Reserve	(11)	(166)	(14)	(191)
	(6,574)	738	(14)	(5,850)
<u>Adults</u>				
Adult Social Care General Reserve	(3,745)	(163)		(3,908)
Better Care Fund	(10,660)	(4,396)		(15,056)
	(14,405)	(4,559)	0	(18,964)
<u>Regen & Growth</u>				
R&G General Reserve	(2,302)	621		(1,681)
Sinking Fund Central 6th Building	(1,096)	(296)		(1,392)
Forge Mill Farm Demolition	(230)	3		(227)
School Repair Reserve	(120)	0		(120)
R&G Grant Carryforward Reserve	(209)	62		(147)
R&G Capital Project Support	(6,777)	71	1,000	(5,706)
	(10,734)	461	1,000	(9,273)
<u>Housing</u>				

H&A General Reserve	(442)	(1,171)		(1,613)
H&A Grant Carryforward	(688)	81	156	(451)
	(1,130)	(1,090)	156	(2,064)
<u>Childrens Services</u>				
Children's Services General Reserve	(1,589)	(788)		(2,377)
SCT Reserve	(2,636)	1,578		(1,058)
CS Grant Reserve	0			0
	(4,225)	790	0	(3,435)
<u>Business Strategy & Change</u>				
BSC General Reserve	(715)	(154)		(869)
ICT Refresh	(1,747)	1,747		0
	(2,462)	1,593	0	(869)
<u>Finance</u>				
Finance General Reserve	(171)	(332)		(503)
Sandwell Children's Trust	(45)	32		(13)
	(216)	(300)	0	(516)
<u>Law & Governance</u>				
L&G General Reserve	(1,236)	466		(770)
POCA	(833)	(8)		(841)
	(2,069)	458	0	(1,611)
<u>Public Health</u>				
Learning for Public Health	(502)	121		(381)
Public Health Grant Reserve	(9,481)	1,135		(8,346)
Public Health Earmarked Reserves	(403)	293		(110)
	(10,386)	1,549	0	(8,837)
Total Directorate Reserves	(53,754)	(360)	1,142	(52,972)
<u>Finance - Central Items</u>				
Insurance Reserve	(7,232)	(1,256)		(8,488)
COVID Emergency Funding	(16,931)	6,041		(10,890)
S31 Relief Grant	(30,896)	30,499		(397)
Finance Grant Reserve	(11,875)	2,813		(9,062)

	(66,934)	38,097	0	(28,837)
Corporate Items				
General Capital Reserve	(4,000)	1,000	(700)	(3,700)
New Asset System	(500)	169		(331)
Exit Packages	(2,052)	600		(1,452)
Pay Award	(1,000)			(1,000)
Oracle Fusion	(3,231)	(408)	(300)	(3,939)
Business Rates Volatility Reserve	(7,000)	(1,500)		(8,500)
Invest to Save Reserve	(3,000)	658		(2,342)
Corporate Improvement Plan	(1,436)	381		(1,055)
Commonwealth Games	(1,393)	1,264		(129)
Cemetery RCCO Reserve	(1,446)			(1,446)
Social Care Grant (NEW 2022/23)	0	(2,439)		(2,439)
Financial Planning Reserve (NEW 2022/23)	0	(3,644)	(142)	(3,786)
Climate Change (NEW 2022/23)	(600)			(600)
	(25,658)	(3,919)	(1,142)	(30,719)
Total Non-Directorate Reserves	(92,592)	34,178	(1,142)	(59,556)
Total GF Reserves	(146,346)	33,818	0	(112,528)
ISB				
Dedicated Schools Grant (DSG)	(4,070)	(1,430)		(5,500)
BSF FM Sinking Fund	(3,365)			(3,365)
BSF PFI Sinking Fund	(4,680)			(4,680)
Post LAC Pupil Premium Grant	(114)			(114)
	(12,229)	(1,430)	0	(13,659)
TOTAL	(158,575)	32,388	0	(126,187)

Report to Budget & Corporate Scrutiny Management Board

29 June 2023

Subject:	Scrutiny Review – Customer Journey
Director:	Director – Law and Governance Surjit Tour
Contact Officer:	Democratic Services Manager Suky Suthi-Nagra Suky_suthinagra@sandwell.gov.uk

1 Recommendations

- 1.1 To consider the findings of the Customer Journey Scrutiny Review report as set out in Appendix 1.
- 1.2 To request Cabinet to approve the following recommendations arising from the Customer Journey Scrutiny Review:-
 - (1) that the Director of Regeneration and Growth/Assistant Chief Executive, in consultation with the Cabinet Member for Finance and Resources and Cabinet member for Adult Social Care, be authorised to agree a customer care standards/charter, and staff responsibilities in relation to those standards to ensure;
 - a) that “back-office” staff take ownership and accountability of customer requests received via Contact Centre Agents;
 - b) a standard approach is taken to making officer contact numbers available on Outlook and to customers to prevent additional calls being made to the Contact Centre;



- c) a standard approach to the complaints process and deadlines for responding to complaints are clear and accessible across all Council services;
 - d) that key contacts are identified within each service area to aid Customer Service Agents in their enquiries;
 - e) that residents are regularly updated and informed about the current process of their request/query.
- (2) that the Director of Regeneration and Growth/Assistant Chief Executive be authorised to commission/develop a customer training package that incorporates the following topics:-
- a) The completeness of response letters
 - b) Methods to manage customer expectations and awareness around the Council's remit and responsibilities.
- (3) that the Director of Regeneration and Growth/Assistant Chief Executive ensure that all members of staff undertake training around customer care standards as identified in (2) and that staff performance against these standards be incorporated within the appraisal process;
- (4) that mandatory corporate customer service training be included as part of the induction process for all staff;
- (5) that the Director of Regeneration and Growth/Assistant Chief Executive, in consultation with the Director of Finance, investigate options for procuring a single joint Customer Relations System across the Council;
- (6) that the Director for Director of Regeneration and Growth/Assistant Chief Executive considers the introduction of automated feedback surveys and that regular feedback on Council enquires/complaints are analysed and shared with Directorates;
- (7) That the Director for Director of Regeneration and Growth/Assistant Chief Executive introduces corporate guidelines in relation to the use of Council contact numbers to ensure that all officers are contactable and that contact details are updated regularly;



- (8) that the Director of Regeneration and Growth/Assistant Chief Executive considers the feasibility of amalgamating the current three contact centres (Corporate Contact Centre, Revenues and Benefits Contact Centre and Adult Social Care Care) into a single contact centre number with staff specialising in various areas;
- (9) that the Director of Regeneration and Growth/Assistant Chief Executive, as part of the refresh of the Council's website, ensures the Council continues to promote the use of Sandwell Digital First and the Council's website as the first point for accessing information and raising an issue/request;
- (10) that as part of the customer journey review being undertaken, the Director of Regeneration and Growth/Assistant Chief Executive reviews current timescales for responding to enquiries and consider a reduction, wherever possible, including member enquiries being reduced from 10 working days to 3-5 days.

1.3 That, in connection with 1.2 above, a further report be submitted to the Budget and Corporate Scrutiny Management Board, within 2 months' time, on the decision of Cabinet.

2 Reasons for Recommendations

2.1 In 2022, the Budget and Corporate Scrutiny Management Board agreed to investigate the experience of Sandwell residents when accessing or requesting Council services; this would be referred to as the "Customer Journey". This was in response to:-

- concerns raised by residents about response times to queries
- member's experiences when trying to contact services/individual officers (e.g. delayed/no response).
- addressing the objectives of the Council's Improvement Plan to improve the customer journey experience
- to improve communication between residents and the council.






2.2 The Board recognises that significant improvements need to be made in order to help the Council address the concerns highlighted by central



government and external reviews. Customer services is of public interest and aligned with the Council's corporate priorities.

- 2.3 A scoping document was created which carried out the rationale and provided suggestions of ways forward for the review to progress. Several lines of inquiry were identified for the review alongside a range of methods that could be used to gather evidence including the utilisation of Council surveys, desktop research, meetings with key stakeholders and site visits. As part of the Council's Improvement Plan, the Council was seeking to embed values and behaviours as a foundation of the council's workforce strategy. The work of the review would therefore complement ongoing work to address the recommendations set out in the Improvement Plan.
- 2.4 The Budget and Corporate Scrutiny Management Board subsequently conducted a scrutiny review, establishing a Working Group to carry out the review and ascertain an understanding of the current customer journey experienced by residents and users of Sandwell Council's services.
- 2.5 As a result, recommendations based on key findings have been constructed that the Board believes will help guide the Council into achieving its improvement plan targets.

3 How does this deliver objectives of the Corporate Plan?

	Best start in life for children and young people
	People live well and age well
	Strong resilient communities
	Quality homes in thriving neighbourhoods
	A strong and inclusive economy





4. Context and Key Issues

4.1 On 22 March 2022, the Secretary of State for Levelling Up, Housing and Communities announced an intervention package and a set of Directions to ensure the council was able to comply with its best value duty under Part 1 of the Local Government Act 1999. These Directions were in-part influenced by the Grant Thornton report following their Value for Money Governance Review of December 2021.

4.2 The Government's intervention package requires the preparation and agreement of an Improvement Plan that will:

- deliver rapid and sustainable improvements in governance, leadership and culture in the council;
- secure improvement in relation to the proper functioning of the scrutiny and associated audit functions; and
- secure continuous improvement in all services.

4.3 In response, the Council developed an Improvement Plan which included proposed mechanisms for governance and assurance.

4.4 One of the objectives within the Plan is to improve the customer journey experience to meet residents needs and demands. This is a corporate priority for the authority

4.5 The Board aimed to identify, if deemed necessary, any outstanding issues with the Council's customer-focused services. Any recommendations considered needed to be best practice and be in line with Sandwell's Vision 2030. Intended outcomes sought:-

- to address the outcomes from the Improvement Plan relating to the customer journey experience and ensure it meets the needs and demands of our residents;



- to understand if Sandwell residents can obtain the assistance they require in an efficient but timely manner;
- to identify if there is a need for alternating approaches to customer service when considering residents with varying circumstances e.g. residents without internet access/disabilities;
- to investigate the customer journey process and how residents are accessing Council services (physical, digital or via telephone);
- to assess if the Council is providing a welcoming, friendly, and helpful service with accurate and timely advice;
- to consider if the Customer Portal is efficient and effective at delivering it's aims and objectives;
- to identify if the Councillor Portal is fit for purpose.

5 Implications

Resources:	If Cabinet agree to all/some of the recommendations contained, there will be financial implications to procure/implement new systems/ways of working.
Legal and Governance:	The council is required to develop and implement an improvement plan that includes “ <i>actions to deliver rapid and sustainable improvements in governance, leadership and culture in the Authority.</i> ” The review of customer journey has been developed to address some of the recommendations within the improvement plan.
Risk:	Organisational Culture and the Customer Journey is included within the Improvement Plan Risk Register, recognising the importance of organisation culture to successfully implement the necessary changes and embed the improvement. If the Council does not make changes to how it engages with its customers, this will have an impact on addressing the recommendations contained within the Improvement Plan.



Equality:	The Customer Journey will look to address any gaps in equality, diversity and inclusion and will ensure that all strategies are aligned.
Health and Wellbeing:	Employee and resident engagement and a positive organisational culture brings benefits to organisations, including greater customer/client satisfaction, increased employee happiness and wellbeing, and increased productivity and creativity.
Social Value:	The new values and behaviour will underpin work of the council, defining expectations for ways of working, and in turn directly influencing our delivery of social value.
Climate Change:	Current and previous engagement with residents has been done remotely or via the telephone where this approach will achieve the desired outcome. This reduces staff travel to offices or other venues. However, some engagement with residents is conducted face to face and from Council buildings which will mean increased staff journeys which will generate carbon emissions.
Corporate Parenting	Better frontline services will have an overall impact on how the Council responds to its customers. Precise and timely responses will be extremely advantageous in ensuring the Council fulfils its corporate parenting responsibilities, especially in relation to directing children's social care enquiries.

6. Appendix

6.1 Appendix A – Customer Journey Scrutiny Review Report

7 Background Papers

No background papers.



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Budget and Corporate
Scrutiny Management Board
**Customer Journey Scrutiny
Review**

Providing a “critical friend” challenge

Addressing the concerns of the public

Member-led scrutiny

Driving Improvement

**Adding value and demonstrating
effectiveness**

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Recommendations & Findings	8 - 20



Chair's foreword

Local government is responsible for providing a range of vital services for people and businesses. Providing excellent customer service should be the aim for every local authority with responsibility for this sitting with every employee whatever their role.



Our review has found that too often customer service at Sandwell Council is still not at the level that is expected. This was not a surprise to our Scrutiny Committee, as it had already been recognised as an area of weakness through the government's intervention in the authority.

Improving customer service is also a key part of the Improvement Plan and a central area of focus for the Commissioners.

Despite much of the positive work that has taken place in recent months, including investment in new systems, our review found that there is still too often a disconnect between the first point of contact and then the action subsequently taken to resolve a query for people and businesses.

Moreover, there are still too many examples of enquiries not being responded to in a timely manner, or with a substantive reply which answers what was asked.

One of the most surprising things we found was a lack of corporate training in customer service skills for all employees, with this being left to individual departments. In some cases, there was no such training available to staff at all and it meant a lack of clarity about how we define excellence in customer service.

In addition, we found there had been too much of a corporate focus on trying to 'fix' issues at the contact centres when a significant proportion of the customer service issues actually occur after the initial point of contact and what happens next.

Our review has made a series of recommendations which we hope will stimulate debate about how customer service can be improved at Sandwell Council.

Councillor Paul Moore

Chair – Budget and Corporate Scrutiny Management Board



Introduction and Background

On 22 March 2022, the Secretary of State for Levelling Up, Housing and Communities announced an intervention package and a set of Directions to ensure the council was able to comply with its best value duty under Part 1 of the Local Government Act 1999. These Directions were in-part influenced by the Grant Thornton report following their Value for Money Governance Review of December 2021.

The Government's intervention package requires the preparation and agreement of an Improvement Plan that will:

- deliver rapid and sustainable improvements in governance, leadership and culture in the council;
- secure improvement in relation to the proper functioning of the scrutiny and associated audit functions; and
- secure continuous improvement in all services.

In response, the Council developed an Improvement Plan which included proposed mechanisms for governance and assurance.

One of the objectives within the Plan is to improve the customer journey experience to meet residents needs and demands. This is a corporate priority for the authority.

In 2022, the Budget and Corporate Scrutiny Management Board agreed to investigate the experience of Sandwell residents when accessing or requesting Council services, to be referred to as the "Customer Journey". This was in response to:-

- concerns raised by residents about response times to queries
- member's experiences when trying to contact services/individual officers (e.g. delayed/no response).
- addressing the objectives of the Council's Improvement Plan to improve the customer journey experience
- to improve communication between residents and the council.



The Board recognises that significant improvements need to be made in order to help the Council to come out of intervention. Customer services is of public interest and aligned with the Council's corporate priorities.

A scoping document was created which carried out the rationale and provided suggestions of ways forward for the review to progress. Several lines of inquiry were identified for the review alongside a range of methods that could be used to gather evidence including the utilisation of Council surveys, desktop research, meetings with key stakeholders and site visits. As part of the Council's Improvement Plan, the Council was seeking to embed values and behaviours as a foundation of the council's workforce strategy. The work of the review would therefore complement ongoing work to address the recommendations set out in the Improvement Plan.

Scope

The Board approved the scope for the review ([Appendix A](#)) at its meeting on 12 January 2023.

Aims and Intended Outcomes

To review and to identify, if deemed necessary, any outstanding issues with the Council's customer-focused services. Potential recommendations needed to be considered best practice and be in line with Sandwell's Vision 2030:

- to address the outcomes from the Improvement Plan relating to the customer journey experience and ensure it meets the needs and demands of our residents;
- to understand if Sandwell residents can obtain the assistance they require in an efficient but timely manner;
- to identify if there is a need for alternating approaches to customer service when considering residents with varying circumstances e.g. residents without internet access/disabilities;
- to investigate the customer journey process and how residents are accessing Council services (physical, digital or via telephone);
- to assess if the Council is providing a welcoming, friendly, and helpful service with accurate and timely advice;
- to consider if the Customer Portal is efficient and effective at delivering it's aims and objectives;
- to identify if the Councillor Portal is fit for purpose.

Lead Officers:

The Group was supported primarily by the following officers:

Suky Suthi-Nagra

Dawn Winter

Anthony Lloyd

Debbie Cross

Helen Green

Jason Copp

Collette Knight

Andy Langford

Sean Russell

Nigel Collumbell

Tracey Causer

Sharon Lang

Vicky Merritt

Lauren Pilkington

Membership

Councillor Paul Moore (Chair)

Councillor Ellen Fenton

Councillor Elaine Giles

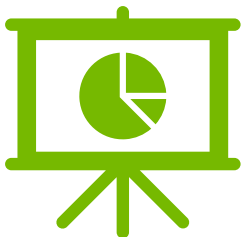
Methodology

During its investigation, the working group held two half day sessions to obtain information on the current and proposed “customer journey”. Officers from various departments across the organisation were invited to provide their experiences to the group. Recommendations were formed as a result of this detailed analysis based on the concerns, insights and issues expressed by those who attended.



Frequent working group meetings to guide and steer the Scrutiny Review

Detailed analysis into Sandwell Council’s Resident Survey to better understand public perception regarding Customer Service



Performance data review and feedback session with contact centre officers

Site visits carried out by members to the Council’s Corporate Contact Centre and One Stop Shop



Recommendation 1.1

That the Director of Regeneration and Growth/Assistant Chief Executive, in consultation with the Cabinet Member for Finance and Resources and Cabinet Member for Adult Social Care, be authorised to agree customer care standards/charter, and staff responsibilities in relation to those standards to ensure;

- a) that “back-office” staff take ownership and accountability of customer requests received via Contact Centre Agents;
- b) a standard approach is taken to making officer contact numbers available on Outlook and to customers to prevent additional calls being made to the Contact Centre;
- c) a standard approach to the complaints process and deadlines for responding to complaints are clear and accessible across all Council services;
- d) that key contacts are identified within each service area to aid Customer Service Agents in their enquiries;
- e) that residents are regularly updated and informed about the current process of their request/query.

Throughout the review, the working group was impressed with the professionalism, breadth of knowledge and commitment shown by the Contact Centre and One Stop Shop staff in delivering excellent customer service to the residents and businesses that the council serves. This was best demonstrated when Councillors spent time working alongside Customer Services Officers in the Call Centre and visiting the One Stop Shop. Staff were currently responding to queries from 13 different service areas so had to be retain knowledge on those areas. More complex queries for e.g. council tax or revenues and benefits would be dealt with by the specialised Revenues and Benefits Team.

Corporate standards

During their observations, the working group noted that there were currently different approaches to dealing with customers across the Council and no one single corporate standard, e.g. a number of service areas would not respond to customer queries within the allocated timeframes.

During their observation of the One Stop Shop, one customer had come into the Council House five times to ask about single occupancy discount.

Following conversations with officers, there had been repeated examples of people waiting too long or visiting the Council House for the same query because their issues had not been resolved the first time they had contacted the Council. In some cases, this included people at risk. Too often, it was felt the Council was not getting things done the first time.

Since the pandemic, more staff were working from home, however expectations of some customers are that they can come to the Council House and speak directly to department specialists. However, this is no longer the case. A significant number of the workforce continue to work from home with a small number of officers coming into the building as and when needed. Whilst services had successfully operated remotely during the pandemic, there appeared to be a perception that this would continue with officers not required to come into the building, however, customers footfall had since increased and now they expected a face-to-face service, which was not currently in place. In addition, the cost of living crisis, energy rebate schemes and other pressures on residents had resulted in more customers coming through the door.

In order to ensure consistency within the Council, it was proposed that customer service standards/charter should be developed to include the Council's aims and expectations as well as stating how and what will be measured to ensure compliance. It should set customer service standards that are applicable across services and to each council officer to ensure consistency, including response times. The charter would be a document for customers so that it could be easy to understand and be as user-friendly as possible as well as setting out expectations.

Communications between Customers, Contact Centre Agents and “back-office” staff

Following discussions with Officers and visits to the Council's Corporate Contact Centre and One Stop Shop, the working group quickly identified concerns regarding the break-down of communication between Contact Centre Advisors and “back-office” staff. For this report, “back-office” staff will be defined as Council employees who are not typically “customer facing” in their day-to-day roles. As a result of the pandemic, a number of back-office workers were required to work from home and continue to do so.

In some instances, customer requests remained unanswered by back-office staff despite consistent and repeated attempts by Contact Centre agents to resolve outstanding enquiries. During discussions with back-office staff, these issues were confirmed as legitimate points that were simply down to a lack of resources to both resolve the issue and keep customers informed. This lack of communication would then prompt residents to submit further requests, duplicating cases and increasing work-load. Upon further inspection, it was evident that no single approach or operating procedure was in place to obtain the information required in order to process customer requests with many Contact Centre agents developing their own procedures and preferred contacts when dealing with enquiries. This highlighted the desperate need for a standard operating procedure to be implemented to enable a consistent service across the board. It is therefore recommended that a single point of contact is identified within each service area (or, devolved further if necessary) to establish responsibility and increase the effectiveness of the processing of customer requests.

Members had several anecdotes where residents had missed a “call back” from the service area that had been responsible for their enquiry. In many cases, no further attempts were made to make contact or no direct contact number was left with the customer resulting in customers going back through the contact centre practically duplicating the request, leading to distress and frustration.

As a result, discussions commenced regarding the possibility of providing Council staff work mobile numbers to customers who have on-going cases. However, although this would alleviate pressure on the Contact Centre by potentially reducing the number of “chase” calls, it may result in officers receiving multiple requests that may not be relevant to their service area once the initial request had been resolved. It is suggested that a standard approach should be developed to alleviate the concerns and to establish guidelines for regular communications and updating procedures for customers with outstanding or on-going queries. Customers should be able to consistently, clearly and reliably display the progress of their enquiry or service request and contact should always be made when updates are available. Achieving closure is one of the most important aspects for customers; any cases that remain open for longer than usual periods of time should be reviewed and escalated where appropriate.

It was felt that the Council should set out clearly to customers how it was operating and what they can expect should they decide to visit the Council House via social media and other communication channels. In addition, the Council’s website should be kept up to date with relevant information and made easy to use to enable customers to easily find and complete relevant forms.



Recommendations and Findings

Recommendation 1.2, 1.3 and 1.4

- 1.2 That the Director of Regeneration and Growth/Assistant Chief Executive be authorised to commission/develop a customer training package that incorporates the following topics:-**
- a) The completeness of response letters**
 - b) Methods to manage customer expectations and awareness around the Council's remit and responsibilities.**
- 1.3 That the Director of Regeneration and Growth/Assistant Chief Executive ensure that all members of staff undertake training around customer care standards as identified in 1.2 and that staff performance against these standards be incorporated within the appraisal process.**
- 1.4 that mandatory corporate customer service training be included as part of the induction process for all staff.**

Customer Service Training

The review highlighted several areas where increased awareness of customer service processes and systems could be beneficial.

For example:

- The Customer Charter/service standards.
- Defining contacts and complaints.
- Where to find useful information e.g. website/social media.

The working group felt that newly developed corporate customer service training should be delivered to all staff to help embed customer service standards within all services. It was also felt that mandatory customer training should be included as part of the induction process to help raise awareness of the corporate approach to customer services, service standards and the Councillor's role within this.

Managing Customer Expectations

In particular, training is required around ensuring staff are well equipped to be able to manage customers' expectations. It is vital that customers are aware on whether or not their request can be met and, if so, what timeframes can be expected. Expectations should be set by Council staff at the earliest possible opportunity so that customers can re-direct their requests elsewhere if necessary.

Developing Council Officers' knowledge on the Council's remit is vital to assist a proficient and effective first point of contact and remove any uncertainty on functions and services that are provided by the Council. The completeness of correspondence was highlighted by members after several anecdotes had been received by customers of insufficient, wrong or badly written responses. Making certain that correspondence is clear, accessible and easy to understand is key to good customer service and would develop and maintain trust between the Council and its customers.



Recommendation 1.5

1.5 That the Director of Regeneration and Growth/Assistant Chief Executive, in consultation with the Director of Finance, investigate options for procuring a single joint Customer Relations System across the Council.

What is a Customer Relations Management System (CRM system)?

A Customer Relations Management System is the technology used to manage interactions between an organisation and its customers. An effective CRM system will help streamline processes and keep records of customer contact information as well as their preferred communication methods. It can also be used to track and capture previous interactions to better enable officers to identify reoccurring themes or quickly refer to recent enquiries. Customer Service Staff can use the system to effectively track conversations across multiple channels in one common platform. This is also useful as it would allow back-office staff from a wide array of departments to communicate effectively with the contact centre(s) which would increase efficiency in the process overall.

The current system in place at Sandwell Council

The Sandwell Council contact centre currently utilises Firmstep/DASH as its main CRM system. However, several CRM systems were in use across various departments. Upon further investigation, a total of 13 systems were identified. Although it is understandable that each CRM system contained its own advantages and disadvantages that could be more relevant to one service than another, it was clearly difficult and time-consuming for Contact Centre Officers to co-ordinate effective communications. The numerous avenues also caused difficulties with keeping clear and concise records of customer interactions as information was often spread across the systems in a disjointed manner.

Proposals and reasoning

Proposals from members included the need for a joint system that would ideally incorporate the existing databases or, at the very least, streamline the systems used. In doing this, officers would have a single point of access to obtain customer information, recent requests and completed cases to better map and review trends.



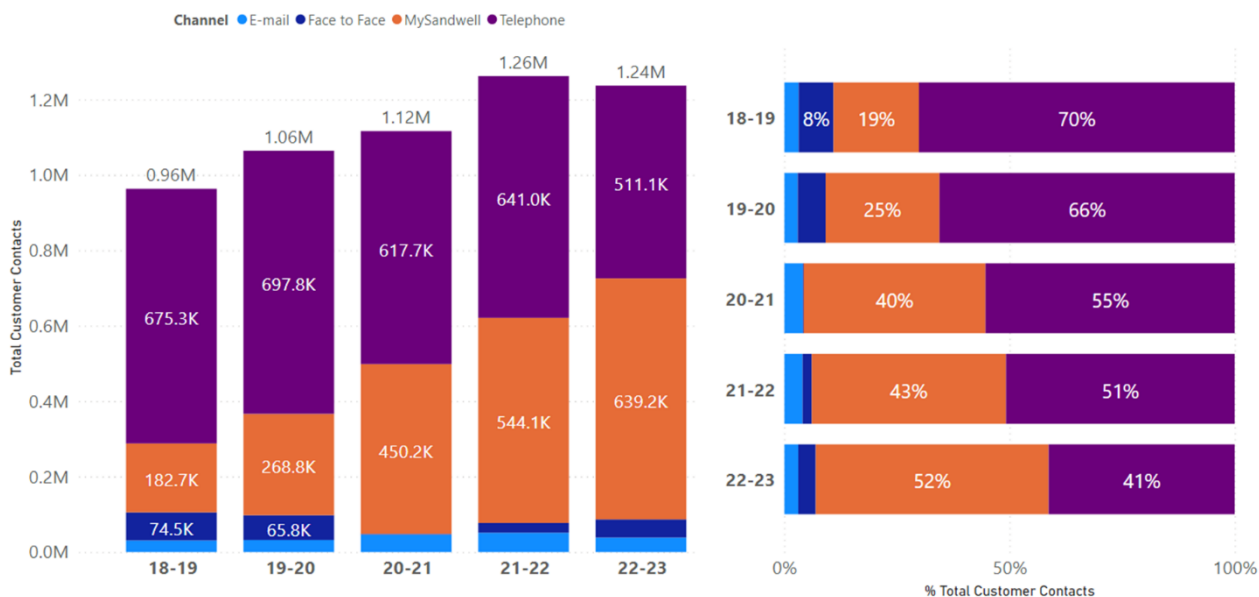
Recommendations and Findings

Recommendation 1.6

1.6 That the Director for Director of Regeneration and Growth/Assistant Chief Executive considers the introduction of automated feedback surveys and that regular feedback on Council enquires/complaints are analysed and shared with Directorates.

Current feedback collections methods

Customer feedback is currently collected via the Sandwell Council website (for digital enquires) and spoken questionnaires (for enquiries over the phone). Although the digital enquiries are receiving adequate responses, more effort is required to increase feedback over the phone. Verbal feedback responses by customers to the operator responding to their query could prevent customers from being open and honest about their experience. Sandwell Council's current telephony system is dated and in need of an urgent update; no facility was available to include automatic feedback which greatly reduced the Council's options in doing so. Data, as of February 2023 which can be seen in the diagram below, suggested that phone calls were still a major contributor to the overall customer contact figures. This reaffirms the need to better monitor and collect data.



A new, modern and robust system with the capability to host automatic feedback questionnaires is required to better understand resident perceptions and needs. In failing to do so, the Council misses a key opportunity to use this information to help adapt and create services to meet the needs of the public.

Once the technology is in place, information should then be collated and shared on a regular basis with each directorate to ensure the complete oversight of trends and concerns. This will also help with the allocation of resources.



Recommendation 1.7

- 1.7 That the Director for Director of Regeneration and Growth/Assistant Chief Executive introduces corporate guidelines in relation to the use of Council contact numbers to ensure that all officers are contactable and that contact details are updated regularly.**

Issues around contacting internal council staff

Although the Council's Contact Centre attempts to answer as many enquiries as possible in the first instance, there are some occasions when this is not always possible and as a result, further communication with back-office staff is required.

Officers highlighted the difficulties they sometimes experienced when contacting back-office staff. The relevant officer details provided were often outdated and, in some instances, the aforementioned officer had left the authority completely. Anecdotes were also provided that detailed scenarios in which urgent matters had arisen but could not be resolved as the responsible officer could not be identified following initial attempts. This is especially problematic when dealing with sensitive and time critical requests that could result in severe consequences for the individual making the request.

The working group also observed that there were too many disparate numbers for customers to navigate around and would on occasion get cut off.

What should could be done and issues around potential solutions?

It is therefore suggested a corporate approach be taken to ensuring Council staff maintain up-to-date contact details so that internal communications remain as effective as possible. Many organisations and other local authorities have already integrated staff contact numbers into the Microsoft Teams application. Not only does this remove the need for physical telephony equipment, it also enables staff to answer calls made to their contact number through Microsoft Teams. This technology would assist with preventing contact information becoming outdated as any changes to contact numbers should be automatically updated.

Whilst this technology is being implemented, or in the case that this integration is not possible, managers should be proactive in providing front line teams and supervisors with correct and up-to-date information on a regular basis.



Recommendation 1.8

- 1.8 That the Director of Regeneration and Growth/Assistant Chief Executive considers the feasibility of amalgamating the current three contact centres (Corporate Contact Centre, Revenues and Benefits Contact Centre and Adult Social Care Care) into a single contact centre number with staff specialising in various areas.**

Current and considered approach

Sandwell Council currently operate 3 individual contact centres, each specialising in different subject areas.

The Corporate Contact Centre, the biggest of the three, deals with a wide variety of requests including, but not limited to, housing repairs, registrar queries, grass cutting, overgrown trees, parks, cemeteries and waste enquiries. There was also a contact centre each for both Adults and Revenues and Benefits enquiries respectively.

The benefits and disadvantages of continuing the use of three contact centres were discussed on several occasions. Retaining the centres separately would provide a more specialised approach, allowing officers to develop and retain skillsets relevant to their subject area, however, this only further increases the amount of contact points (and numbers) across services which may seem counterproductive in achieving a single access point for customers.

Combining the contact centres would enable a single contact number for all Council enquiries. It is thought that this would ease the difficulty with navigating the Council's telephony system but training to existing staff in all subject areas would be required. This may be concerning when considering the vast amount of knowledge required in some of these specialist areas, especially when providing advice on Council Tax and Benefit matters. This raises the question of whether staff would be capable of learning and retaining the intricacies of every single topic or if specialist teams would be re-introduced to receive specific enquiries.

This could be achieved by using a singular number that utilises a subject menu to then further delegate the call to the appropriate officer without the need for requiring multiple numbers.



Recommendations and Findings

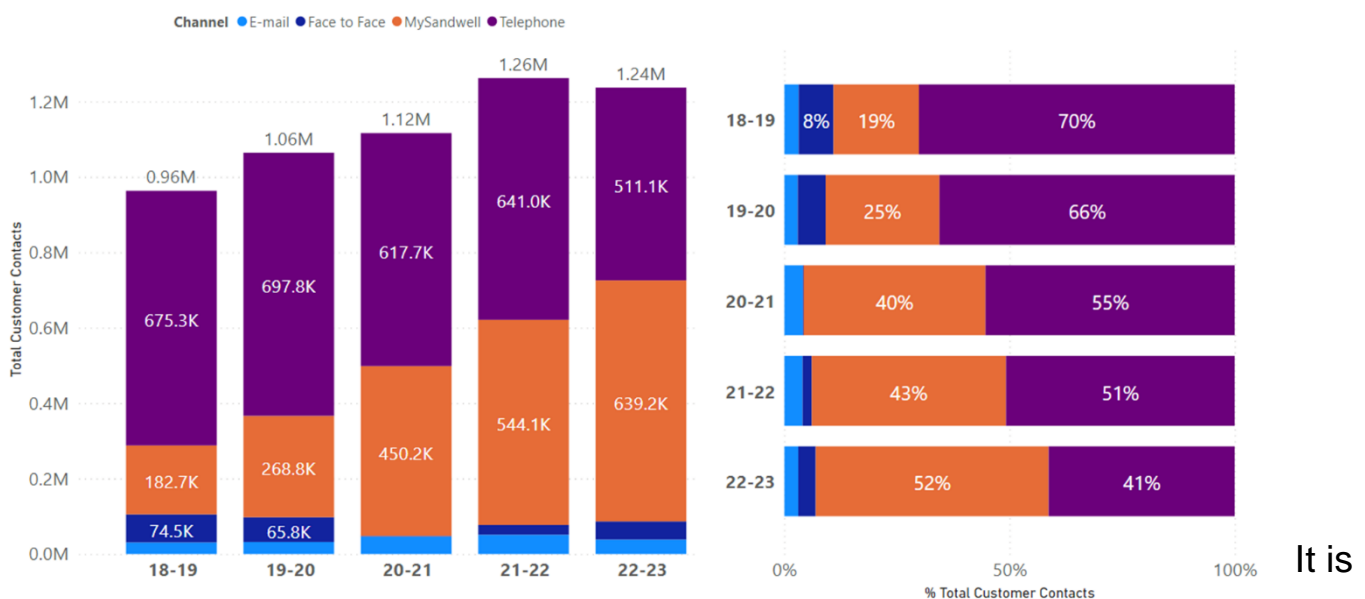
Recommendation 1.9

1.9 That the Director of Regeneration and Growth/Assistant Chief Executive, as part of the refresh of the Council’s website, ensures the Council continues to promote the use of Sandwell Digital First and the Council’s website as the first point for accessing information and raising an issue/request.

The “Digital First” offer

As a result of the recent pandemic and the shift to staff working from home, the Council was required to drastically change its approach to providing customer service to residents. Subsequent lockdowns and the closing of offices meant that a “digital first” approach was taken to enable residents to raise concerns and requests via the Council’s website.

As seen from the graph below, digital requests now account for the majority of customer requests:



It is therefore important that the Council’s website and online services are accessible, relevant and up-to-date to help assist residents with any enquiries they have in the first instance. Residents without access to digital services should still be offered help through alternative avenues but also encouraged and offered to make use of self-service machines as seen in the one-stop shop.

The Council's website

The Council's website contains an array of information useful to residents to help them with any enquiries they may have. The website also provides help and guidance for matters concerning Public Health, Finances and Wellbeing. Although useful, members and officers alike had noted the dated look of the site and the many pages that had not been updated for quite some time. It is vital that webpages are relevant and still appropriate and therefore, as a part of the Council website refresh, procedures should be in place to ensure webpages are routinely checked, updated and removed if required. Benchmarking exercises should also take place to detail the approach to website design made by other authorities and whether or not the amount of digital traffic has improved to reflect the changes.

In looking at Digital First, the working group felt that the balance of council resources had been focussed significantly on Digital First and not enough resources for call handling or face to face contact. The working group felt that the use of community hubs utilising libraries more effectively for customer contact should also be considered.



Recommendation 1.10

1.10 That as part of the customer journey review being undertaken, the Director of Regeneration and Growth/Assistant Chief Executive reviews current timescales for responding to enquiries and consider a reduction, wherever possible, including member enquiries being reduced from 10 working days to 3-5 days.

The working group highlighted that the current timescales for responding to enquiries, for both residents and Councillors, was in need of a review and consideration should be given to a reduction. Neighbouring authorities in the surrounding area laid out clear and precise deadlines in which residents should receive a response with some local authorities having service level agreements as little as 48 hours. A clear and effective service level agreement should be at the forefront of good customer service and the suggestion of a webpage dedicated to our customer service values, service level agreements and FAQs should be considered and clearly displayed on the Council's website.

It is therefore vital that Sandwell Council re-align enquiry response times to ensure that members and the public are receiving the information they need in a timely manner. In circumstances in which longer SLA times are needed, customers should be updated often as previously mentioned. The current SLA of 10 working days was deemed excessive as members often have multiple enquiries at any single given time. This makes it difficult to update residents as, understandably, frustration can arise when updates on their concerns are not provided.

As part of the review of the customer journey currently taking place, Cabinet should consider the reduction of response times.