

Minutes of Budget and Corporate Scrutiny Management Board

**Thursday 29 June 2023 at 6.01 pm
In the Council Chamber at Sandwell Council House, Oldbury**

Present: Councillor Moore (Chair);
Councillors Fenton, Fisher, E Giles, Lewis, Owen and Taylor.

In attendance: Simone Hines (Director of Finance – Section 151 Officer),
Surjit Tour (Director of Law and Governance and Monitoring
Officer), Rebecca Maher (Head of Finance), Suky Suthi-
Nagra (Democratic Services Manager, Statutory Scrutiny
Officer), Alexander Goddard (Scrutiny Lead Officer) and
Anthony Lloyd (Democratic Services Officer).

41/23 Apologies for Absence

Apologies were received from Councillors Anandou, Hinchliff,
Owen and Tipper.

42/23 Declarations of Interest

There were no declarations of interest made.



43/23

Minutes

Resolved that the minutes of the meeting held on 6 June 2023 March be approved as a correct record.

44/23

Additional Items of Business

There were no additional items of business.

45/23

Oracle Fusion Implementation Progress

The Board received a presentation on the progress made towards the implementation of the Oracle Fusion Enterprise Resource Planning (ERP) system. The Oracle Fusion implementation was a key corporate project and would fundamentally change the way the Council's Finance, Procurement, HR and Payroll services would operate.

A benefit exercise had been undertaken to identify what was needed from the new system and what would be the surrounding design principals. The following design principals were identified:-

- Adopt, not adapt. This was to ensure that the Council utilised Oracle Fusion's functionality as fully as possible rather than trying to amend the system to fit with historic ways of working.
- Maximising self-service and empowerment.
- Paper-free;
- No offline processes;
- Automation where possible;
- Oracle Fusion first to help remove un-needed satellite systems or to instead integrate them where possible;
- One source of truth.

It was stated that many benefits would be reaped as a result of these design principles:

- Empowerment for employees;
- Easier and streamlines processes;
- Innovation;
- Better use of money and value for money;

- Informed decision making as the current system used did not support real-time decision making.

In 2021, Cabinet agreed to pause the project following termination of the contract with the support provider. Grant Thornton, the Council's external Auditor also highlighted issues around the governance and programme management of the contract at the time. The implementation of Oracle was re-commenced in Autumn 2022 following the appointment of a new support provider. The finalisation of what the Council sought from the programme occurred in February 2023 and the "modelling phase" was about to conclude. The original completion target date for the modelling phase was set for the end of May 2023 however, this phase had been extended for the Payroll workstream due to slippage and delays; a recovery plan was in place to ensure timelines were met.

Once the modelling stage had been completed, the development stage would begin to commence testing of the system – finance and procurement were undergoing this phase.

In total, the running costs of the new system amounted to £2.8m over a 10-year period with an additional cost of £9.7m for implementation. Infosys, the Council's system integration partner for the Oracle Fusion project had regular contractual meetings with the Council to ensure that needs were being considered and met

The new system would see a wholesale change in how the Council operated. A change summary heatmap was provided to the Board. The heatmap would ensure that every potential user or team of users were aware of the new changes how they needed to proceed in order to accommodate the arrival of the system. One key feature of the new system was the ability to automatically scan invoices; this would significantly manual input and therefore, save the Council time and money. Regarding procurement, suppliers would be given access to a self-service portal to submit invoices and update details where necessary. Doing so would enable the Council to shift responsibility to suppliers to manage their own accounts.

Key risks that had been identified were relayed to the Board. Delays in the progress regarding HR and Payroll were concerns however, members were advised that they would not impact the go-live date of April 2024. Officers were reviewing the risks of the project every fortnight to ensure that the project was on track. It was also highlighted that Birmingham City Council's

implementation had been studied and a lesson learned log had been collated. Birmingham City Council's main issue was that a back-up option was not in place when the roll out of the new system was not successful. It was confirmed that Sandwell Council would be sure to run both the new and old system so that any issues could be resolved if the new system encountered problems. Additional assurance was to be provided by Grant Thornton, the Council's auditor, who was reviewing the project. Additionally, Swansea Council had recently launched the service with a successful implementation and officers from Sandwell Council were monitoring its roll-out in that authority.

Governance arrangements were in place consisting of a programme board, technical design authority, business readiness group and an implementation board. Additional working groups were also in place including HR, Finance, Payroll and IT groups.

Additionally, it was also confirmed that a Learning and Development plan was in place to train users on the Oracle system 3 months before the system was planned to go live. This was to ensure officers had were familiar with the system. An investment in the Oracle guidance module had been made and demonstrations and drop-in training sessions would also be available to help provide for all learning styles.

Following questions from members, the following points were made:-

- Well documented policy procedures were in place to ensure continuity in the event of staff turnover;
- Other authorities implementing the system were being watched closely to analyse the launch of the system;
- Servers for Oracle Fusion were cloud-based and therefore, the old physical services in the Council House would become redundant;
- Infosys were the implementation and integration partner for the project;
- A benefit case had assumed that over £1m in annual savings would be made;
- Restructures had already occurred in some areas in preparation of the implementation of the system..

Following further discussions, it was agreed that a further report would be considered by the Committee to review progress against the implementation of Oracle Fusion.

Officers were thanked for their attendance.

Resolved that a further update on progress of the Oracle Fusion Implementation be brought to the Budget and Corporate Scrutiny Management Board in September 2023.

46/23

2022/23 Financial Outturn

The overall outturn position for the General Fund was an underspend of roughly £1.9m. High inflation and an unexpectedly high pay award to Council staff had also been experienced with an extra £8m added to the outturn as a result. Overspend was also due the increasing costs of Special Educational Needs and Disabilities (SEND) transport although directorate underspend in other areas helped offset these costs.

Members noted that although General Fund earmarked reserves and during the year balances had reduced by £33.818m, £30.499m of this related to the use of Section 31 grants which funded reduced Business Rates income due to COVID. The net movement of reserves excluding this was a reduction of £3.319m.

The following responses were provided to members following further questions:-

- An increase of children with Education, Health and Care Plans, and an increase in the levels of complexity of needs identified, had contributed to the increase in out of borough placements costs due to little provision within Sandwell. Work was in place to investigate if that provision could be provided by Sandwell;
- SEND Transport costs were being reviewed and alternative options such as personal budgets for parents and collective pick-ups/drop-offs were being considered;
- Debt restructures referred to profiling a debt repayment in a different way. Costs would remain the same however, payments would be smaller in the first years to create savings in the early years;
- Unexpected dilapidation costs to the Court House had arisen. The Council were required to maintain and bring the property back to the original standard;

- Further detail would be provided at a later date in relation to green spaces revenue regeneration.

Officers were thanked for the report.

47/23

Scrutiny Review – Customer Journey

In 2022, the Budget and Corporate Scrutiny Management Board agreed to investigate the experience of Sandwell residents when accessing or requesting Council services. Subsequently a Scrutiny Review was conducted via the establishment of a working group which carried out the review to ascertain an understanding of the customer journey.

Several recommendations were identified as a result of the review. Members agreed that customer service was not to the standard expected as a local authority however, positive work already achieved was recognised. Weaknesses in responding and ensuring that enquiries reached the correct back-office staff were the main concerns highlighted during the Review.

The Deputy Leader and Cabinet Member for Finance and Resources welcomed the report and thanked the working group for the work undertaken to identify recommendations that would be extremely useful.

Resolved that:-

- (1) Cabinet is requested 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.
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- (2) That a further report be submitted to the Budget and Corporate Scrutiny Management Board, within 2 months' time, on the decision of Cabinet.

Meeting ended at 7.17pm.

Contact: democratic_services@sandwell.gov.uk