



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

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DATE: 28 June 2024

To: Members of the
**EXECUTIVE, RESOURCES AND CONTRACTS POLICY DEVELOPMENT AND
SCRUTINY COMMITTEE**

Councillor Simon Fawthrop (Chairman)
Councillor Shaun Slator (Vice-Chairman)
Councillors Jeremy Adams, Mark Brock, David Cartwright QFSM, Kira Gabbert,
Adam Jude Grant, Julie Ireland, Simon Jeal, Ruth McGregor, Alexa Michael,
Tony Owen, Mark Smith, Melanie Stevens and Michael Tickner

A meeting of the Executive, Resources and Contracts Policy Development and
Scrutiny Committee will be held Bromley Civic Centre, Stockwell Close, Bromley,
BR1 3UH on **MONDAY 8 JULY 2024 AT 7.00 PM**

TASNIM SHAWKAT

Director of Corporate Services & Governance

*Copies of the documents referred to below can be obtained from
<http://cds.bromley.gov.uk/>*

PART 1 AGENDA

Note for Members: Members are reminded that Officer contact details are shown on each report and Members are welcome to raise questions in advance of the meeting.

STANDARD ITEMS

- 1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**
- 2 DECLARATIONS OF INTEREST**
- 3 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING**

In accordance with the Council's Constitution, members of the public may submit one question each on matters relating to the work of the Committee. Questions must have been received in writing 10 working days before the date of the meeting.

Questions seeking clarification of the details of a report on the agenda may be accepted within two working days of the normal publication date of the agenda – by **5pm on Tuesday 2nd July 2024.**

a **QUESTIONS FOR THE CHAIRMAN OF EXECUTIVE, RESOURCES AND CONTRACTS PDS COMMITTEE**

b **QUESTIONS FOR THE RESOURCES, COMMISSIONING AND CONTRACTS MANAGEMENT PORTFOLIO HOLDER**

4 **MINUTES OF THE EXECUTIVE, RESOURCES AND CONTRACTS PDS COMMITTEE MEETING HELD ON 20 MAY 2024 (EXCLUDING EXEMPT ITEMS) (Pages 5 - 12)**

5 **MATTERS OUTSTANDING AND WORK PROGRAMME (Pages 13 - 18)**

6 **FORWARD PLAN OF KEY DECISIONS (Pages 19 - 26)**

HOLDING THE RESOURCES, COMMISSIONING AND CONTRACTS PORTFOLIO HOLDER TO ACCOUNT

7 **SCRUTINY OF THE PORTFOLIO HOLDER FOR RESOURCES, COMMISSIONING AND CONTRACTS MANAGEMENT**

8 **RESOURCES, COMMISSIONING AND CONTRACTS MANAGEMENT PORTFOLIO - PRE-DECISION SCRUTINY**

Portfolio Holder decisions for pre-decision scrutiny.

a **TREASURY MANAGEMENT ANNUAL PERFORMANCE REPORT (Pages 27 - 42)**

b **EXTENSIONS: VARIOUS CLEANING, CARETAKING AND WASHROOM SERVICES CONTRACTS (Pages 43 - 54)**

c **EXTENSION OF ROYAL MAIL CONTRACT (Pages 55 - 64)**

HOLDING THE EXECUTIVE TO ACCOUNT

9 **PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS**

Members of the Committee are requested to bring their copy of the agenda for the Executive meeting on 10 July 2024.

The Executive, Resources and Contracts PDS Committee will be looking at the following items on the Executive Agenda:

- Item 5 - Capital Programme Outturn
- Item 10 - Proceeding to Tender for a Block Purchasing Contract for Children's Residential (Beds) Placements
(This item will be considered jointly with the Children, Education and Families PDS Committee who will be invited to the meeting)
- Item 11 - Meeting the Needs of Children In Care: Market Development of Residential

Provision

(This item will be considered jointly with the Children, Education and Families PDS Committee who will be invited to the meeting)

- Item 16 - Contract Extension: Mechanical & Electrical Maintenance Contract

10 POLICY DEVELOPMENT AND OTHER ITEMS

- a **CUSTOMER SERVICES CONTRACT MONITORING REPORT**_(Pages 65 - 76)
- b **EXCHEQUER SERVICE CONTRACT PERFORMANCE REPORT**_(Pages 77 - 100)
- c **BENEFITS SERVICE MONITORING REPORT**_(Pages 101 - 126)
- d **REVENUES SERVICE MONITORING REPORT**_(Pages 127 - 150)
- e **EXPENDITURE ON CONSULTANTS AND CONTRACTORS 2023/24**
(Pages 151 - 162)

PART 2 AGENDA

11 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006, AND THE FREEDOM OF INFORMATION ACT 2000

The Chairman to move that the Press and public be excluded during consideration of the items of business listed below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

Items of Business

Schedule 12A Description

12 PRE-DECISION SCRUTINY OF EXEMPT EXECUTIVE REPORTS

The Executive, Resources and Contracts PDS Committee will be looking at the following Part 2 items on the Executive Agenda:

Item 23 – Part 2 Contract Extension: Mechanical & Electrical Maintenance Contract

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EXECUTIVE, RESOURCES AND CONTRACTS POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Minutes of the meeting held at 7.00 pm on 20 May 2024

Present:

Councillor Simon Fawthrop (Chairman)
Councillor Shaun Slator (Vice-Chairman)
Councillors Jeremy Adams, Mark Brock,
David Cartwright QFSM, Kira Gabbert, Adam Jude Grant,
Julie Ireland, Ruth McGregor, Alexa Michael, Tony Owen,
Chris Price, Alison Stammers, Melanie Stevens and
Michael Tickner

Also Present:

Councillor Christopher Marlow, Portfolio Holder for Resources,
Commissioning and Contracts Management

1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillor Simon Jeal and Councillor Mark Smith. Councillor Chris Price and Councillor Alison Stammers attended as their respective substitutes.

2 DECLARATIONS OF INTEREST

Councillor Mark Brock declared that he held shares in a smoking cessation company. Councillor Brock had been advised that the level of the shares did not meet the requirements for a disclosable pecuniary interest and as such he would be taking part in the debate.

Councillor Stammers declared that her son was in the Armed Forces.

Councillor Gabbert declared that she was a patient at the Dysart Surgery.

3 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions were received.

**4 MINUTES OF THE EXECUTIVE, RESOURCES AND
CONTRACTS PDS COMMITTEE MEETING HELD ON 25
MARCH 2024 (EXCLUDING EXEMPT ITEMS)**

The minutes of the Executive, Resources and Contracts PDS Committee meeting held on 25 March 2024 (excluding exempt information), were agreed and signed as a correct record.

**5 MATTERS OUTSTANDING AND WORK PROGRAMME
Report CSD24063**

The report dealt with the Committee's business management including matters outstanding from previous meetings and the proposed work plan for the remainder of the year.

The Committee noted that a further update on Biggin Hill Airport would be received in September 2024 and representatives from Biggin Hill Airport Limited and Flightpath Watch would be invited to that meeting.

Members requested that an update on the Transformation Programme be added to the Work Programme for October 2024 when the Chief Executive was next scheduled to attend a meeting.

In relation to the budget, the Chairman highlighted the need to be focused on the budget and identifying savings where possible. Issues around temporary accommodation and housing should be referred to the Renewal, Recreation and Housing PDS Committee for scrutiny with a detailed update on the budget position being included in the first quarter budget monitoring report.

RESOLVED: That the report be noted.

6 FORWARD PLAN OF KEY DECISIONS

The Committee noted the Forward Plan of Key Decisions covering the period May 2024 to July 2024.

7 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS

The Committee considered the following reports on the Part 1 agenda for the meeting of the Executive on 22 May 2024:

**(6) PROVISIONAL FINAL ACCOUNTS 2023/24
Report FSD24036**

The report considered the 2023/24 provisional outturn at portfolio level and Council-wide as well as the potential implications for the Council's financial position in 2024/25. The purpose of the report was to give a broad overview of the financial outturn. Details of the carry forward requests and a summary of

the Council's capital programme were considered in the report and more detailed reports would be submitted to individual PDS Committees.

The 2023/24 provisional outturn enabled the General Fund balance to remain at £20m, subject to the recommendations in the report being agreed.

The Director of Finance introduced the report highlighting that there were significant pressures within Housing and Children's Services but that mitigations had been put in place to address any overspends in 2024/2025. Whilst there were some underspends in the contingency there was limited flexibility. The first budget monitoring report would focus on cost pressures and there would be a need to review growth pressures. Going forward it would be important for PDS Committees to thoroughly scrutinise any proposals for growth, budget monitoring overspends and any mitigation that could be put in place. In relation to lobbying government, the Director of Finance highlighted the importance of understanding the impact of any new burdens and giving due consideration to what services could not be provided if more government funding was not forthcoming.

In response to a question from the Chairman, the Director of Finance confirmed that all aspects of income generation would be addressed in the October report and that any new invest-to-save initiatives would come through the Transformation Programme.

RESOLVED: That the recommendations in the report be supported.

**(7) CRM REPLACEMENT CAPITAL PROJECT - CRM & WEBSITE
REDESIGN CLOSURE REPORT AND WEBSITE PHASE 2
OPTIONS
Report CSD24045**

The report provided an update on the CRM replacement capital programme including a scheme closure report on the completed software implementation and the completed redesign of the Council's public facing website.

The report also sought Members' approval to progress the complementary scheme to enhance the My Account features of the website including the personalisation and single sign on initiatives outlined in the report.

The Committee requested that details of the projected number of users be circulated following the meeting.

In noting that there was no statutory requirement to spend the funds that had been allocated for the upgrade, a Member questioned whether the proposals in the report that were designed to improve the customer experience represented a good use of the underspend. In response to a question from the Chairman, the Assistant Director for Customer Services confirmed that Option 2A outlined in the report provided the technology for the single sign on whilst option 2B provided enhanced features. In discussion, Members indicated that they were yet to be convinced that options 1 and 2 (A&B) outlined in the report would represent value for money and it was suggested

that there were other system improvements that may provide better value, such as the housing bidding system.

Councillor Julie Ireland proposed that the Committee support Option 3 – do nothing and return the capital receipts - within the report. The motion was seconded by Councillor Alexa Michael, put to the vote and CARRIED by majority.

RESOLVED: That the Executive be recommended to adopt Option 3 – do nothing and return the capital receipts - as outlined in the report.

**(8) PROCUREMENT OF A SPECIALIST STOP SMOKING SERVICE
Report ACH24-027**

The report outlined the proposed procurement for a Specialist Stop Smoking Service for individuals in Bromley who required support to quit smoking. Permission was sought to commence the procurement of the Service in accordance with the arrangements set out in the report to commence the Service on 1st April 2025. Contracts with a whole life value of £1m and above require Executive approval prior to proceeding to procurement.

A small pilot project, Smokefree Bromley, was currently being delivered by Solutions4Health. This contract went live on 1st January and was due to end 31st December 2024 with an available extension period to 31st March 2025.

It was proposed this service would be funded jointly from the substantive Public Health grant plus the ring-fenced Stop Smoking Grant from the Department of Health and Social Care (DHSC). The DHSC Stop Smoking Grant was available annually until March 2029. The ring-fenced Stop Smoking grant allocation was reassessed annually in accordance with estimated smoking prevalence rates in the Borough. Therefore, authorisation was sought to design a service with a degree of flexibility to enable Chief Officer approval of subsequent variation to the scope and value of the Smoking Cessation Service contract in line with the requirements of the grant.

In opening the debate, the Chairman expressed concerns around the value for money arising from the proposals.

In response to a question concerning the age profile of smokers across the Borough, the Director of Public Health confirmed that there was a lower prevalence of smoking in young people, but instances of vaping were increasing. It was highlighted that vaping was effective as a method of encouraging adults to stop smoking. The service proposed in the report was for adults only and there was currently no service for individuals who had only ever vaped.

The Director of Public Health confirmed that the success rate for previous services had been good – around 40% - but that had been a very different service to the proposals before the Committee.

A Member highlighted the need to evaluate the cost of smoking to the social sector, not just the NHS. It was suggested that one of the most effective actions that could be taken was to discourage individuals from smoking. There needed to be a 40% success rate for the service to pay for itself.

In response to a question, the Director of Public Health confirmed that it was not possible to means test for the service, but the highest risk groups would be targeted for support.

The Director of Public Health explained that one of the conditions of the grant was that the Local Authority must “Invest in enhancing local authority commissioned stop smoking services and support, in addition to and while maintaining existing spend on these services and support from the public health grant”. However, the Chairman suggested that there may be other priorities, for the Local Authority’s Public Health grant, such as vaccination.

The Chairman proposed that the Council proceed with the programme on the basis of utilising the additional funding from Government and review how much, if any Bromley Public Health funds, should be spent. The amended recommendation was seconded by Councillor Tony Owen, put to the vote and CARRIED.

RESOLVED: That Executive be recommended to agree that the Council proceed with the programme on the basis of utilising the additional funding from Government and review how much, if any Bromley Public Health funds, should be spent.

**(9) BROMLEY HEALTH & WELLBEING CENTRE, CHURCHILL COURT - REFURBISHMENT, LEASE & CONTRACT AWARD
Report HPR2024/019**

A Report to Executive on 30th November 2022 set out the recommendation to purchase the freehold of the Direct Line site known as Churchill Court with a view to moving the Council offices off the Civic Centre site and subsequent disposal. As part of that report, Members agreed to the provision of a new Health & Wellbeing Centre for Bromley town centre.

On 17th May 2023 a follow-up report was shared with the Executive which set out details of the conversion of the 1st Floor offices within Phase Four, Churchill Court to provide a new NHS Health & Wellbeing Centre (HWBC). Following that agreement Council officers have been working with colleagues in the NHS to design the new public facility, obtain planning consent, building control approval, agree funding and finalising the lease terms. This report, together with the accompanying Part 2 report, set out the outcomes of that exercise and sought permission to continue with the next steps.

The Part 2 report set out the outcome of the tender process and award of contract for the construction works. It also detailed the capital project budget and terms agreed with the NHS Integrated Care Board (ICB) for the share of capital funding and lease terms. In addition, the report updated Members on the overall project timetable.

On behalf of the Bromley Town Ward Councillors, Councillor Julie Ireland thanked the Property Team for the updates and confirmed that the local ward councillors entirely supported the recommendations.

RESOLVED: That the recommendations in the report be supported.

8 POLICY DEVELOPMENT AND OTHER ITEMS

A ARMED FORCES COVENANT PROGRESS UPDATE Report HPR2024/017

The report summarised the progress on the work that had taken place to date under the Armed Forces Covenant since its renewal and the ongoing work underway to further support Bromley's Armed Forces Community.

The Committee noted that the Council would have to complete the process to demonstrate that it qualified for the Silver Employer Certificate.

In response to a question, the Head of Culture confirmed that opportunities for Looked After Children to be involved in the Cadets would form part of the second priority of the action plan: strengthening our links with the armed forces community

RESOLVED: That

- 1. The progress and work underway to meet the pledges set out in the renewal of the Armed Forces Covenant which was re-affirmed in June 2023 be noted.**
- 2. The award of the Bronze Employer Certificate in national recognition of the Council's commitment to the Armed Forces Community be noted.**
- 3. The Portfolio Holder for Resources Commissioning and Contracts Management be recommended to adopt the refreshed Action Plan which sets out how the Council will deliver the Armed Forces Covenant in Bromley and measure progress.**

B RISK MANAGEMENT Report FSD24032

The report provided Members of the Executive, Resources and Contracts Policy, Development and Scrutiny Committee with the net 'High' (Red) risks

extracted from the Corporate Services, Finance and the Human Resources and Customer Services Risk Registers.

A Member sought and received confirmation that Fire Risk Assessments and Fire Strategies were in place across the property portfolio. .

Officers confirmed that the fire strategies across the Council's portfolio were in the process of being reviewed.

RESOLVED: That the report be noted.

9 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006, AND THE FREEDOM OF INFORMATION ACT 2000

RESOLVED that the Press and public be excluded during consideration of the items of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

**The following summaries
refer to matters involving exempt information**

10 EXEMPT MINUTES OF THE MEETING HELD ON 25 MARCH 2024

The Part 2 (exempt) minutes of the meeting held on 25 March 2024 were agreed, and signed as a correct record.

11 PRE-DECISION SCRUTINY OF EXEMPT EXECUTIVE REPORTS

The Committee considered the following reports on the Part 2 agenda for the meeting of the Executive on 22 May 2024:

(13) PART 2 CRM REPLACEMENT CAPITAL PROJECT - WEBSITE REDESIGN UPDATE REPORT

The Committee noted the Part 2 information.

**(14) PART 2 BROMLEY HEALTH & WELLBEING CENTRE,
CHURCHILL COURT - REFURBISHMENT, LEASE &
CONTRACT AWARD**

The Committee noted the report and supported the recommendations.

12 PART 2 POLICY DEVELOPMENT AND OTHER ITEMS

**A PART 2 CONTRACTS REGISTER AND CONTRACTS
DATABASE**

The report presented May 2024's Corporate Contracts Register for consideration.

Detailed scrutiny of individual contracts was the responsibility of the six PDS Committees but ER&C PDS took an overview of the Council's larger value (£200k+) contracts to ensure that commissioning and procurement activity was progressed in a consistent manner. This report provided both the Council-wide £200k+ register together with the £50k+ register specific to the ER&C Portfolio.

A full report was provided twice a year (May and November) including a detailed Part 2 report which included a Procurement RAG Rating and commentary on each relevant contract to inform Members of any issues or developments. Otherwise, a Part 1 Register only would be provided as a For Information item with an accompanying Part 2 report only for any contracts RAG rated Red by the Corporate Procurement Team.

The Contracts Register full report presented in 'Part 2' of this agenda included a commentary on each contract to inform Members of any issues or developments.

In response to a question concerning the impact of inflation on energy services, the Assistant Director of Governance and Contracts confirmed that the Energy Commissioning Strategy had been agreed around three years previously and enabled the Council to select services from a framework in order to achieve the most competitive price. It was noted that a longer-term commissioning strategy would be presented to Members in due course.

RESOLVED: That the report be noted.

The Meeting ended at 8.58 pm

Chairman

Agenda Item 5

Report No.
CSD24075

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE, RESOURCES AND CONTRACTS POLICY
DEVELOPMENT AND SCRUTINY COMMITTEE

Date: Monday 8th July 2024

Decision Type: Non-Urgent Non-Executive Non-Key

Title: MATTERS OUTSTANDING AND WORK PROGRAMME

Contact Officer: Philippa Gibbs, Democratic Services Officer
Tel: 020 8461 7638 E-mail: Philippa.Gibbs@bromley.gov.uk

Chief Officer: Director of Corporate Services and Governance

Ward: All Wards

1. Reason for decision/report and options

This report deals with the Committee's business management including:

- Monitoring progress against actions arising from previous meetings; and
- Developing the 2023/24 Forward Work Programme.

2. **RECOMMENDATION(S)**

That PDS Committee reviews and comments on:

1. Progress on matters arising from previous meetings; and
2. The 2024/25 work programme, indicating any changes or particular issues that it wishes to scrutinise for the year ahead.

Impact on Vulnerable Adults and Children

1. Summary of Impact: None
-

Transformation Policy

1. Policy Status: Not Applicable:
 2. Making Bromley Even Better Priority (delete as appropriate): Not Applicable:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £402k
 5. Source of funding: Revenue Budget
-

Personnel

1. Number of staff (current and additional): 6
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable: Non-Executive reports are not subject to call-in
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Property

1. Summary of Property Implications: Not Applicable
-

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: Not Applicable
-

Customer Impact

1. Estimated number of users or customers (current and projected): This report is intended primarily for the benefit of Committee Members.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

Matters Outstanding from Previous Meetings

3.1. There are no matters outstanding from previous meetings.

Work Programme

3.2 Each PDS Committee determines its own work programme, balancing the roles of (i) pre-decision scrutiny and holding the Executive to account, (ii) policy development and review and (iii) external scrutiny. ERC PDS Committee has the additional role of providing a lead on scrutiny issues and co-ordinating PDS work.

3.3 PDS Committees need to prioritise their key issues. The work programme also needs to allow room for items that arise through the year, including Member requests, call-ins and referrals from other Committees. Committees need to ensure that their workloads are realistic and balanced, allowing sufficient time for important issues to be properly scrutinised. Members also need to consider the most appropriate means to pursue each issue – the current overview and scrutiny arrangements offer a variety of approaches, whether through a report to a meeting, a time-limited working group review, a presentation, a select committee style meeting focused on a single key issue, or another method.

3.4 **Appendix 1** sets out the ERC PDS Committee Work Programme for 2024/25, including: the provisional report title (or activity); the lead division; and Committee's role. Committee is invited to comment on the proposed schedule and suggest any changes it considers appropriate. Other reports will be added to the 2024/25 Work Programme as items arise. In addition, there may also be references from other committees, the Resources, Contracts and Commissioning Portfolio Holder, or the Executive.

Sub-Committees and Working Groups

3.5 The Policy Development and Scrutiny Toolkit suggests that each Committee should aim to carry out no more than two or three full scale reviews each year, and it offers guidance and techniques for prioritising reviews. At a time of pressure on Member and officer resources it is important that any additional work is carefully targeted at priority issues where improvements can be achieved.

Non-Applicable Headings:	Impact on Vulnerable Adults and Children, Transformation/Policy Implications, Financial Implications, Personnel Implications, Legal Implications, Procurement Implications, Property Implications, Carbon Reduction/Social Value Implications, Customer Impact, Ward Councillor Views
Background Documents: (Access via Contact Officer)	Minutes of previous meetings

**EXECUTIVE, RESOURCES & CONTRACTS PDS COMMITTEE
WORK PROGRAMME 2024/25**

Meeting Date: 16 September 2024		
	Division	Committee Role
Matters Arising/Work Programme/Forward Plan	Democratic Services	Standard Items
Executive Agenda	Various	Pre-decision scrutiny
Capital Programme Monitoring - 1st Quarter 2024/25	Finance	Pre-decision scrutiny (PH)
Treasury Management Q1	Finance	Pre-decision scrutiny (PH)
Scrutiny of the Leader	-	PDS Committee
Contract Register and Contracts Database	Governance and Contracts	PDS Committee
Contracts Management	Governance and Contracts	PDS Committee
Update on Free Speech	Legal	PDS Committee
Meeting Date: 10 October 2024		
	Division	Committee Role
Matters Arising/Work Programme/Forward Plan	Democratic Services	Standard Items
Executive Agenda	Various	Pre-decision scrutiny
Post-Completion Review of Oracle Fusion Implementation	Finance	PDS Committee
Section 106 Agreements: Update*	Planning and Regeneration	PDS Committee
Risk Register (Red Risks)	Audit	PDS Committee
Scrutiny of the Chief Executive (including short written summary to include an update on the Transformation Programme)	Chief Execs	PDS Committee
Meeting Date: 25 November 2024		
	Division	Committee Role
Matters Arising/Work Programme/Forward Plan	Democratic Services	Standard Items

Executive Agenda	Various	Pre-decision scrutiny
Treasury Management – Quarter 2 Performance 2024/25 & Mid-Year Review	Finance	Pre-decision scrutiny (PH)
Insurance Fund – Annual Report 2023/24	Finance	Pre-decision scrutiny (PH)
Capital Programme Monitoring Q2.	Finance	Pre-decision scrutiny (PH)
BT/ICT Contract Monitoring Report	IT	PDS Committee – Monitoring Report
Risk Register	Audit	PDS Committee
Meeting Date: 20 January 2025		
	Division	Committee Role
Matters Arising/Work Programme/Forward Plan	Democratic Services	Standard Items
Executive Agenda	Various	Pre-decision scrutiny
Benefits Service Monitoring Report	Revenues & Benefits	PDS Committee – Monitoring Report
Revenues Service Monitoring Report	Revenues & Benefits	PDS Committee – Monitoring Report
Exchequer Service - Contract Performance Report	Finance	PDS Committee – Monitoring Report
Customer Services - Contract Performance Report	Customer Services	PDS Committee – Monitoring Report
Scrutiny of the Resources, Commissioning & Contract Management Portfolio Holder (Including Short Written Summary)	N/A	PDS Committee
Meeting Date: 10 February 2025		
	Division	Committee Role
Matters Arising/Work Programme/Forward Plan	Democratic Services	Standard Items
Executive Agenda	Various	Pre-decision scrutiny
Capital Programme Monitoring Q.3	Finance	PH Pre-Decision Scrutiny
Annual Investment Strategy 2023/24 and Quarter 3 Treasury Management Performance	Finance	PH Decision/Council
Contracts Register and Contracts Database Update	Governance and Contracts	PDS Committee
Scrutiny of The Leader (including short written summary)	N/A	PDS Committee
Property Investment Update	Property	PDS Committee

Risk Register (Red Risks)	Audit	PDS Committee
Meeting Date: 24 March 2025	Division	Committee Role
Matters Arising/Work Programme/Forward Plan	Democratic Services	Standard Items
Executive Agenda	Various	Pre-decision scrutiny
Scrutiny of the Chief Executive (including short written summary)	N/A	PDS Committee
Annual PDS Report 2024/25	Democratic Services	PDS Committee

*Part 2 (Exempt) Report

LONDON BOROUGH OF BROMLEY

FORWARD PLAN OF KEY AND PRIVATE EXECUTIVE DECISIONS PUBLISHED ON: 24 MAY 2024

PERIOD COVERED: May 2024 - August 2024

DATE FOR PUBLISHING NEXT FORWARD PLAN OF KEY AND PRIVATE EXECUTIVE DECISIONS: 20 AUGUST 2024

WHAT IS BEING DECIDED?	WHO IS THE DECISION MAKER?	WHEN WILL THE DECISION BE MADE AND WHO WILL BE CONSULTED BEFORE THE DECISION IS MADE?	HOW WILL THE CONSULTATION TAKE PLACE?	HOW CAN YOU MAKE COMMENTS ON THE DECISION BEFORE IT IS MADE?	WILL THIS ITEM BE CONSIDERED IN PUBLIC OR IN PRIVATE?	WHAT SUPPORT DOCUMENTS AND OTHER INFORMATION WILL BE AVAILABLE?
COUNCIL						
WEST WICKHAM AFFORDABLE HOUSING SCHEME	Executive Council	15 July 2024 Renewal Recreation and Housing PDS Committee and Executive	Meetings	Contact Officer: Alicia Egan Tel: 020 8313 4559 Alicia.Egan@bromley.gov.uk	<u>Meeting in public</u>	Report and relevant background documents
COUNCIL TAX LEVEL 2025/26	Council	24 February 2025 Executive, PDS Committees, business community & local residents	Meetings	Contact Officer: Peter Turner Tel: 020 8313 4668 peter.turner@bromley.gov.uk	<u>Meeting in public</u>	Report and relevant background documents
REVENUE BUDGET 2025/26	Council	24 February 2025 Executive, PDS Committees, business community and local residents	Meetings	Contact Officer: Peter Turner Tel: 020 8313 4668 peter.turner@bromley.gov.uk	<u>Meeting in public</u>	Report and relevant background documents

WHAT IS BEING DECIDED?	WHO IS THE DECISION MAKER?	WHEN WILL THE DECISION BE MADE AND WHO WILL BE CONSULTED BEFORE THE DECISION IS MADE?	HOW WILL THE CONSULTATION TAKE PLACE?	HOW CAN YOU MAKE COMMENTS ON THE DECISION BEFORE IT IS MADE?	WILL THIS ITEM BE CONSIDERED IN PUBLIC OR IN PRIVATE?	WHAT SUPPORT DOCUMENTS AND OTHER INFORMATION WILL BE AVAILABLE?
CAPITAL STRATEGY 2025 TO 2029	Council	24 February 2025 Executive, PDS Committees and key stakeholders	Meetings	Contact Officer: Peter Turner Tel: 020 8313 4668 peter.turner@bromley.gov.uk	<u>Meetings in public</u>	Reports and relevant background documents.
TREASURY MANAGEMENT STRATEGY 2025/26	Council	24 February 2025 Executive, Resources and Contracts PDS Committee	Meetings	Contact Officer: Peter Turner Tel: 020 8313 4668 peter.turner@bromley.gov.uk	<u>Meeting in public</u>	Reports and relevant background documents

EXECUTIVE						
ADULT SOCIAL CARE TRANSFORMATION - DIGITAL STRATEGY 2024-34	Executive	10 July 2024 Adult Care and Health PDS Committee	Meetings	Contact Officer: Heather Sinclair-Constance heather.sinclair-constance@bromley.gov.uk	<u>Meeting in public</u>	Report and relevant background documents

WHAT IS BEING DECIDED?	WHO IS THE DECISION MAKER?	WHEN WILL THE DECISION BE MADE AND WHO WILL BE CONSULTED BEFORE THE DECISION IS MADE?	HOW WILL THE CONSULTATION TAKE PLACE?	HOW CAN YOU MAKE COMMENTS ON THE DECISION BEFORE IT IS MADE?	WILL THIS ITEM BE CONSIDERED IN PUBLIC OR IN PRIVATE?	WHAT SUPPORT DOCUMENTS AND OTHER INFORMATION WILL BE AVAILABLE?
PERMISSION TO COMMENCE WITH THE PROCUREMENT OF A DOMICILIARY CARE FRAMEWORK	Executive	10 July 2024 Adult Care and Health PDS Committee and Executive	Meetings	Contact Officer: Kelly Sylvester, Chanelle-Ghania Ali Tel: 020 8461 7653, kelly.sylvester@bromley.gov.uk , Chanelle-Ghania.Ali@bromley.gov.uk	<u>Meeting in Public</u>	Report and relevant background documents
PROCEEDING TO TENDER FOR A BLOCK PURCHASING CONTRACT FOR CHILDREN'S RESIDENTIAL (BEDS) PLACEMENTS	Executive	10 July 2024 Children, Education & Families PDS Committee	Meetings	Contact Officer: Aneesa Kaprie Aneesa.kaprie@bromley.gov.uk	<u>Meeting in public</u>	Report and relevant background documents
MEETING THE NEEDS OF CHILDREN IN CARE: MARKET DEVELOPMENT OF RESIDENTIAL PROVISION	Executive	10 July 2024 Children, Education & Families PDS Committee	Meetings	Contact Officer: Aneesa Kaprie Aneesa.kaprie@bromley.gov.uk	<u>Meeting in public</u>	Report and relevant background documents
CHURCHILL COURT - LETTING STRATEGY	Executive	10 July 2024 Executive Resources and Contracts PDS Committee	Meetings	Contact Officer: Darren Essex darren.essex@bromley.gov.uk	<u>Report is expected to be considered in the public part of the meetings with exempt material considered during confidential proceedings.</u>	Report and relevant background documents

WHAT IS BEING DECIDED?	WHO IS THE DECISION MAKER?	WHEN WILL THE DECISION BE MADE AND WHO WILL BE CONSULTED BEFORE THE DECISION IS MADE?	HOW WILL THE CONSULTATION TAKE PLACE?	HOW CAN YOU MAKE COMMENTS ON THE DECISION BEFORE IT IS MADE?	WILL THIS ITEM BE CONSIDERED IN PUBLIC OR IN PRIVATE?	WHAT SUPPORT DOCUMENTS AND OTHER INFORMATION WILL BE AVAILABLE?
PROPERTY INVESTMENT REPORT	Executive	10 July 2024 Executive Resources and Contracts PDS Committee	Meetings	Contact Officer: John Kulasek John.Kulasek@bromley.gov.uk	<u>Report is expected to be considered in the public part of the meetings with exempt material considered during confidential proceedings.</u>	Report and relevant background documents
PROVISION OF LIBRARY SERVICE - CONTRACT PERFORMANCE	Executive	10 July 2024 Renewal, Recreation and Housing PDS Committee	Meetings	Contact Officer: Paula Young Tel: 020 8461 7281 Paula.Young@bromley.gov.uk	<u>Meeting in public</u>	Report and relevant background documents
CONTRACT EXTENSION MECHANICAL & ELECTRICAL REACTIVE REPAIRS AND MAINTENANCE	Executive	10 July 2024 Executive and Resources PDS Committee	Meetings	Contact Officer: Graham Soars Graham.Soars@bromley.gov.uk	<u>Meeting in Public</u>	Report and relevant background documents
ARBORICULTURAL SERVICES	Executive	10 July 2024 Environment and Community Services PDS Committee	Meetings	Contact Officer: Hugh Chapman Hugh.Chapman@bromley.gov.uk	<u>Report is expected to be considered in the public part of the meetings with exempt material considered during confidential proceedings.</u>	Report and relevant background documents

WHAT IS BEING DECIDED?	WHO IS THE DECISION MAKER?	WHEN WILL THE DECISION BE MADE AND WHO WILL BE CONSULTED BEFORE THE DECISION IS MADE?	HOW WILL THE CONSULTATION TAKE PLACE?	HOW CAN YOU MAKE COMMENTS ON THE DECISION BEFORE IT IS MADE?	WILL THIS ITEM BE CONSIDERED IN PUBLIC OR IN PRIVATE?	WHAT SUPPORT DOCUMENTS AND OTHER INFORMATION WILL BE AVAILABLE?
OPTIONS FOR FUTURE HIGHWAY MAINTENANCE CONTRACTS	Executive	10 July 2024 Environment and Community Services PDS Committee	Meetings	Contact Officer: Garry Warner Tel: 020 8313 4929 garry.warner@bromley.gov.uk	<u>Meeting in public</u>	Report and relevant background documents
DEPOT IMPROVEMENT WORKS UPDATE	Executive	10 July 2024 Environment and Community Services PDS Committee	Meetings	Contact Officer: Peter McCreedy Tel: 020 8313 4942 peter.mccreedy@bromley.gov.uk	<u>Report is expected to be considered in the public part of the meetings with exempt material considered during confidential proceedings.</u>	Report and relevant background documents
GATEWAY REPORT FOR PROCUREMENT OF CONTRACTOR FOR WORKS AT MANORFIELDS	Executive	10 July 2024 Renewal, Recreation and Housing PDS Committee	Meetings	Contact Officer: Alicia Egan Tel: 020 8313 4559 Alicia.Egan@bromley.gov.uk	<u>Meeting in public</u>	Report and relevant background documents
EMPTY HOMES	Executive	18 September 2024 Renewal Recreation and Housing PDS Committee	Meetings	Contact Officer: Alicia Egan Tel: 020 8313 4559 Alicia.Egan@bromley.gov.uk	<u>Meeting in public</u>	Report and relevant background documents

WHAT IS BEING DECIDED?	WHO IS THE DECISION MAKER?	WHEN WILL THE DECISION BE MADE AND WHO WILL BE CONSULTED BEFORE THE DECISION IS MADE?	HOW WILL THE CONSULTATION TAKE PLACE?	HOW CAN YOU MAKE COMMENTS ON THE DECISION BEFORE IT IS MADE?	WILL THIS ITEM BE CONSIDERED IN PUBLIC OR IN PRIVATE?	WHAT SUPPORT DOCUMENTS AND OTHER INFORMATION WILL BE AVAILABLE?
GATEWAY 0 - COMMISSIONING STRATEGY FOR TRANSPORT SERVICES PRIOR TO PROCEEDING TO PROCUREMENT	Executive	18 September 2024 Adult Care and Health PDS Committee and Children, Education and Families PDS Committee	Meetings	Contact Officer: Maya Vadgama Tel: 0208 313 4740 Maya.Vadgama@bromley.gov.uk	<u>Report is expected to be considered in the public part of the meetings with exempt material considered during confidential proceedings.</u>	Report and relevant background documents
OPTIONS FOR THE FUTURE DELIVERY OF PARKS MANAGEMENT AND GROUNDS MAINTENANCE SERVICES.	Executive	27 November 2024 Environment and Community Services PDS Committee	Meetings	Contact Officer: Hannah Jackson Tel: 0208 461 7690 Hannah.Jackson@bromley.gov.uk	<u>Report is expected to be considered in the public part of the meetings with exempt material considered during confidential proceedings.</u>	Report and relevant background documents
ADULT CARE & HEALTH PORTFOLIO						
CONTRACT EXTENSION - DEMENTIA POST DIAGNOSIS SUPPORT SERVICES (DEMENTIA HUB).	Director of Adult Social Care	July 2024	Email	Contact Officer: Bola Bakare Tel: 0208461 7614 bola.bakare@bromley.gov.uk	<u>N/A</u>	Gateway Officer Report
CHILDREN, EDUCATION & FAMILIES PORTFOLIO						
ENVIRONMENT						

WHAT IS BEING DECIDED?	WHO IS THE DECISION MAKER?	WHEN WILL THE DECISION BE MADE AND WHO WILL BE CONSULTED BEFORE THE DECISION IS MADE?	HOW WILL THE CONSULTATION TAKE PLACE?	HOW CAN YOU MAKE COMMENTS ON THE DECISION BEFORE IT IS MADE?	WILL THIS ITEM BE CONSIDERED IN PUBLIC OR IN PRIVATE?	WHAT SUPPORT DOCUMENTS AND OTHER INFORMATION WILL BE AVAILABLE?
PUBLIC PROTECTION & ENFORCEMENT PORTFOLIO						
RENEWAL, RECREATION & HOUSING PORTFOLIO						
LIBRARY OPERATIONAL PROPERTY REVIEW	Portfolio Holder for Renewal, Recreation and Housing	Not before 19 June 2024 Renewal Recreation and Housing PDS Committee	Meetings	Contact Officer: Alicia Egan Tel: 020 8313 4559 Alicia.Egan@bromley.gov.uk	<u>Meeting in public</u>	Report and relevant background documents
RESOURCES, COMMISSIONING & CONTRACT MANAGEMENT PORTFOLIO						
CLEANING, CARETAKING AND WASHROOM SERVICES CONTRACTS	Portfolio Holder for Resources, Commissioning and Contracts Management	Not before 24 June 2024 Executive, Resources and Contracts PDS Committee	Meetings	Contact Officer: Peggy Umezuruike peggy.umezuruike@bromley.gov.uk	<u>Meeting in public</u>	Report and relevant background documents
EXTENSION OF ROYAL MAIL CONTRACT	Portfolio Holder for Resources, Commissioning and Contracts Management	Not before 24 June 2024 Executive, Resources and Contracts PDS Committee	Meetings	Contact Officer: Peggy Umezuruike peggy.umezuruike@bromley.gov.uk		

WHAT IS BEING DECIDED?	WHO IS THE DECISION MAKER?	WHEN WILL THE DECISION BE MADE AND WHO WILL BE CONSULTED BEFORE THE DECISION IS MADE?	HOW WILL THE CONSULTATION TAKE PLACE?	HOW CAN YOU MAKE COMMENTS ON THE DECISION BEFORE IT IS MADE?	WILL THIS ITEM BE CONSIDERED IN PUBLIC OR IN PRIVATE?	WHAT SUPPORT DOCUMENTS AND OTHER INFORMATION WILL BE AVAILABLE?
PROCUREMENT OF VARIOUS CLEANING SERVICES IN CHILDREN AND FAMILY CENTRES	Portfolio Holder for Resources, Commissioning and Contracts Management	Not before 24 June 2024		Contact Officer: Peggy Umezuruike peggy.umezuruike@bromley.gov.uk		
TRANSPORT, HIGHWAYS AND OPEN SPACES						

London Borough of Bromley: 020 8464 3333 www.bromley.gov.uk

Contact Officer: Philippa Gibbs, Chief Executive's Department: 020 8461 7638, philippa.gibbs@bromley.gov.uk

Report No.
FSD24049

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Resources, Commissioning and Contracts Management
Portfolio Holder
Council

Date: For pre-decision scrutiny by Executive, Resources and Contracts PDS
Committee on 8th July 2024
Council on 15th July 2024

Decision Type: Non-Urgent Executive Non-Key

Title: **TREASURY MANAGEMENT – ANNUAL REPORT 2023/24**

Contact Officer: Abdul Munim, Principal Accountant
Tel: 020 8313 4334 E-mail: Abdul.Munim@bromley.gov.uk

Chief Officer: Peter Turner, Director of Finance
Tel: 020 8313 4668 E-mail: Peter.Turner@bromley.gov.uk

Ward: All

1. Reason for report

- 1.1. This report summarises treasury management activity during the fourth quarter of 2023/24 and includes the Treasury Management Annual Report for 2023/24, which is required to be reported to full Council. The report ensures that the Council is implementing best practice in accordance with the CIPFA Code of Practice for Treasury Management.
 - 1.2. Investments as at 31st March 2024 totalled £326.9m and there was no outstanding external borrowing. For information and comparison, the balance of investments stood at £370.1m as at 31st December 2023 and £344.0m as at 31st March 2023.
-

2. RECOMMENDATION(S)

- 2.1. The Resources, Commissioning and Contracts Management Portfolio Holder is requested to:
 - (a) note the Treasury Management Annual Report for 2023/24; and
 - (b) approve the actual prudential indicators within the report.
- 2.2. Council is requested to:
 - (a) note the Treasury Management Annual Report for 2023/24; and
 - (b) approve the actual prudential indicators within the report.

Impact on Vulnerable Adults and Children

1. Summary of Impact: None
-

Corporate Policy

1. Policy Status: Existing policy. To maintain appropriate levels of risk, particularly security and liquidity, whilst seeking to achieve the highest rate of return on investments.
 2. Making Bromley Even Better Priority: To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A
 3. Budget head/performance centre: Interest on balances
 4. Total current budget for this head: Net interest earnings of £14.7m achieved against a budget of £9.8m for 2023/24 (a surplus of £4.9m.) The budget for 2024/25 is £12.0m.
 5. Source of funding: Net investment income
-

Personnel

1. Number of staff (current and additional): 0.25 fte
 2. If from existing staff resources, number of staff hours: 9 hours per week
-

Legal

1. Legal Requirement: Non-statutory - Government guidance.
 2. Call-in: Call-in is applicable
-

Procurement

1. Summary of Procurement Implications: N/A
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 Under the requirements of the CIPFA Code of Practice on Treasury Management, the Council is required, as a minimum, to approve an annual treasury strategy in advance of the year, a mid-year review report and an annual report following the year comparing actual activity to the strategy. In practice, the Director of Finance has reported quarterly on treasury management activity for many years, as well as reporting the annual strategy before the year and the annual report after the year-end.
- 3.2 This report includes details of investment performance in the final quarter of 2023/24 and the annual report for the whole of the 2023/24 financial year.
- 3.3 The 2023/24 Annual Treasury Strategy, including the Minimum Revenue Provision (MRP) policy statement and prudential indicators, was originally approved by Council in February 2023.
- 3.4 Changes in the regulatory environment have placed a much greater onus on Members to undertake the review and scrutiny of treasury management policy and activities. This report is important in that respect as it provides details of the actual position for treasury activities and highlights compliance with the Council's policies previously approved by Members.
- 3.5 The Council has monies available for treasury management investment as a result of the following:
- Positive cash flow;
 - Receipts (mainly from Government) received in advance of payments being made;
 - Capital receipts not yet utilised to fund capital expenditure;
 - Provisions made in the accounts for liabilities e.g. provision for outstanding legal cases which have not yet materialised;
 - General and earmarked reserves retained by the Council.
- 3.6 Some of the monies identified above are short term and investment of these needs to be highly 'liquid', particularly if it relates to a positive cash flow position which can change in the future. Future monies available for treasury management investment will depend on the budget position of the Council and whether the Council needs to substantially run down capital receipts and reserves. Against a backdrop of unprecedented cuts in Government funding which will require the Council to make revenue savings to balance the budget in future years, there is a likelihood that such actions may be required in the medium term, which will reduce the monies available for investment.
- 3.7 The Council has also identified an alternative investment strategy relating to property investment. To date, this has resulted in actual and planned acquisitions which generated a cumulative total of £31.8m between 2016/17 and 2021/22, £4.5m in 22/23 and £6.4m in 2023/24. This is based on a longer-term investment timeframe of at least 3 to 5 years and ensures that the monies available can attract higher yields over the longer term.
- 3.8 A combination of lower risk investment relating to treasury management and a separate investment strategy in the form of property acquisitions (generating higher yields and risks) provides a balanced investment strategy. Any future investment decisions will also need to consider the high likelihood that interest rates will decrease. The available resources for the medium term, given the ongoing reductions in Government funding, will need to be regularly reviewed.

Treasury performance in the quarter ended 31st March 2024

- 3.9 **Borrowing:** The Council's healthy cashflow position continues and, other than some short-term borrowing at the end of 2015/16, no borrowing has been required for a number of years. However, it is highly likely that borrowing will be required for any further capital expenditure not funded by capital receipts or grants unless the financial position of the Council significantly improves in the medium and longer term. This also recognises the limited ability of the Council to increase its reserves compared with previous years. In the context of high interest rates, the timing of any such borrowing will be crucial.
- 3.10 **Investments:** the following table sets out details of investment activity during the fourth quarter and the full financial year:

	Qtr ended 31/03/24		2023/24 full year	
	Deposits	Ave Rate	Deposits	Ave Rate
	£m	%	£m	%
Balance of "core" investments b/f	220.00	5.76	230.00	2.97
New investments made in period	25.00	5.64	230.00	5.82
Investments redeemed in period	-50.00	5.16	-265.00	3.29
"Core" investments at end of period	195.00	5.90	195.00	5.90
Money Market Funds	18.80	5.26	18.80	5.00
CCLA Property Fund*	40.00	2.44	40.00	1.10
Multi-Asset Income Funds*	40.00	6.44	40.00	4.22
Schroders Diversified Growth Fund	20.00	11.67	20.00	8.33
Project Beckenham Loan	3.08	6.00	3.08	6.00
Sovereign Bonds	10.00	6.61	10.00	6.61
"Alternative" investments at end of period	131.88	5.85	131.88	3.52
Total Investments at end of Period	326.88	5.88	326.88	4.94

* The rates shown here are the total return (ie. the dividend income plus the change in capital value). A more detailed breakdown of the rates for these investments is shown in the relevant paragraphs

- 3.11 Details of the outstanding investments at 31st March 2024 are shown in maturity date order in Appendix 2 and by individual counterparty in Appendix 3. The return on the new "core" investments placed during the fourth quarter of 2023/24 was 5.90% (5.76% during the third quarter).
- 3.12 Reports to previous meetings have highlighted the fact that options with regards to the reinvestment of maturing deposits have become limited in recent years following bank credit rating downgrades. Changes to lending limits and eligibility criteria, as well as the introduction of pooled funds and housing associations have alleviated this to some extent. Following the succession of increases in the Bank of England base rate to the current rate of 5.25%, counterparty rates were generally in excess of 6% for a one-year deposit during the first half of 2023/24. However, interest rates are expected to start reducing during 2024/25, so one-year rates are around 5% at the time of writing this report.
- 3.13 The chart in Appendix 1 shows total investments at quarter-end dates back to 1st April 2004 and shows how available funds had increased steadily over the years, peaking in December 2021 and have since started reducing.

Interest rate forecast (provided by Link Group)

- 3.14 The current Bank of England base rate is 5.25%, following an increase at the September 2023 meeting of the Monetary Policy Committee. The market believes rates will remain at this rate until mid Q2 before decreasing to 4.75%. Link has stated that they expect MPC will keep Bank Rate at 5.25% until the second half of 2024, to combat on-going inflationary and wage pressures, even if they have dampened somewhat of late. They do not think that the MPC will increase Bank Rates above 5.25%.

Link Group Interest Rate View 25.03.24													
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	4.80	4.30	3.80	3.30	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.20	5.10	4.60	4.10	3.70	3.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.00	4.90	4.40	3.90	3.60	3.20	3.10	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB	4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB	5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

- 3.15 The following table, also provided by Link, is included here for context and shows the scope and timing of the changes in forecast.

Bank Rate	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
25.03.24	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
08.01.24	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Change	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Money Market Funds

- 3.18 The Council currently has five AAA rated Money Market Fund accounts, with Federated Prime Rate, Aberdeen Standard (formerly known as Ignis), Insight, Fidelity and Legal & General, all of which have a maximum investment limit of £15m. The LGIM, Aberdeen Standard and Federated Funds currently offer the best rate at around 5.3%.
- 3.19 The total balance held in Money Market Funds has varied during the year to date moving from £0m as at 31st March 2023 to £36.1m as at 30th September 2023, £37.0m as at 31st December 2023 and down to £18.8m as at 31st March 2024. The Money Market Funds usually offer the lowest interest of all eligible investment vehicles with the exception of the Government Debt Management Account Deposit Facility. However, they are the most liquid, with funds able to be redeemed up until midday for same-day settlement.
- 3.20 Daily balances in the Money Market Funds vary considerably and balances tend to be managed higher during February and March to provide a cashflow buffer when the Council's income from Council Tax and Business Rates is significantly lower than the rest of the year. Occasionally, these balances are inflated to ensure that the Council has sufficient liquidity to cover any 'non-standard' expenditure such as significant capital expenditure.

Housing Associations

- 3.21 Deposits have previously been made with Housing Associations where they had attracted favourable rates. However at the time of drafting this report, the Council holds no investments in Housing Associations as the rates offered have been less competitive than other fixed term deposit opportunities.

Loan to Project Beckenham

- 3.22 On 26th June 2017, Council approved the inclusion in the strategy of a secured loan to Project Beckenham, relating to the provision of temporary accommodation for the homeless, that had

previously been agreed to be advanced from the Investment Fund. A loan of £2.3m was made in June 2017, at a rate of 6% (increasing to 7.5% if the loan to value ratio exceeds a specified value). £1.0m of this loan was re-paid during 2019/20, leaving a balance of £1.3m as at the end of March 2020. Advances totalling £2.45m were made in 2020/21 and 2021/22 leaving a balance of £3.75m. A further five loan advances totalling £1.2m were made in 2022/23 and repayments of £960k were received in November and December leaving the balance as at 31st March 2023 at £4.0m. In May, September and November 2023, repayments totalling £0.91m were made, leaving the balance as at 31st March 2024 at £3.08m.

Sovereign bonds

- 3.23 During November 2021, it was agreed that the Council's treasury management strategy be amended to allow investment in sterling-denominated sovereign bonds, subject to a maximum of duration of 3 years and an exposure limit of £25m. On 30th November 2021, an investment of £10m was made for two years at a rate of 1.84% and a further investment of £10m was invested on 1st August 2023 for two years at a rate of 6.61%.

Pooled investment schemes

- 3.24 In September 2013, the Portfolio Holder and, subsequently, Council approved the inclusion of collective (pooled) investment schemes as eligible investment vehicles in the Council's Investment Strategy with an overall limit of £25m and a maximum duration of 5 years. The limit was subsequently increased to £40m by Council in October 2015, £80m in June 2017 and £100m in December 2017. Such investments would require the approval of the Director of Finance in consultation with the Resources Portfolio Holder.
- 3.25 Until March 2018, accounting rules required that the change in capital value of these investments be held in the Available for Sale Financial Assets Reserve, and only recognised in revenue on the sale of the investment. In year projections for interest on balances therefore only reflected the dividends from these investments.
- 3.26 However, from 2018/19 onwards, local authorities have been required to account for financial instruments in accordance with IFRS9. One of the results of this is that changes in the capital value of pooled fund investments are recognised in revenue in-year. Subsequently, MHCLG issued regulations providing a statutory override to reverse the impact of IFRS9 on the Council's General Fund, which came into force in December 2018 and would apply until 31st March 2023, after which it was intended for movements in value to be recognised in year. Following consultation, DLUHC announced in January that the override would be extended for a further 2 years to 31st March 2025, after which the standard will be applied fully.
- 3.27 Due to the regulations being time limited and the potentially volatile nature of these investments, interest/dividend earnings above a determined threshold have been set aside in an earmarked Income Equalisation reserve. This will protect the Council against unexpected variations in the capital value of these investments and any timing issues arising from the expiry of the statutory override. Details are shown in the following table:

FY	Threshold %	Bal bfwd £'000	Set aside £'000	Bal cfwd £'000
2017/18	2.5	0	1,085	1,085
2018/19	2.5	1,085	1,509	2,594
2019/20	2.5	2,594	1,196	3,790
2020/21	2.0	3,790	1,520	5,310
2021/22	2.0	5,310	1,676	6,986
2022/23	2.0	6,986	2,044	9,030

2023/24	2.0	9,030	4,211	13,241
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CCLA Property Fund

3.28 Following consultation between the Director of Finance and the Resources Portfolio Holder, an account was opened in January 2014 with the CCLA Local Authorities' Property Fund and an initial deposit of £5m was made, followed by further deposits of £5m in July 2014, £5m in March 2015, £10m in October 2015, £5m in October 2016 and £10m in October 2017. The investment in the CCLA Fund is viewed as a medium to long-term investment and dividends are paid quarterly. A breakdown of dividends earned and capital growth is provided in the table below.

Annualised net return	Dividend %	Capital gain/(loss) %	Total Return %
01/02/14- 31/03/14	4.29	-29.64	-25.35
01/04/14 - 31/03/15	5.03	3.44	8.47
01/04/15 - 31/03/16	5.02	1.63	6.65
01/04/16 - 31/03/17	4.55	-2.50	2.05
01/04/17 - 31/03/18	4.58	2.41	6.99
01/04/18 - 31/03/19	4.46	1.57	6.03
01/04/19 - 31/03/20	4.45	-3.68	0.77
01/04/20 - 31/03/21	4.30	-0.71	3.60
01/04/21 - 31/03/22	3.82	17.29	21.12
01/04/22 - 31/03/23	4.19	-19.09	-14.90
01/04/23 - 31/03/24	4.86	-3.76	1.10
Cumulative return	4.45	-0.85	3.59

3.29 The annualised fund return for the year to 31st March 2024 was capital decline of -3.76% and dividends paid of 4.86%, resulting in a total return of 1.10%. Since inception, dividends paid have averaged 4.45% per annum and the capital value has decreased by -0.85% per annum resulting in a net annual return of 3.59%.

Multi-Asset Income Fund

3.30 Following approval by Council in June 2017, the limit for pooled investment schemes was increased to £80m and an investment of £30m was made on 12th July 2017 in the Fidelity Multi-Asset Income Fund, following the agreement of the Resources, Commissioning and Contracts Management Portfolio Holder. A subsequent investment of £10m was made on 30th December 2019.

Annualised net return	Dividend %	Capital Gain/(Loss) %	Total Return %
12/07/17 - 31/03/18	4.24	-6.02	-1.78
01/04/18 - 31/03/19	4.26	1.38	5.64
01/04/19 - 31/03/20	4.37	-11.81	-7.44
01/04/20 - 31/03/21	4.38	9.52	13.9
01/04/21 - 31/03/22	4.16	-4.98	-0.82
01/04/22 - 31/03/23	4.17	-12.08	-7.92

01/04/23 - 31/03/24	4.88	-0.66	4.22
Cumulative Return	4.36	-3.32	1.04

- 3.31 The annualised fund return for the year to 31st March 2024 was a capital decline of -0.66% and dividends paid of 4.88%, resulting in a total return of 4.22%. Since inception, dividends paid have averaged 4.36% per annum and the capital value has declined by -3.32% per annum resulting in a net annual return of 1.04%.

Global Diversified Income Fund

- 3.32 During 2020/21 a new investment was made in the Global Diversified Income Fund managed by Schroders. The aim of this fund is to provide long-term capital growth and income of 3-5% per annum. An initial investment of £10m was made in March 2021, followed by a further £10m in April 2021. A breakdown of dividends earned and capital growth is provided in the table.

Annualised net return	Dividend %	Capital gain/(loss) %	Total Return %
01/03/21 - 31/03/21	2.45	2.43	4.88
01/04/21 - 31/03/22	2.96	-3.15	-0.19
01/04/22 - 31/03/23	3.50	-8.38	-4.88
01/04/23 - 31/03/24	4.04	4.29	8.33
Cumulative return	3.49	-2.34	1.15

- 3.33 The annualised fund return for the year to 31st March 2024 was a capital increase of 4.29% and dividends paid of 4.04%, resulting in a total return of 8.33%. Since inception, dividends paid have averaged 3.49% per annum and the capital value has declined by -2.34% per annum resulting in a net annual return of 1.15%.

Property acquisition scheme (Meadowship Homes)

- 3.34 As agreed by the Executive in 2021, the Council has entered into a joint venture with Orchard & Shipman (since acquired by Pinnacle) for a property acquisition scheme. This involved the formation of an LLP between the Council and Orchard & Shipman. As part of this scheme, the Council will make a £20m loan (in tranches) for 50 years. Annual repayments will start from year 3 of 1.6% (£320k) per annum and increasing annually by CPI (collared at 0-4%). As the Effective Interest Rate on the loan is dependent on CPI, it is possible that this will be lower than the rate the Council might achieve through treasury management investments, so there may be a net loss of interest income. Phase 2 of the scheme was approved in July 2022, involving a further loan of £15m on similar repayment terms to the initial scheme. The loans themselves are not counted as treasury management in accordance with the Capital Financing Regulations.

Actual prudential indicators for 2023/24

- 3.35 The old capital control system was replaced in April 2004 by a prudential system based largely on self-regulation by local authorities themselves. At the heart of the system is The Prudential Code for Capital Finance in Local Authorities, developed by CIPFA. The Code requires the Council to set a number of prudential indicators designed to monitor and control capital expenditure, financing and borrowing. The indicators for 2023/24 were approved by the Executive and the Council in February 2023. Appendix 4 sets out the actual performance in 2023/24 against those indicators.

Economic background during 2023/24 (provided by Link Asset Services)

3.36 Further information on the economic background is included as Appendix 5.

Revised Treasury Management and Prudential Codes

3.37 During December 2021 CIPFA published a revised Prudential Code (Prudential Code for Capital Finance in Local Authorities) and Treasury Management Code (Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes). The requirements of the revised Codes, to the extent to which they apply to the Council, have been incorporated into the Treasury Management Strategy Statement and Annual Investment Strategy as approved by Council in February 2023.

Regulatory framework, risk and performance

3.38 The Council's treasury management activities are regulated by a variety of professional codes, statutes and guidance:

- The Local Government Act 2003 ('the Act') which provides the powers to borrow and invest as well as providing controls and limits on this activity
- The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing that may be undertaken (although no restrictions have been made to date)
- Statutory Instrument (SI) 3146 2003, as amended, develops the controls and powers within the Act
- The SI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities
- The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services
- Under the Act, DLUHC has issued Investment Guidance to structure and regulate the Council's investment activities
- Under section 238(2) of the Local Government and Public Involvement in Health Act 2007, the Secretary of State has taken powers to issue guidance on accounting practices. Guidance on Minimum Revenue Provision was issued under this section on 8th November 2007.

3.39 The Council has complied with all of the above relevant statutory and regulatory requirements, which limit the levels of risk associated with its treasury management activities. In particular, its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means that its capital expenditure is prudent, affordable and sustainable and its treasury practices demonstrate a low-risk approach.

4. POLICY IMPLICATIONS

4.1 In line with government guidance, the Council's policy is to seek to achieve the highest rate of return on investments whilst maintaining appropriate levels of risk, particularly security and liquidity.

5. FINANCIAL IMPLICATIONS

5.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed.

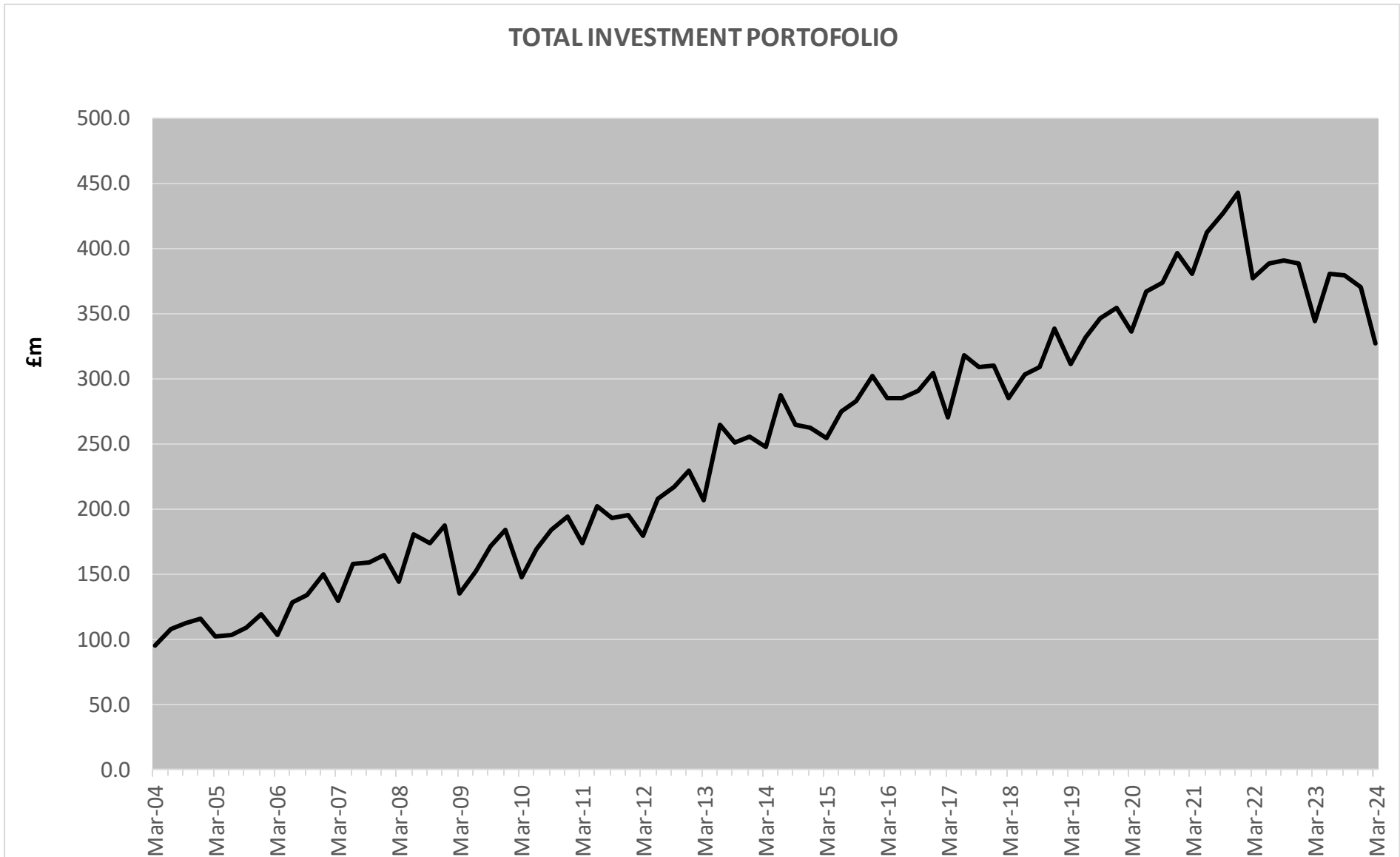
Surplus monies are invested in low-risk counterparties or instruments commensurate with the Council’s low risk appetite, providing adequate liquidity initially before considering investment return.

- 5.2 The provisional outturn for net interest on investments in 2023/24 was £14.7m compared to the budget of £9.8m, due to the continued high Bank of England base rate and high level of balances available for investment resulting in higher level of interest earned on the fixed deposits, money market funds and pooled funds.
- 5.3 The budget for 2023/24 has been set at £12.03m. This reflects an expected reduction in balances available for investment as a result of the utilisation of capital receipts and grants/contributions as well as earmarked revenue reserves. The Bank of England base rate is currently at 5.25% and it is expected to decrease in 2024/25 which will in turn reduce counterparty rates. There is some uncertainty as to how much the rates will reduce meaning we cannot be fully certain on the amount of investment return that will be achieved on the entire portfolio.
- 5.4 The second main function of the treasury management service is the funding of the Council’s capital plans. These capital plans provide a guide to the borrowing need of the Council. Although the Council does not currently borrow to finance its general fund capital spending plans, officers still plan and forecast the longer-term cash flow position in order to ensure that the Council can meet its capital spending obligations and that it maintains balances (working capital) at a prudent and sustainable level.
- 5.5 The Council’s Treasury Management Strategy and day-to-day operations of the treasury function are informed by our professional adviser, Link Group. It advises the Council on counterparties, investment and borrowing options, and risk management.

6. LEGAL IMPLICATIONS

- 6.1 Under Section 151 of the Local Government Act 1972, the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority, including securing effective arrangements for treasury management.
- 6.2 This report fulfils the requirements of the Chartered Institute of Public Finance & Accountancy’s Treasury Management and Prudential Codes of Practice and Statutory Guidance on Local Government Investments.

Non-applicable sections:	Impact on Vulnerable Adults and Children, Personnel, Legal and Procurement Implications
Background documents: (access via Contact Officer)	CIPFA Code of Practice on Treasury Management 2021 CIPFA Prudential Code for Capital Finance in Local Authorities 2021 DLUHC Guidance on Investments External advice from Link Group



Counterparty	Start Date	Maturity Date	Rate of Interest %	Amount £m
FIXED DEPOSITS				
CLOSE BROTHERS	20/04/2023	19/04/2024	5.00000	10.0
GOLDMAN SACHS INTERNATIONAL BANKS	21/04/2023	19/04/2024	4.93000	10.0
NATIONAL BANK OF KUWAIT (INTERNATIONAL) - LONDON	24/05/2023	22/05/2024	5.31000	5.0
NATIONAL BANK OF KUWAIT (INTERNATIONAL) - LONDON	14/07/2023	12/07/2024	6.65000	10.0
NATIONAL WESTMINSTER BANK	19/07/2023	18/07/2024	6.19000	10.0
LANDESBANK HESSEN-THUERINGEN GIROZENTRALE (HELABA)	21/07/2023	19/07/2024	6.20000	15.0
AL RAYAN BANK	26/07/2023	24/07/2024	6.05000	10.0
FIRST ABU DHABI BANK PJSC	27/07/2023	26/07/2024	6.28000	15.0
QATAR NATIONAL BANK SAQ	28/07/2023	26/07/2024	6.37000	5.0
PRINCIPALITY BUILDING SOCIETY- CARDIFF	28/07/2023	26/07/2024	5.95000	10.0
EAST HERTFORDSHIRE DISTRICT COUNCIL	02/02/2024	02/08/2024	5.70000	5.0
CLOSE BROTHERS	16/08/2023	15/08/2024	6.20000	10.0
NATIONAL WESTMINSTER BANK	24/08/2023	22/08/2024	6.07000	10.0
SANTANDER	24/08/2023	27/08/2024	6.10000	10.0
EAST HERTFORDSHIRE DISTRICT COUNCIL	29/02/2024	30/08/2024	5.70000	5.0
CAMBRIDGESHIRE COUNTY COUNCIL	04/12/2023	04/09/2024	5.65000	10.0
CLOSE BROTHERS	27/10/2023	25/10/2024	5.75000	10.0
AL RAYAN BANK	30/10/2023	30/10/2024	5.90000	10.0
QATAR NATIONAL BANK SAQ	01/12/2023	29/11/2024	5.90000	10.0
ABERDEEN CITY COUNCIL	13/02/2024	11/02/2025	5.50000	10.0
DOVER DISTRICT COUNCIL	19/02/2024	19/02/2025	5.80000	5.0
TOTAL FIXED INVESTMENTS				195.0
OTHER FUNDS				
FIDELITY MONEY MARKET FUND				0.0
ABERDEEN -STANDARD LIFE (IGNIS) LIQUIDITY FUND				0.0
INSIGHT STERLING LIQUIDITY FUND				0.0
LGIM STERLING LIQUIDITY FUND				13.8
FEDERATED (Hermes) STERLING LIQUIDITY FUND				5.0
CCLA LOCAL AUTHORITY PROPERTY FUND	30/01/2014			40.0
SCHRODERS	12/07/2017			20.0
FIDELITY MULTI-ASSET INCOME FUND	01/03/2021			40.0
SPRING CAPITAL LOAN	09/06/2017			3.1
SOVEREIGN BONDS	01/08/2023	01/08/2025	6.61000	10.0
TOTAL INVESTMENTS				326.9

Fitch		Moody's		S&P		Fitch		Moody's		S&P	
Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term
Ratings at time of Investment						Ratings as at March 2024					
A-	F2	Aa3	P-1								
A+	F1	A1	P-1	A+	A-1	A+	F1	A1	P-1	A+	A-1
A+	F1			A	A-1	A+	F1			A	A-1
A+	F1	A1	P-1	A+	A-1	A+	F1	A1	P-1	A+	A-1
A+	F1+	Aa3	P-1			A+	F1+	Aa2	P-1		
		A1	P-1					A1	P-1		
AA-	F1+	Aa3	P-1	AA-	A-1+	AA-	F1+	Aa3	P-1	AA-	A-1+
A	F1	Aa3	P-1	A+	A-1	A	F1	Aa3	P-1	A+	A-1
BBB+	F2	Baa1	P-2			BBB+	F2	Baa1	P-2		
N/A						N/A					
A-	F2	Aa3	P-1								
A+	F1	A1	P-1	A+	A-1	A+	F1	A1	P-1	A+	A-1
A+	F1	A1	P-1	A	A-1	A+	F1	A1	P-1	A	A-1
N/A						N/A					
N/A						N/A					
A-	F2	Aa3	P-1					A1	P-1		
		A1	P-1								
A	F1	Aa3	P-1	A+	A-1	A	F1	Aa3	P-1	A+	A-1
N/A						N/A					
N/A						N/A					

*Close Brothers ratings have been downgraded as at February 2024 and therefore removed from Link Group credit rating list.

INVESTMENTS HELD AS AT 31 MARCH 2024

	Start Date	Maturity Date	Rate of Interest %	Amount £m	Total £m	Limit £m	Remaining £m
UK BANKS							
NATWEST BANK PLC	19/07/2023	18/07/2024	6.19000	10			
NATWEST BANK PLC	24/08/2023	22/08/2024	6.07000	10	20	80	60
SANTANDER PLC UK	24/08/2023	27/08/2024	6.10000	10	10	20	10
CLOSE BROTHERS LTD	20/04/2023	19/04/2024	5.00000	10			
CLOSE BROTHERS LTD	16/08/2023	15/08/2024	6.20000	10			
CLOSE BROTHERS LTD	27/10/2023	25/10/2024	5.75000	10	30	30	0
GOLDMAN SACHS INTERNATIONAL BANK	21/04/2023	19/04/2024	4.93000	10	10	20	10
AL RAYAN BANK PLC - LONDON	26/07/2023	24/07/2024	6.05000	10			
AL RAYAN BANK PLC - LONDON	30/10/2023	30/10/2024	5.90000	10	20	20	0
NATIONAL BANK OF KUWAIT (INTERNATIONAL) - LONDON	24/05/2023	22/05/2024	5.31000	5			
NATIONAL BANK OF KUWAIT (INTERNATIONAL) - LONDON	14/07/2023	12/07/2024	6.65000	10	15	20	5
UK BUILDING SOCIETIES							
PRINCIPALITY BUILDING SOCIETY	28/07/2023	26/07/2024	5.95000	10	10	10	0
OVERSEAS BANKS							
QATAR NATIONAL BANK	28/07/2023	26/07/2024	6.37000	5			
QATAR NATIONAL BANK	01/12/2023	29/11/2024	5.90000	10	15	15	0
FIRST ABU DHABI	21/07/2023	19/07/2024	6.20000	15	15	15	0
LANDESBANK HESSEN-THUERINGEN GIROZENTRALE (HELABA)	21/07/2023	19/07/2024	6.20000	15	15	15	0
LOCAL AUTHORITIES							
ABERDEEN CITY COUNCIL	13/02/2024	11/02/2025	5.50000	10	10	15	5
CAMBRIDESHIRE COUNTY COUNCIL	04/12/2023	04/09/2024	5.65000	10	10	15	5
EAST HERTFORDSHIRE DISTRICT COUNCIL	02/02/2024	02/08/2024	5.70000	5			
EAST HERTFORDSHIRE DISTRICT COUNCIL	29/02/2024	30/08/2024	5.70000	5	10	15	5
DOVER DISTRICT COUNCIL	19/02/2024	19/02/2025	5.80000	5	5	15	10
OTHER INVESTMENTS							
LGIM STERLING LIQUIDITY FUND				13.8	13.8	15	1.2
FEDERATED (PRIME RATE) STERLING LIQUIDITY FUND				5.0	5.0	15	10.0
CCLA LOCAL AUTHORITY PROPERTY FUND	30/01/2014			40	40		
FIDELITY - MULTI ASSET INCOME FUND	12/07/2017			40	40		
SCHROEDERS	01/03/2021			20	20		
SPRING CAPITAL LOAN	09/06/2017		6.00000	3.1	3.1		
SOVEREIGN BONDS	01/08/2023	01/08/2025	6.61000	10	10		
TOTAL INVESTMENTS				326.9	326.9		

Prudential and treasury indicators 2023/24

Prudential and Treasury Indicators are relevant for the purposes of setting an integrated treasury management strategy and require the approval of the Council. The table below shows the actual performance in relation to the indicators in 2023/24 and compares the outturn in 2023/24 with the original estimates approved in February 2023. Further details on capital expenditure outturn will be reported to the Executive in July 2024.

The Council is also required to indicate if it has adopted the CIPFA Code of Practice on Treasury Management. The Code (published in 2009 and updated in 2011, 2017 and then again in 2021) was adopted by full Council on 15 February 2010.

Prudential indicators	2022/23	2023/24	2023/24
	Actual	Estimate	Actual
Total capital expenditure	£21.0m	£59.8m	£50.2m
Ratio of financing costs to net revenue stream	0.0%	0.0%	0.0%
<i><u>Net borrowing requirement (for Bromley, net investments)</u></i>			
Brought forward as at 1 April	£346.7m	£358.8m	£314.1m
Carried forward as at 31 March	£314.1m	£353.9m	£297.9m
In-year borrowing requirement (for Bromley, movement in net investments)	- £32.6m	- £4.9m	- £16.2m
Capital Financing Requirement (CFR) as at 31 March	£29.9m	£27.8m	£29.0m
	£ p	£ p	£ p
Incremental impact of capital investment decisions - increase in council tax (Band D) per annum	-	-	-

Treasury management indicators	2022/23	2023/24	2023/24
	Actual	Estimate	Actual
<i><u>Authorised limit for external debt</u></i>			
Borrowing	£30.0m	£30.0m	£30.0m
Other long-term liabilities	£30.0m	£30.0m	£30.0m
Total	£60.0m	£60.0m	£60.0m
<i><u>Operational boundary for external debt</u></i>			
Borrowing	£10.0m	£10.0m	£10.0m
Other long-term liabilities	£30.0m	£30.0m	£30.0m
Total	£40.0m	£40.0m	£40.0m
Actual external debt	£29.9m	£27.8m	£29.0m
Upper limit for fixed rate interest exposure	100.0%	100.0%	100.0%
Upper limit for variable rate interest exposure	20.0%	20.0%	20.0%
Upper limit for total principal sums invested for more than 364 days beyond year-end dates	£170.0m	£170.0m	£170.0m

UK Economy

Against a backdrop of stubborn inflationary pressures, the Russian invasion of Ukraine, and war in the Middle East, UK interest rates have continued to be volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2023/24.

Markets have sought an end to central banks' on-going phase of keeping restrictive monetary policy in place on at least one occasion during 2023/24 but to date only the Swiss National Bank has cut rates and that was at the end of March 2024.

UK, EZ and US 10-year yields have all stayed stubbornly high throughout 2023/24. The table below provides a snapshot of the conundrum facing central banks: inflation is easing, albeit gradually, but labour markets remain very tight by historical comparisons, making it an issue of fine judgment as to when rates can be cut.

	UK	Eurozone	US
Bank Rate	5.25%	4%	5.25%-5.5%
GDP	-0.3%q/q Q4 (-0.2%y/y)	+0.0%q/q Q4 (0.1%y/y)	2.0% Q1 Annualised
Inflation	3.4%y/y (Feb)	2.4%y/y (Mar)	3.2%y/y (Feb)
Unemployment Rate	3.9% (Jan)	6.4% (Feb)	3.9% (Feb)

The Bank of England sprung no surprises in their March meeting, leaving interest rates at 5.25% for the fifth time in a row and, despite no MPC members no longer voting to raise interest rates, it retained its relatively hawkish guidance. The Bank's communications suggest the MPC is gaining confidence that inflation will fall sustainably back to the 2.0% target. However, although the MPC noted that "the restrictive stance of monetary policy is weighing on activity in the real economy, is leading to a looser labour market and is bearing down on inflationary pressures", conversely it noted that key indicators of inflation persistence remain elevated and policy will be "restrictive for sufficiently long" and "restrictive for an extended period".

Of course, the UK economy has started to perform a little better in Q1 2024 but is still recovering from a shallow recession through the second half of 2023. Indeed, Q4 2023 saw negative GDP growth of -0.3% while y/y growth was also negative at -0.2%.

But it was a strange recession. Unemployment is currently sub 4%, against a backdrop of still over 900k of job vacancies, and annual wage inflation is running at above 5%. With gas and electricity price caps falling in April 2024, the CPI measure of inflation - which peaked at 11.1% in October 2022 - is now due to slide below the 2% target rate in April and to remain below that Bank of England benchmark for the next couple of years, according to Capital Economics. The Bank of England still needs some convincing on that score, but upcoming inflation and employment releases will settle that argument shortly. It is noted that core CPI was still a heady 4.5% in February and, ideally, needs to fall further.

Shoppers largely shrugged off the unusually wet weather in February, whilst rising real household incomes should support retail activity throughout 2024. Furthermore, the impact of higher interest rates on household interest payments is getting close to its peak, even though fixed rate mortgage rates on new loans have shifted up a little since falling close to 4.5% in early 2024.

From a fiscal perspective, the further cuts to national insurance tax (from April) announced in the March Budget will boost real household disposable income by 0.5 - 1.0%. After real household disposable income rose by 1.9% in 2023, Capital Economics forecast it will rise by 1.7% in 2024 and by 2.4% in 2025. These rises in real household disposable income, combined with the earlier fading of the drag from previous rises in interest rates, means GDP growth of 0.5% is envisaged in 2024 and 1.5% in

2025. The Bank of England is less optimistic than that, seeing growth struggling to get near 1% over the next two to three years.

As for equity markets, the FTSE 100 has risen to nearly 8,000 and is now only 1% below the all-time high it reached in February 2023. The modest rise in UK equities in February was driven by strong performances in the cyclical industrials and consumer discretionary sectors, whilst communications and basic materials have fared poorly.

Despite its performance, the FTSE 100 is still lagging behind the S&P 500, which has been at an all-time high for several weeks.

USA Economy.

Despite the markets willing the FOMC to cut rates as soon as June 2024, the continued resilience of the economy, married to sticky inflation, is providing a significant headwind to a change in monetary policy. Markets currently anticipate three rate cuts this calendar year, but two or less would not be out of the question. Currently, policy remains flexible but primarily data driven.

In addition, the Fed will want to shrink its swollen \$16 trillion balance sheet at some point. Just because the \$ is the world's foremost reserve currency (China owns over \$1 trillion) does not mean the US can continually run a budget deficit. The mix of stubborn inflation and significant treasury issuance is keeping treasury yields high. The 10 year stands at 4.4%.

As for inflation, it is currently a little above 3%. The market is not expecting a recession, but whether rates staying high for longer is conducive to a soft landing for the economy is uncertain, hence why the consensus is for rate cuts this year and into 2025...but how many and when?

EZ Economy.

Although the Euro-zone inflation rate has fallen to 2.4%, the ECB will still be mindful that it has further work to do to dampen inflation expectations. However, with growth steadfastly in the slow lane (GDP flatlined in 2023), a June rate cut from the current 4% looks probable.

Report No.
HPR 2024/027

London Borough of Bromley

PART ONE – PUBLIC

Decision Maker: PORTFOLIO HOLDER FOR RESOURCES, COMMISSIONING & CONTRACT MANAGEMENT

Date: 7th July 2024

Decision Type: Non-Urgent Non Executive Key

Title: EXTENSIONS: VARIOUS CLEANING, CARETAKING AND WASHROOM SERVICES CONTRACTS

Contact Officer: Peggy Umezuruike, Head of Facilities Management (Interim)
Tel: 0208 461 7002 E-mail: peggy.umezuruike@bromley.gov.uk

Chief Officer: Sara Bowrey, Director of Housing, Planning, Property and Regeneration

Ward: All

1. REASON FOR REPORT

1.1 The Council holds various services cleaning, caretaking, and washroom services contracts that service both the existing Civic Centre and various satellite sites (detailed in Appendix 1).

1.2 These contracts and their expiry dates are as follows:

Service Type	Company	Building/ Location	Contract End date
Cleaning	Chequers	Children & Families Centres	30/09/2024
Cleaning	Lodestar	The Griffins Centre	30/09/2024
Caretaking	Lodestar	The Griffins Centre	30/09/2024
Caretaking	Lodestar	Adult Education centres (Kentwood and Poverest)	31/08/2024
Washroom services	Citron	Adult Education centres (Kentwood and Poverest)	31/08/2024
Hand dryers	PHS	Adult Education centres (Kentwood and Poverest)	31/08/2024
Cleaning	City Cleaning	Bromley Civic Centre & Walnuts	30/09/2024
Washroom services	Rentokil/Initial	Bromley Civic Centre & Walnuts	30/09/2024

- 1.3 This report is seeking authorisation to extend beyond term the above-named contracts, to allow for these contracts to align with Churchill Court facility services contract end date of 31st July 2025. This will allow ample preparation time for the contract re-procurement following the agreement of an overall procurement commissioning strategy for service delivery.
 - 1.4 The existing Civic Centre contracts (which also cover one satellite site – 8 Masons Hill) are due to end on 30th September 2024 and have available extension options. The ongoing need for these contracts beyond September 2024 is uncertain, as this is subject to the broader Facilities Management Commissioning Strategy, Accommodation Strategy, the move to Churchill Court and disposal of the existing Civic Centre. This report proposes to apply flexible extensions to manage this.
 - 1.5 The various contracts for satellite sites are typically low value with the exception of the cleaning contract for the Children & Family Centres. All contracts were aligned with end dates in August and September 2024, with no further extension options, with a view to procuring all satellite facilities requirements as a single contract. The Commissioning Strategy for Facilities Management and a report to Members will follow in due course.
 - 1.6 This report proposes extending the various satellite facilities contracts beyond term to align with the Churchill Court facility services contract and the agreement of an overarching Facilities Management Commissioning Strategy for facilities services.
-

2. RECOMMENDATION(S)

- 2.1 The Executive, Resources and Contract Policy Development and Scrutiny Committee is asked to note and comment on the report.
- 2.2 The Portfolio Holder for Resources, Commissioning and Contract Management is recommended to:
 - i) Approve extension beyond term for all other satellite site contracts as detailed in Appendix 1 to 31st July 2025 at an estimated overall value for the extension period of £102,154.64 to allow the commissioning strategy for facilities services to be agreed and for the services to be tendered as either a separate satellite services contract or as part of an overall contract for all facilities requirements.
 - ii) Approve the formal one year extension options, should they be required, for both the Civic Centre Cleaning Services contract (City Cleaning and Support Services Ltd) and the Civic Centre Washroom Services contract (Rentokil) for the period from 1st October 2024 to 30th September 2025 at an estimated annual value of £308,990.16 and £6,000.00 respectively for the extension period, noting that a flexible extension arrangement (monthly rolling basis) will be sought to allow for termination of the contracts in part or in full when the need for the requirement reduces or ceases;

Impact on Vulnerable Adults and Children

1. Summary of Impact: N/A
-

Transformation Policy

1. Policy Status: Existing Policy
 2. Making Bromley Even Better Priority
(5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
-

Financial

1. Cost of proposal: Estimated Cost £417,140.80
 2. Budget head/performance centre: Various services across the council
 4. Total current budget for this head: £417k
 5. Source of funding: General Fund Budget 2024/25
-

Personnel

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Applicable
-

Procurement

1. Summary of Procurement Implications:
-

Property

1. Summary of Property Implications: N/A
-

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications:
-

Impact on the Local Economy

1. Summary of Local Economy Implications: N/A
-

Impact on Health and Wellbeing

1. Summary of Health and Well Being Implications: N/A

Customer Impact

1. Estimated number of users or customers (current and projected): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

3.1 This report seeks to extend the various cleaning, caretaking and washroom service contracts in Children and Family Centres (CFC), Bromley Adult Education Centres (BAEC), Griffins Centre beyond term to make it co-terminus with the contract expiration of current Churchill Court Civic Centre contract on 31st July 2025.

3.2 The various cleaning, caretaking, and washroom service contracts that are currently delivered in the Children and Families Centres (CFC) and Bromley Adult Education Centres (BAEC) are managed by the department's service management.

3.3 A decision was recently made by the Council to transfer these services into the Corporate Facilities Management portfolio to allow CFC and BAEC site Department management focus on the delivery of their core service.

3.4 The Children & Family Centres (CFC) are based in six separate sites. In addition, there are two Council nurseries and two Family contact centres. The locations are as follows:

- Biggin Hill CFC
- Blenheim CFC
- Burnt Ash CFC
- Castlecombe CFC
- Cotmandene CFC
- Community Vision CFC
- Community Vision Nursery
- Orpington Family Contact Centre
- Royston Family Contact Centre

3.5 The Bromley Adult Education Centre (BAEC) operates from two centres, Kentwood Centre, Penge and Poverest Centre, Orpington.

3.6 The Griffin Centre is a stand-alone site.

3.7 Please see below the total contract cost and extension costs for the services:

Company	Service Type	Building/ Location	Total Contract Cost	Extension Cost(p.a)
Chequers	Cleaning	Children & Families Centres	464,634.00	83,394.00
Lodestar	Cleaning	The Griffins Centre	34,111.00	5605.00
Lodestar	Caretaking	The Griffins Centre	54,249.00	7614.00
Lodestar	Caretaking	Adult Education centres (Kentwood and Poverest)	15,658.00	2906.00
Citron	Washroom services	Adult Education centres (Kentwood and Poverest)	1,149.28	1149.28
PHS	Hand dryers	Adult Education centres (Kentwood and Poverest)	1,482.36	1482.36
City Cleaning	Cleaning	Bromley Civic Centre & Walnuts	684,770.00	308,990.16
Rentokil/Initial	Washroom services	Bromley Civic Centre & Walnuts	25,000.00	6000.00
			1,281,053.64	417,140.80

3.8 The existing contractors providing services to the CFC, BAEC and Griffins Centre have consistently performed to a good standard throughout the period of the current contract and have met all requirements of the specification to date.

In Stockwell Civic Centre, the cleaning contractor continue to deliver improved cleaning standards and provide reactive cleaning service timely.

- 3.9 The provision of providing emergency call out services is a niche market, and it is an essential requirement of this contract to ensure continuity of delivery in the adult education service.
- 3.10 This report seeks an extension for the cleaning and washroom services in Stockwell Civic Centre on a monthly rolling basis and monthly value of £25,832.51 for the cleaning service and £500 monthly cost for washroom service to allow flexibility when moving from the Civic Centre to Churchill Court
- 3.11 The proposed extension would allow synchronisation with the Council's proposed Commissioning Strategy to allow this contract and other similar contracts within the Children, Education and Families department which are managed by the Facilities Management to be combined as appropriate to deliver best value..

Summary of Business Case

- 3.12 The proposal is to extend the various existing cleaning, caretaking, and washroom services contract with for an additional period of up to 12 months.
- 3.13 This extension will allow sufficient time for the procurement, through a compliant procurement process.
- 3.14 Approve the formal one-year extension option, should they be required, for Civic Centre Cleaning Services and the Civic Centre Washroom Services contract, noting that a flexible extension arrangement will be sought to allow for termination of the contracts in part or in full when the need for the requirement reduces or ceases.

Service Profile / Data Analysis / Specification

- 3.15 The specification and works undertaken for the various sites is currently based on individual site requirements (input specification). However, in line with the cleaning industry best practice, these specifications will be reviewed to deliver an output-based specification which will focus on an agreed cleaning standard for all sites.

3.16 Options Appraisal

Option 1:

Do Nothing

This option is not recommended as it would lead to cessation of necessary service, which would impact service users adversely.

Option 2:

The requirement to extend existing Civic Centre contracts to their full available term.

It is not recommended as this requirement is expected to cease immediately following the Council's move to Churchill Court.

Tender for the existing Civic Centre – this is not recommended as the requirement is for a short period.

Option 3:

Satellite Sites - tender for all services now as a single contract.

This is not recommended pending the proposed Facilities Management Commissioning Strategy as tendering for a short-term contract is not attractive to market and will incur additional procurement costs.

Option 4:

Tender for all contracts individually

This is not recommended as it creates duplication of procurement and contract management for similar requirements with additional cost, and the same commissioning requirements as above (option 3) apply.

Option 5:

Extend the existing Civic Centre on a rolling basis.

Extend beyond term to allow time to agree the Proposed Facilities Management Commissioning Strategy.

Preferred Option

Option 5

It is recommended to extend beyond term the various cleaning, relief caretaking and washroom services contracts to allow time to agree the Facilities Management Commissioning Strategy, a report will be prepared for Members to consider in autumn 2024.

It is also recommended to extend the extended Civic Centre contracts on a monthly rolling basis until the Council's relocation to Churchill Court is completed.

4 PROCUREMENT AND PROJECT TIMESCALES AND GOVERNANCE ARRANGEMENTS

4.1 **Estimated Value of Proposed Action:** The details of the various extensions and extensions beyond term are set out in Appendix 1. The overall value of the proposed extension beyond term is £417,140.80

4.2 **Other Associated Costs:** N/A

4.3 **Proposed Contract Period:** The details of the various extension and extensions beyond term are set out in Appendix 1.

The various satellite site contracts will be extended from their current end date up to 31st July 2025.

The Civic Centre Cleaning and Washroom services will be extended from 1 October 2024 up to 30 September 2025, with a monthly rolling extension agreed with the provider to allow for early termination.

4.4 **Procurement Strategy:**

The report seeks an extension beyond term to allow for a robust, compliant procurement process to take place.

5. MARKET CONSIDERATIONS / IMPACT ON LOCAL ECONOMY

5.1 Cleaning services of this type have a wide range of local and national spread. Suitable market intelligence will take place.

6. SOCIAL VALUE, CARBON REDUCTION AND LOCAL / NATIONAL PRIORITIES

6.1 N/A

7. STAKEHOLDER ENGAGEMENT

7.1 The Corporate FM team will continue to consult with all primary stakeholders through regular monthly meetings and these stakeholders will likely participate in wider procurement model.

8. IMPACT ASSESSMENTS (INCLUDING VULNERABLE ADULTS AND CHILDREN) AND CUSTOMER IMPACT

9. TRANSFORMATION/POLICY IMPLICATIONS

9.1 N/A

10. IT AND GDPR CONSIDERATIONS

10.1 N/A

11. STRATEGIC PROPERTY CONSIDERATIONS

All similar contracts will be subject to the commissioning strategy for the new Civic Centre (Churchill Court)

12. PROCUREMENT CONSIDERATIONS

The relevant stakeholders will be consulted in the procurement process of the services and appropriate procurement procedure will be adhered to.

13. FINANCIAL CONSIDERATIONS

13.1 This report is seeking approval for the extension beyond term for all other satellite site contracts to 31st July 2025 at an estimated overall value for the extension period of £102,150.64.

13.2 Approve the formal one year extension options, should they be required, for both the Civic Centre Cleaning Services contract (City Cleaning and Support Services Ltd) and the Civic Centre Washroom Services contract (Rentokil) for the period from 1st October 2024 to 30th September 2025 at an estimated annual value of £308,990.16 and £6,000.00 respectively for the extension period.

13.3 The Civic Centre Washroom and Cleaning Services contract will be extended on a monthly rolling basis to allow for early termination for once the site is vacated and sold, this should mean that the actual cost for these two contracts will be significantly lower than the annual extension value stated.

13.4 The total estimated cost of the proposal is £417,140.80, based on a full year extension.

13.5 The costs will be split between the following Portfolios with amounts indicated below:-

Children, Education and Families	£102,150.64
Resources, Commissioning and Contracts Management	£308,990.16

All of which have sufficient budget to cover these costs, either directly or within the overall budget allocation, however as stated in 13.3 above, the Resources cost may be significantly lower depending on when the rolling contract is ended.

14. PERSONNEL CONSIDERATIONS

14.1 N/A

15. LEGAL CONSIDERATIONS

16. IMPACT ON HEALTH AND WELLBING

16.1 N/A

17. WARD COUNCILLOR VIEWS

17.1 N/A

Non-Applicable Headings:	6, 8, 9, 10, 14,16, 17
Background Documents: (Access via Contact Officer)	

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	A	B	C	D	E	F	G	H
1	Appendix 1: Cleaning Contract							
2								
3	Contract ID	Company	Service Type	Building/ Location	Total Contract Cost	Extension Cost(p.a)	Contract End date	Proposed extension
4	4905	Chequers	Cleaning	Children & Families Centres	464,634.00	83,394.00	30/09/24	31/07/25
5	4861	Lodestar	Cleaning	The Griffins Centre	34,111.00	5605.00	30/09/24	31/07/25
6	1535	Lodestar	Caretaking	The Griffins Centre	54,249.00	7614.00	30/09/24	31/07/25
7	4863	Lodestar	Caretaking	Adult Education centres (Kentwood and Poveres	15,658.00	2906.00	31/08/24	31/07/25
8	BAEC Contract (Bromley Adult Education Contract)	Citron	Washroom services	Adult Education centres (Kentwood and Poverest	1,149.28	1149.28	31/08/24	31/07/25
9	BAEC Contract (Bromley Adult Education Contract)	PHS	Hand dryers	Adult Education centres (Kentwood and Poverest	1,482.36	1482.36	31/08/24	31/07/25
10	5088	City Cleaning	Cleaning	Bromley Civic Centre & Walnuts	684,770.00	308,990.16	30/09/24	Monthly extension
11	5129	Rentokil/Initial	Washroom services	Bromley Civic Centre & Walnuts	25,000.00	6000.00	30/09/24	Monthly extension
12	Total				1,281,053.64	417,140.80		
13								

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Report No:
HPR 2024/028

London Borough of Bromley

Decision Maker: PORTFOLIO HOLDER FOR RESOURCES, COMMISSIONING & CONTRACT MANAGEMENT

Date: 7th July 2024

Decision Type: Non-Urgent Non -Executive Key

Title: EXTENSION: MAIL SERVICES

Contact Officer: Peggy Umezuruike, Head of FM (Interim)
020 8313 4394 E-mail: peggy.umezuruike@bromley.gov.uk

Chief Officer: Sara Bowrey
Director, Housing Planning and Regeneration

Ward: N/A

1. Reason for report

- 1.1 This report seeks approval to extend the existing Mail Services with Royal Mail for a two year period using the formal extension option available within the contract. This contract was initially awarded via the London Postal Board consortium, a partnership of 22 local authorities, for the delivery of inbound and outbound mail services utilising the Crown Commercial Services (CCS) Framework SPS2164. Procuring through the consortium reduces procurement costs and obtains beneficial rates.
- 1.2 The current contract commenced on 16 September 2021 for a three year contract with the option to extend for up to two years. The initial term will end 15th September 2024. The contract has an estimated annual value of £90k (whole life value of £450k inclusive of extension option). The value of the proposed extension is £180k and will extend the contract to 15 September 2026.

2. RECOMMENDATION(S)

- 2.1 The Portfolio Holder for Resources, Commissioning & Contract Management is recommended to approve the two year extension of the Mail Service contract with Royal Mail, the value of the extension being an estimated £180k at £90,000 per annum, to run from 16th September 2024 – 15th September 2026.

Impact on Vulnerable Adults and Children

1. Summary of Impact: To ensure that procurement of continued and guaranteed delivery of mail to critical service users inc. next day deliveries is adequately provisioned.
-

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: 90k per annum; £180K for the two years extension and £450k over the full five year period:
 2. Ongoing costs: recurring costs of £90k per annum
 3. Budget head/performance centre: various budgets across all Departments
 4. Total current budget for this head: £90k
 5. Source of funding: Existing Revenue budget for 2024/25
-

Personnel

1. Number of staff (current and additional): N/A.
 2. If from existing staff resources, number of staff hours: N/A.
-

Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Applicable:
-

Procurement

1. Summary of Procurement Implications: The contract has a formal two year extension which can be applied in compliance with Public Contracts Regulations 2015.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All staff inc. Officers, Members and Public
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 In July 2021 the Council entered into its third CCS framework agreement for the delivery of inbound and outbound mail services and under the current arrangement it has delivered savings against standard mail pricings of £25,000.
- 3.2 The Council continues to enter directly into CCS Framework Agreements as they are not accessible through application by commercial entities as contracted by the Council.
- 3.3 As a Member of the London Postal Board the Council has aligned itself with the participating membership of circa. Twenty two London Authorities to seek agreement to extend the Mail Services from the expiry of the contract term.
- 3.4 The Council's inclusion within this extension affords it the benefit of being able to secure advantageous mail service pricing(s) owing to the combined volumes of the participating Council's, that are presented for considered pricing.
- 3.5 In order that the London Postal Board can continue to seek the most cost effective Incoming and Outgoing Mail services it sought the agreement of all members to support and enter into the new CCS Framework by the obtaining of their own internal authorisations.
- 3.6 As members of this consortium, the Council is sighted on the significant savings that several London Boroughs have made collectively over the initial contract term of the Contract, which the Council intends to be a part of and by going ahead with the extension, this will also gives the Council time and flexibility to consider its future options for the postal service following the move to Churchill Court. The Council's continued presence in the wider London Borough group is key to retaining buying power as the Council head into the next procurement process.

4. SUMMARY OF THE BUSINESS CASE

- i) The current agreement with Royal Mail, that supports all of the Council's incoming and outgoing mail services reaches the end date of its agreed contract term on 15 September 2024.
- ii) The request to extend the current contract using the available contract extension option to continue the delivery of Incoming and Outgoing Mail Services is being made in order that the Council can continue to secure the best pricing arrangement for continuation of Mail Services from September 2024 through to September 2026.
- iii) Agreement to the continued inclusion of the Council within the London Postal Board consortium will realise best value outcome on service and costs through CCS Framework.
- iv) Extending the current contract for the two year period at an estimated cost of £180k, will ensure continuity of delivery through the London Postal Board consortium.

4.1 SERVICE PROFILE/DATA ANALYSIS

- 4.1.1 The Council's continued and primary usage is predominately for 1st and 2nd class outgoing mail with associated daily incoming delivery service.
- 4.1.2 The Council's will also need to ensure retained access to signed for outgoing mail items.

4.2 OPTIONS APPRAISAL

Gateway Report Member Decision
Template last review date: October 2019

4.2.1 Option 1:

Do Nothing

This option is not recommended as it would lead to cessation of necessary service, which would impact service users adversely, result in loss of revenue and reputational loss for the Council.

4.2.2 Option 2:

Retender the Service.

This is not recommended as it would incur significant additional procurement costs and the timetable to carry out a comprehensive tender process and appoint a contractor by September 2024 would put continuity of service provision at severe risk.

4.2.3 Option 3:

Extend current contract utilising available contract extension provision.

- 4.2.1 The Council carries significantly large amount of Special Deliveries for the the provision of its services which are primarily provided by Royal Mail at discounted rate (please see: Appendix 1- Royal Mail Prices for London Boroughs). No other company provides this service.
- 4.2.2. Alternative service providers including UK Mail and WHISTL (formerly known as TNT), no longer provide the ' final mile' service, i.e from sorting office to recipient address on same day and they presently utilise the service of Royal Mail for this end action.
- 4.2.3 For regular mail distribution, most other mail service suppliers use the Royal Mail distribution network for the reasons set out in 4.2.1 above. Accordingly the use of alternative mail service suppliers will not provide value for money as (by engaging with Royal Mail directly) they will charge a mark up of up to 15% on top of the cost of the Royal Mail charges.
- 4.2.4 Continued integration with the London Borough's Postal Board consortium will ensure that the Council will continue to have access to and the advantage of beneficial price setting as calculated against the total volumes that will be presented by all of the participating London Authorities (See Appendix 1: Royal Mail Prices for London Boroughs).
- 4.2.5 Access to procure mail services through the CCS RM6017 portal affords the Council with the option to maintain current incoming and outgoing mail provisions but it will also enable the Council to independently scope options on future service provision through hybrid and/or Mailmark, which will be reviewed in line with the Facilities Management Commissioning Strategy, Civic Centre Accommodation Strategy and service options in respect of the Council Transformation Agenda.
- 4.2.6 Utilising the two year extension contract provision would guarantee uninterrupted continuous service and guaranteed cost until that date. Potential disruption to service due to issues with onboarding and poor service mobilisation is mitigated.
- 4.2.7 Due to the number of London Boroughs (as set out below) participating as part of a consortium, the Council benefits a discounted rate, which would be unavailable to the Council if the Council tendered the service independently.

Bromley	Newham	Ealing	Croydon	Enfield	Sutton
Wandsworth	Westminster	Greenwich	Merton	Richmond	Southwark
Hackney	Kensington & Chelsea	Harrow	Barnet	Kingston	Hounslow
Islington	Hillingdon	Tower Hamlets	Camden	Brent	

4.2.8 The Council will continue to manage the contract locally by holding regular service review meetings with the Royal Mail Account Manager to ensure agreed SLA, KPIs (set out below) and associated deliverables continue to be met.

					Borough Status SLA/KPI Achieved
Service Level Performance Criterion (PER BOROUGH) per incident	Key Indicator	Service Level Performance Measure	Critical Service Level Threshold	Service Credit for each Service Period (one month)	All Boroughs
Overall Borough SLA/KPI Status					
Timely billing of Contracting Body - Invoices should be submitted within the agreed invoicing schedule (monthly/weekly), be per account within each local authority, display a valid Purchase Order and consist of accurate charges for the billing period. For service credits to apply the Borough must supply the relevant Purchase Order per account.	Timelines	No more than 4 failures in a rolling 6 months	16 failures in any rolling 6 months	0.5% Service Credit gained for each instance beyond the specified Service Level Performance Measure.	Yes
Access to the Dedicated Contracting Body support: Service request logs should be placed with the helpdesk by email or telephone. Telephone support will be provided Monday – Friday 08:00 – 18:00. This KPI and corresponding service credits are not applied in the event of a critical incident or service failure beyond our control.	Availability	at least 98% at all times	90%	0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure	Yes
Complaints Handling: Acknowledgement of helpdesk complaint within 24 hours of receipt, update within 48 hours and every 48 hours until resolution. For service credits to apply the complaint must be notified to Royal Mail helpdesk via telephone or e-mail with Complaint in the subject heading if via e-mail.	Availability/Timelines	No more than 1 failure in a rolling 6 months	4 failures in any rolling 6 months	0.5% Service Credit gained for each instance beyond the specified Service Level Performance Measure.	Yes
Accurate and timely management information to each Borough issued by 7 th working day of the following month. E.g. January management information to be issued by the 7th working day in February. For the service credit to apply Royal Mail must have access to the Boroughs accounts via our systems and our profile must not be altered by the Borough.	Accuracy/Timelines	No more than 1 failure in a rolling 6 months	4 failures in any rolling 6 months	0.5% Service Credit gained for each instance beyond the specified Service Level Performance Measure.	Yes
Quarterly accurate and timely management information including KPI/SLAs covering all members using the contract.	Accuracy/Timelines	No more than 1 failure in a rolling 12 months period	2 failures in any rolling 12 months	No service credits payable	Yes

Premium Mail must reach the recipient by the following day e.g. Letter sent on a Monday (working day) arrives on the door mat of the addressee on the Tuesday (next day). N.B. Quality of Service is only monitored on a national basis	Services Availability	93% at all times	90%	No service credits payable	N/A
Standard Mail must reach the recipient no later than the 3rd working day e.g. Letter sent on a Monday (working day) arrives on the door mat of the addressee on the Thursday. N.B. Quality of Service is only monitored on a national basis	Services Availability	98% at all times	90%	No service credits payable	N/A
Collection of post from each site within 120 minutes of the agreed time on each day subject to major incidents beyond our control and road traffic accidents. For service credits to apply failures must be notified to Royal Mail helpdesk via telephone or e-mail with Urgent Collection Failure in the subject heading within 30 minutes of scheduled collection time.	Timelines	At least 98% at all times	90%	2% Service Credit gained for each percentage under the specified Service Level Performance Measure	Yes

4.3 PREFERRED OPTION Option 3

Extend current contract utilising available contract extension provision.

4.3.1 It is recommended to utilise the two year formal extension option available through the existing contract, and in alignment with the London Postal Board consortium. Access to this framework agreement CCS RM6017 portal has afforded the Council not only the option to maintain current incoming and outgoing mail provisions but it will also enable the Council to independently scope options on future service provision through hybrid and/or Mailmark, which will be reviewed in line with the Facilities Management Commissioning Strategy, Civic Centre Accommodation Strategy and service options in respect of the Council's Transformation Agenda.

4.4 MARKET CONSIDERATIONS

4.4.1 Access to the CCS Framework RM6017 will present the opportunity for an appraisal of suppliers presenting service delivery and cost as applied to a consolidated volume of mail items.

4.4.2 Should the Council enter the market as a single entity, its ability to negotiate a low cost option will be impacted upon by its relatively lower generated mail volumes of circa. 350,000 items when compared to the London Postal Board generated rates and would incur additional procurement costs .

5. STAKEHOLDER ENGAGEMENT

5.1 Stakeholders are satisfied with the existing postal service and regular service user engagement meetings are held to discuss service delivery issues.

6. PROCUREMENT AND GOVERNANCE ARRANGEMENTS

- 6.1 **Estimated Contract Value** – £450k whole life value (£90k per annum). The value of the proposed two year extension is £180k.
- 6.2 **Other Associated Costs** – £0
- 6.3 **Contract Period** – The two year extension option will commence from 16th September 2024 to 15th September 2026.

Activity	Date
Draft Report to Procurement, Legal & Finance	16 th May
Draft Report to Senior Leadership Team	23 rd May
Final Gateway Report	28 th May
Final report submission	4 th June
Final Report for Key Officer decision	24 th June
Implementation Date	16 th September

7. SUSTAINABILITY AND IMPACT ASSESSMENTS

- 7.1 The London Postal Board aligns its tender with emphasis on sustainability benefits including fleet environment strategy, optimisation of transport networks, driver behaviours and introduction of hybrid/electric vehicles.

8. POLICY CONSIDERATIONS

- 8.1 The CCS framework portal will assist the Authority and its partners in securing services that will result in savings as applied against general rate card costs.

9. IT AND GDPR CONSIDERATIONS

- 9.1 N/A

10. PROCUREMENT CONSIDERATIONS

- 10.1 The report seeks a two year extension to the contract with Royal Mail, utilising the formal extension options built into the contract, the value of the proposed extension being £180k.
- 10.2 The Council's requirements for authorising an extension are covered in CPR 23.6 and 13.1. For an extension of this value, the Approval of the Portfolio Holder following Agreement by the Chief Officer, the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance must be obtained. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.
- 10.3 Following Approval, the extension must be applied via a suitable Change Control Notice, or similar, as specified in the contract.
- 10.4 The actions identified in this report are provided for within the Council's Contract Procedure Rules, and the proposed actions can be completed in compliance with their content.

11. FINANCIAL CONSIDERATIONS

- 11.1 Members asked to agree extension to existing Royal Mail contract for a further 2yrs at a cost of £90k per annum, bringing the whole life value of the contract to £450k.
- 11.2 This will be funded from existing revenue budget and will not create an additional pressure for the Council.

12. PERSONNEL CONSIDERATIONS

- 12.1 Not Applicable

13. LEGAL CONSIDERATIONS

- 13.1 This report seeks approval to extend the existing Mail Services with Royal Mail via the Crown Commercial Services (CCS) Framework SPS2164 for two years until 15th September 2026 at an estimated cost of £180k.
- 13.2 The Council has both an implied and a specific power under section 111 of the Local Government Act 1972 to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.
- 13.3 This is a services contract, and the value of this procurement falls above the thresholds set out in Part 2 of the Public Contracts Regulations 2015 (the PCR) so is subject to the Regulations. The extension can be completed in compliance with Regulation 72 of the PCR.
- 13.4 The Council's requirements for authorising an extension are covered in CPR 23.6 and 13.1. For an extension of this value, the Approval of the Portfolio Holder following Agreement by the Chief Officer, the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance must be obtained.

14. Appendices

Appendix 1 – Royal Mail Prices for London Boroughs 2024.

Non-Applicable Sections:	<u>Ward Councillor Views</u>
Background Documents: (Access via Contact Officer)	PROVISION OF MAIL SERVICES VIA CROWN COMMERCIAL SERVICES FRAMEWORK RM6017. 1 ST APRIL 2020 Appendix 1: Royal Mail Prices for London Boroughs 2024

Royal Mail Prices for London Boroughs

Letter Format						
Product	Class	Format	Machine Readability	Sortation	OBA Code	Weight Up To
Business Mail	1st	Letter	MailMark	Unsorted	EBR	100g
Business Mail	1st	Letter	None	Unsorted	UNA	100g
Business Mail	1st	Letter	Advanced	Unsorted	UNI	100g
Business Mail	2nd	Letter	MailMark	Unsorted	EBS	100g
Business Mail	2nd	Letter	None	Unsorted	UNB	100g
Business Mail	2nd	Letter	Advanced	Unsorted	UNJ	100g
Large Letter Format						
Business Mail	1st	Large Letter	MailMark	Unsorted	EBR	100g
Business Mail	1st	Large Letter	None	Unsorted	UNA	100g
Business Mail	1st	Large Letter	Advanced	Unsorted	UNI	100g
Business Mail	2nd	Large Letter	MailMark	Unsorted	EBS	100g
Business Mail	2nd	Large Letter	None	Unsorted	UNB	100g
Business Mail	2nd	Large Letter	Advanced	Unsorted	UNJ	100g

Notes

Standard product terms and conditions apply, including minimum volume requirements and any Business collections are free if you apply for the service and spend more than **£16,500** per year per

Please note that Parcels Prices for RM24 and RM48 are available only for postings made with postage labels bearing a machine-readable 2D barcode which complies with Royal Mail

Prices are exclusive of any relevant taxes

Prices are subject to contract and to any Regulatory or Competition Law requirements over the

Prices are subject to change when the relevant rate card service price changes. Your prices will

A wide range of other products and services, are available at Royal Mail ratecard prices including a number of the products above at additional weight bands

<https://www.royalmail.com/sites/royalmail.com/files/2019-11/marketreach-business-mail-price-gui>

July 2024 Rate Card	% Rate card increase	July 2024 Price	Effective Discount
£0.934	17.48%	£0.751	19.57%
£1.220	19.61%	£1.033	15.33%
£0.980	17.73%	£0.858	12.45%
£0.589	15.08%	£0.536	9.02%
£0.750	15.38%	£0.662	11.71%
£0.609	13.77%	£0.594	2.31%
£1.740	19.18%	£1.059	39.14%
£1.740	19.18%	£1.512	13.12%
£1.740	19.18%	£1.332	23.44%
£1.210	10.00%	£0.739	38.95%
£1.210	10.00%	£0.894	26.09%
£1.210	10.00%	£0.816	32.60%

[de-jan2020-eng-web-221119.pdf](#)

Report No.
CSD24067

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE, RESOURCES AND CONTRACTS POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Date: Monday 08 July 2024

Decision Type: Non-Urgent Non-Executive Non-Key

Title: CUSTOMER SERVICES CONTRACT MONITORING REPORT

Contact Officer: Duncan Bridgewater, Assistant Director - Customer Services
Tel: 0208 461 7676 E-mail: Duncan.Bridgewater@bromley.gov.uk

Chief Officer: Director of Human Resources and Customer Services and Public Affairs

Ward: (All Wards);

1. Reason for decision/report and options

This report provides information on the performance of the Customer Service Contract provided by Liberata for the period 1st December 2023 to 31st March 2024.

A letter from Bola Odunsi Regional Director (London & The Southeast) for Liberata, provides his update on each individual element and is attached at Appendix 1.

2. **RECOMMENDATION(S)**

The Committee is requested to note and comment on the information contained within the report and the letter provided by Liberata detailed in Appendix 1.

Impact on Vulnerable Adults and Children

1. Summary of Impact: An Equality Impact Assessment indicates that ongoing support for vulnerable adults and children will be provided by Customer Services by phone and face to face for those unable to access digital services. For those unable to visit or phone us, the service supports the enhancement of self-service options.
-

Transformation Policy

1. Policy Status: Existing Policy
 2. Making Bromley Even Better Priority:
 - (5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
-

Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Customer Service Centre
 4. Total current budget for this head: £1.06m
 5. Source of funding: General Fund Revenue Budget 2023-24
-

Personnel

1. Number of staff (*current and additional*): 1
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Not Applicable
-

Procurement

1. Summary of Procurement Implications: Procurement comments are included in Section 9 of this report.
-

Property

1. Summary of Property Implications: None
-

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: The contractor's initiatives are detailed in section 11 of this report.
-

Impact on the Local Economy

1. Summary of Local Economy Implications: Reception service is a town centre location therefore supports the local economy.
-

Impact on Health and Wellbeing

1. Summary of Health and Wellbeing Implications: Reception service supports promotion of Health & Wellbeing initiatives by printed publicity and electronic display boards.
-

Customer Impact

1. Estimated number of users or customers (*current and projected*): 2,000 visitors, 300,000 phone calls, 20,000 e-mails and 8 million web visits annually
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1** The Customer Services contract covers four key areas: Corporate Contact Centre, Reception Services, Web Team (Bromley Knowledge) and Blue Badge/Freedom Pass processing. The Corporate Contact Centre deals with telephone enquiries regarding Environmental Services, Electoral, Registrars, Parking, Blue Badges, Disabled Freedom Passes as well as the Switchboard.
- 3.2** The contractor deals with face to face enquiries from main reception, for most areas of the Council with the exception of Registrars and Children Services, who manage their own reception points. North Block reception deals with Housing and Leaving Care Team customers. Liberata are responsible for managing the reception in North Block. Customers are seen by appointment only with exception for emergencies and those that are vulnerable where individual service procedures are in place.
- 3.3** The Web Team (Bromley Knowledge) maintain the corporate website (www.bromley.gov.uk) in terms of its technical functionality, performance and accuracy of the content as provided by service experts. Administration of Blue Badge and Discretionary Disabled Freedom Passes applications and renewals is also carried out within the contract.
- 3.4** Overall the contractor has performed well throughout this monitoring period, with some occurrences of under-performance outlined in the report. Volumes of calls fluctuated as a result of the normal seasonal changes. Since the pandemic began there has been a consistent demand in customer contact via the website as customers were asked to use online services instead of traditional contact channels. Many web transactional services remain high over the reporting period with overall traffic to the website remaining increased compared to pre-covid volumes. Contractor performance is reviewed at monthly meetings.
- 3.5** Call Monitoring is completed every month. The contractor provides a sample of call recordings and feedback is given to the contractor at monthly review meetings. Spot checking is also done on a random sample of Blue Badge applications and Bromley Knowledge job requests to ensure they are completed within their key performance indicators.
- 3.6** Reception is an appointment only service, except for emergencies and vulnerable customers. Demand has been stable over the reporting period.

3.7 The top Key Performance Indicators for this contract are listed in the table below; they measure the headline activities within the contract in order that our customers get a quick response and access to our services efficiently and effectively.

	Measure	Definition	Target
1	Call Management	Number of calls answered by the agents within the specified timescales compared to total number of calls received	50% calls answered within 1 minute
2	Call Management	Number of days that the service dropped below 40%	Daily service level does not drop below 40% of call answered within 1 minute
3	Email Management	Number of emails responded to within 5 working days compared to total number of emails received	100% responded to within 5 working days
4	Face to Face Management	Number of customers entering the reception areas must be seen within 5 minutes of their arrival compared to total number of customers, remainder within 15 minutes	80% of customers seen within 5 minutes of arrival
5	Switchboard Management	% of calls bailed to operator or requesting operator	50% calls answered within 1 minute
6	Customer Satisfaction	% of randomly selected customers, across different channels are either satisfied or very satisfied	90%

3.8 Customer Services – Contact Centre: This area performed well in terms of the monthly service level agreement. The monthly service level target answering 50% of calls within 60 seconds was met for all 4 of the months in the reporting period and the minimum daily service level never fell below 40%.

Remain Position In Queue (RPIQ) software was introduced across the Corporate telephony lines after success with Revenue and Benefits. RPIQ gives the customer the option when it is busy to be called back rather than waiting on the phone. Since going live in February when it's been busy enough to be activated and the customer has decided to take it up, it has saved in total 6.5 hours of their time rather than waiting on the phone.

The contractor has developed a process where when a customer interacts with our contact centre over the telephone, they can be sent a Short Message Service (SMS) text to the customer's mobile phone if they opt in. This will then provide them a link to a short Survey to complete on their experience with the call advisor. Once tested and agreed, this is planned to be deployed from August 2024.

Contact Centre Target – 50% within 60 secs	Dec 23	Jan 24	Feb 24	Mar 24
Answered	5,905	8,622	7,279	7,028
% of calls ans. in 60 secs	71.02%	62.49%	69.46%	81.62%
Average wait time (mins:secs)	01:03	01:24	01:08	00:41
Number of day's service fell below 40%.	0	0	0	0

VoiceBot software is now managing some basic customer enquiries and providing signposting information. The VoiceBot learns from how customers ask questions in new and different ways for information or a service and can then be aware in the future if asked again. When the VoiceBot doesn't understand and is not able to help, these calls are reviewed by the contractor to look for possible improvements. Many enquiries due to the subject and complexity are still handled by an advisor. A summary is in the table below of calls handled by the VoiceBot.

Calls offered to the VoiceBot (Dec 23 – Mar 24)	21,973
Number of calls completed by VoiceBot i.e. not touched voice channel	2,886
Percentage of calls completed by VoiceBot i.e. not touched voice channel	13.13%

3.9 Switchboard: Performance was within service level. The majority of calls received through the switchboard are handled via automated technology and the table below shows the volumes requiring manual transfer.

Switchboard Target – 50% within 60 secs	Dec 23	Jan 24	Feb 24	Mar 24
Answered	3,126	4,455	3,970	4,935
% of calls ans. in 60 secs	94%	91%	85%	90%
Average wait time (min:secs)	00:12	00:17	00:30	00:21

3.10 Reception: Reception is an appointment only service. Emergencies and vulnerable customers are seen without an appointment.

Main Reception	Dec 23	Jan 24	Feb 24	Mar 24
Number of customers seen	51	189	183	216
80% within 5 minutes	100%	100%	100%	100%
100% within 15 minutes	100%	100%	100%	100%

The table below outlines the number of customers who were assisted by reception staff and directed to self-serve by digital channels for January through March 2024.

Service	No. of Customers
Benefits	279
Blue Badges	62
Business Rates	6
Concessionary Travel	15
Council Tax	293
Education	35
Electoral Services	13
Green Spaces	2
Housing	47
Parking	21
Planning / Building Control	12
Public Protection	18
Registrars	40
Street Services	3
Waste Services	19
Grand Total	865

The contractor is also responsible for managing the reception in North Block, where Housing and the Leaving Care Team hold appointments.

North Block Reception	Dec 23	Jan 24	Feb 24	Mar 24
Number of customers seen	159	212	177	179

3.11 E-mail: E-mail handling targets were met for the reporting period.

Emails Target – 80% within 1 day and 100% within 5 days	Dec 23	Jan 24	Feb 24	Mar 24
Number of emails received	1,816	2,581	2,350	4,166
% emails processed within 1 day	95%	99%	100%	99%
% emails processed within 5 days	100%	100%	100%	100%

3.12 Out of Hours Emergency Call Centre: Performance was within service level for 3 of 4 of the reporting months. December was just under due to an increased volume of calls in a short period for services required due to Storm Gerrit.

Out of Hours (Appello) Target – 80% within 30 secs	Dec 23	Jan 24	Feb 24	Mar 24
Answered	1,440	2,225	1,543	1,987
% of calls ans. in 30 secs	79.29%	80.33%	84.41%	80.95%
Average wait time (mins:secs)	01:12	01:18	00:55	01:08

The below table shows the breakdown of services that customers contact the Out of Hours phone line for during the reporting period.

Contact Type	Total
Social Services	39.7%
Staff	16.2%
Noise	14.4%
Homelessness	13.9%
General Council	5.5%
Street Services	4.0%
Environmental	4.0%
Other	1.3%
Parking	0.7%
Parks Patrol	0.2%
Education	0.1%

3.13 Web – Bromley Knowledge: The web team achieved 100% against all targets for updating web content as requested by services during this reporting period. The web team continue to run a rolling programme of content refresh and will engage services when their pages are due for review. The website was assessed against the plain English campaign standards, and has achieved the internet crystal mark accreditation. This allows the Plain English approval logo to be displayed on the site. The contractor is developing a Web Bot with a proof-of-concept Bot available for testing planned for October 2024.

Web site – Target 100%	Dec 23	Jan 24	Feb 24	Mar 24
Volume of job requests	125	109	108	140
Critical updates within 1 working hour	100%	100%	100%	100%
Urgent updates within 1 working day	100%	100%	100%	100%
Important updates within 2 working days	100%	100%	100%	100%
Regular updates within 5 working days	100%	100%	100%	100%

3.14 Blue Badge and Discretionary Freedom Pass: This area underperformed for both Blue Badges and Freedom Passes not achieving service level for 3 and all 4 months respectively. As previously reported, additional temporary resource was deployed to address under-performance. It was anticipated that this would assist in bringing both the Blue Badge and Freedom Pass services back into compliance, but since the last reporting period there has been a further increase in incoming volumes in both areas. Blue Badge applications have increased by 17.5% since the end of November and remain at these new levels into the new year, whilst Freedom Pass applications more than doubled in volume from November 2023, largely due to a peak in renewal applications, but even now weekly volumes are still 33% higher than the previous reporting period.

A volume variation has recently been agreed with the contractor in respect of ongoing increased applications and renewals in this area. This is based on a pro-rata charge increase, based on overall percentage increases, and will be reviewed at the start of each financial year. Response to this will be reported in more detail in the next report. The increased volumes, coupled with the conversion to a new Liberata document management system are currently making it extremely challenging to meet the contractual targets. Proposed process improvements are planned, and the volume variation outlined above should allow the contractor to meet expectations.

The Council aims to process applications within 6-8 weeks of receipt of all requested information. The KPI and contractor performance is measured against the time taken for the activities required of the contractor. Time taken for any face to face assessments or further information requirements are not included in this calculation.

Blue Badges – target 80% within 4 weeks	Dec 23	Jan 24	Feb 24	Mar 24
Volume	337	600	599	612
% processed within 4 weeks	82%	79%	70%	79%

Freedom Pass – Target 100% within 4 weeks	Dec 23	Jan 24	Feb 24	Mar 24
Volume	269	325	264	301
% processed within 4 weeks	88%	95%	88%	91%

3.15 MyBromley Account: The table below outlines the volume usage for the services currently available to registered users, and volume of customers registering in this monitoring period. MyBromley Account continues to grow and as of the end of March 2024 the number of registrations had risen to 139,556.

MyBromley Registrations	Dec 23	Jan 24	Feb 24	Mar 24
Volume	924	1,362	1,161	2,076
Cumulative Volume	135,045	136,386	137,524	139,556

3.16 Customer Satisfaction: The number of customers surveyed, and responses are outlined below, satisfaction is above target for this service. To increase survey response, the contractor is looking at options to utilise the VoiceBot technology outlined in 3.8.

Customer Satisfaction Target – 90% Customer Satisfaction	Dec 23	Jan 24	Feb 24	Mar 24
Number of surveys sent	8,686	11,511	9,945	12,339
Number of responses	34	31	45	65
% Customer Satisfaction	95.00%	94.00%	98.00%	97.00%

3.17 Compliments and Complaints: During this period, 6 customers made contact to thank the staff and the compliments were associated to the service by the Contact Centre team, and

reception staff. The contractor also received 4 complaints for this period that were upheld. These were mostly associated to call handling issues where residents were unhappy with the service provided by the Contact Centre team.

Compliments & Complaints	Dec 23	Jan 24	Feb 24	Mar 24
Complaints	1	0	0	3
Compliments	5	1	0	0

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

An Equality Impact Assessment indicates that ongoing support for vulnerable adults and children will be provided by Customer Service by phone and face to face for those unable to access digital services. For those unable to visit or phone us, the service supports the enhancement of self-service options.

5. TRANSFORMATION/POLICY IMPLICATIONS

None

6. FINANCIAL IMPLICATIONS

6.1 There are no direct financial implications resulting from this report, this report provides information on the performance of the Customer Services Contract and requests members to take note of the key KPIs.

6.2 For information the Customer Services Contact Centre Liberata budget for 2023-24 stands at £1.06m with actual spend as at March 2024 of £1.06m.

7. PERSONNEL IMPLICATIONS

None

8. LEGAL IMPLICATIONS

8.1 This Committee is requested to note and comment on the information contained within this report as to the performance of the Customer Service Contract provided by Liberata for the period 1st December 2023 to 31st March 2024 and also the letter provided by Liberata detailed in Appendix 1 as attached.

8.2 The Council's Constitution, at Part 4 – Rules of Procedure, provides the terms of reference for the Executive, Resources and Contracts Policy Development and Scrutiny Committee as it relates to the Executive and the Resources, Commissioning and Contract Management Portfolio. Under these terms of reference, the services provided by Liberata fall within the remit of this portfolio.

8.3 Contract Procedure Rule 23.2 provides that for all Contracts with a value higher than £500,000, or which are High Risk, an annual report must be submitted to the Portfolio Holder, the responsible Officers having submitted for consideration a formal Gateway Review, covering, as appropriate, the matters identified in the Council's standard Gateway Review, Template for consideration as part of Contract Monitoring/Management requirements.

9. PROCUREMENT IMPLICATIONS

9.1 In line with 23.2 of the Council’s Contract Procedure Rules, an annual report must be submitted to the Portfolio Holder for all contracts with a value higher than £500k.

9.2 This report primarily concerns the performance of the Customer Service Contract provided by Liberata. Any procurement arising will be subject to the Council’s Contract Procedure Rules and Public Contracts Regulations 2015.

9.3 The Corporate Procurement Team will be consulted on the specifics of any procurement arising.

10. PROPERTY IMPLICATIONS

None

11. CARBON REDUCTION/SOCIAL VALUE IMPLICATIONS

Liberata exclusively uses Ark data centres which are committed to the European Green Deal, achieving the ambitious greenhouse gas reductions of the climate law, and leveraging technology and digitalisation to achieve the goal of making Europe climate neutral by 2050. For the last 7 years, all Ark facilities have been powered by 100% renewable energy. To improve sustainability further Ark has developed innovative direct air evaporative cooling capability that dramatically lowers energy consumption and cost, capable of providing compressor free cooling for 100% of every year. The My Bromley account software supports subscribers to e-billing, reducing paper production and postal service reliance. Officers continue to work with Liberata on projects to increase back-office automation and further reduce paper volumes.

Liberata also supports staff to volunteer for local organisations, such as Age Concern befriending scheme.

12. IMPACT ON THE LOCAL ECONOMY

Reception service is a town centre location therefore supports the local economy.

13. IMPACT ON HEALTH AND WELLBEING

Reception service supports promotion of Health & Wellbeing initiatives by printed publicity and electronic display boards.

14. CUSTOMER IMPACT

Customers Services potentially impacts all residents and visitors in the borough.

15. WARD COUNCILLOR VIEWS

None

Non-Applicable Headings:	5, 7, 10, 15
Background Documents: (Access via Contact Officer)	Appendix 1 – Letter from Liberata (Corporate Customer Services - 7 May 2024)

Duncan Bridgewater
Assistant Director – Customer Services
Chief Executive's Department,
Human Resources, Customer Services & Public Affairs
London Borough of Bromley
Civic Centre
Stockwell Close
Bromley
BR1 3UH

Date: 07th May 2024

Dear Duncan,

As we approach the June Executive & Resources PDS meeting where we consider and review the performance of Corporate Customer Services, we take this opportunity to write to you with Liberata's assessment of the performance of this critical high-profile service that we provide to London Borough of Bromley (LBB) and its citizens.

During this reporting period, the team went live with the remaining VoiceBots for the Corporate Services. This has proved to be successful in managing customer enquiries and providing signposting information. We will continue to fine tune the VoiceBots by adding phrases and answers, the VoiceBots will continue to self-learn during customers conversations.

This summary covers performance for the 1st December 2023 – 31st March 2024.

Customer Services Performance

The Corporate Contact Centre delivered an average service level of calls being answered within 60 seconds of 71.15% against a target of 50% for this reporting period. There were 0 days when the service level dipped below 40%.

Calls answered volume was 28,834 for this reporting period which was a slight reduction in comparison to the same period in 2022/23 which was 30,979.

During this period, the average service level for the switchboard was 90.00% against the target of 50% answered within 60 seconds. Calls answered volume was 16,486 for the reporting period which was an increase in comparison to the same 4-month period in 2022/23 of 19,652 calls.

Service for the out of hours has remained consistent for this reporting period with the exception of December 2023, this was due to a number of storm events impacting the out of hours contact centre as well as the cold weather at the beginning of December.

The Customer Services front facing team continued to operate an appointment only service, but vulnerable customers who presented without an appointment were seen. During this reporting period, the team saw 1,366 customers which is a slight increase in footfall in comparison to 1,232 for the same period in 2022/23.

Liberata is a trading name of Liberata UK Limited

(Registered in England and Wales - No 1238274)

Registered Office: 2nd Floor Front, 60 Cheapside, London, EC2V 6AX

Liberata UK Limited is a subsidiary of Outsourcing UK Limited (Registered in England and Wales – No 10280945)

Registered Office: Floor 9, Peninsular House, 30-36 Monument Street, London, EC3R 8LJ

Website Performance

The performance of the website continues to remain strong and the team have managed to achieve 100% for all 4 of their main KPI's. These include:

- Critical updates completed within 1 hour (100%)
- Urgent updates completed within 1 working day (100%)
- Important updates completed within 2 working days (100%)
- Regular updates completed within 5 working days (100%)

Over the last reporting period the Bromley Knowledge team have continued to deliver an exemplar service on behalf of the London Borough of Bromley. The team have been continuing to work on reviewing the number of PDF documents on the website and working with the relevant service areas to convert PDFs to web content and develop online forms where possible. The team made significant progress on reducing the number of PDF documents and, to date, have removed 236 PDFs from the website.

MyBromley Account Developments

MyBromley Account registrations as at the end of March 2024 were 139,556. The number of new registrations during this period equated to 5,523 from December 2023 to March 2024.

Performance

Liberata remains firmly committed to delivering an outstanding service to the London Borough of Bromley and its citizens. We have increased our engagement in the various forums to ensure that the Council remains at the forefront of Digital engagement amongst its peers.

Yours sincerely,



Bola Odunsi
Regional Director (London & The South East)

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Report No.
FSD24044

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE, RESOURCES AND CONTRACTS POLICY
DEVELOPMENT AND SCRUTINY COMMITTEE

Date: Monday 8 July 2024

Decision Type: Non-Urgent Non-Executive Non-Key

Title: EXCHEQUER SERVICE CONTRACT PERFORMANCE REPORT

Contact Officer: Claudine Douglas-Brown, Assistant Director: Exchequer Services
Tel: 020 8461 7479 E-mail: Claudine.Douglas-Brown@bromley.gov.uk

Chief Officer: Director of Finance

Ward: (All Wards);

1. Reason for decision/report and options

- 1.1 This report provides information regarding Liberata's performance in the provision of Exchequer Services for the period 1st April 2023 to 31st March 2024.
- 1.2 A letter from Bola Odunsi, Liberata's Regional Contract Director, provides an update on each individual service and is attached at Appendix 1 with statistical data relating to the services shown in subsequent appendices.

2. **RECOMMENDATION(S)**

The Committee is requested to note the information contained within the report on Liberata's performance and the action taken to address any performance issues.

Impact on Vulnerable Adults and Children

1. Summary of Impact: None
-

Transformation Policy

1. Policy Status: Existing Policy
2. Making Bromley Even Better Priority (*delete as appropriate*):

(5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.

Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Exchequer Service – Payment, Income and Charging
 4. Total current budget for this head: £2.24m
 5. Source of funding: General Fund Revenue Budget
-

Personnel

1. Number of staff (*current and additional*): 5fte plus Liberata staff
 2. If from existing staff resources, number of staff hours: Not Applicable
-

Legal

1. Legal Requirement: Statutory Requirement: Further Details

Public Health (Control of Disease) Act 1984

Late Payment of Commercial Debts (interest) Act 1998

The County Court Act 1984

The Civil Procedure Rules

Environmental Protection Act 1990

Housing Act 2004

The Care Act 2014

The Public Contracts regulations 2015
 2. Call-in: Not Applicable
-

Procurement

1. Summary of Procurement Implications: None
-

Property

1. Summary of Property Implications: None
-

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: None

Impact on the Local Economy

1. Summary of Local Economy Implications: None

Impact on Health and Wellbeing

1. Summary of Health and Wellbeing Implications: None

Customer Impact

1. Estimated number of users or customers (*current and projected*): 40,000

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: None

3. COMMENTARY

- 3.1 This report provides information regarding the performance of the Exchequer Services provided by Liberata for the period 1st April 2023 to 31st March 2024.
- 3.2 The Exchequer Client Unit monitor the contractor's compliance against the contract to ensure that services are provided to the required standard, meeting the agreed targets and performance standards. Where there are areas of concern or underperformance, the Assistant Director, Exchequer Services will agree an action plan with Liberata to address these issues. The team also ensures the services comply with current legislation, financial regulations, contractual obligations and audit requirements.
- 3.3 To maintain the drive for improved service performance, monthly service review meetings are held with operational and senior Liberata management. To further illustrate the commitment to the continuous improvement agenda the Contract Director and Finance Service Delivery Director meets with Bromley regularly to deal with escalated issues, review policies and develop new ideas.
- 3.4 The Exchequer Services covered in this report are: -
- Sundry Debtors, Mortgages and Corporate Debt
 - Accounts Payable
 - Financial Assessment and Charging
 - Appointee and Deputyship

3.5 Sundry Debtors, Mortgages & Corporate Debt

- 3.5.1 The Sundry Debts performance is measured on the amounts recovered at the end of each reporting period. At the 31st March 2024 there were 5,236 invoices outstanding totalling £19.52m, an increase of £1.62m when compared to 31st March 2023. Of the total amount, £5.46m (27.98%) had been outstanding for 30 days or less.
- 3.5.2 The increase of £1.62m was due to the rise in disputed debts referred to at paragraphs 3.5.8 and 3.5.14.
- 3.5.3 As at 31st March 2024, the amount recovered in respect of invoices raised between 1st April 2023 and 31st March 2024 was £35.8m or 85.22% against the target of 92%.
- 3.5.4 The table below lists the debts where Liberata were unable to pursue recovery action. These adversely affect in-year collection.

Table 1

Description	No. of Invoices	Value of Invoices
Community Infrastructure Level (CIL) invoices due after the 1st April 2024	9	£358,596.00
Disputed and Escalated debts	303	£2,420,336.24
Debts placed on hold by LBB Departments	21	£123,009.86
Debts with LBB Legal Team	13	£15,981.12
Debts secured by Charging Order	2	£254,402.77
Debts referred for Write Off	49	£86,356.53
Total	397	£3,258,682.52

- 3.5.5 Table 2 shows the in-year collection rate however to reflect Liberata's recovery performance it has been adjusted to take account of those debts where Liberata could not pursue payment. This gives a revised collection rate of 92.38% at 31st March 2024.

Table 2

	As at 31/03/21	As at 31/03/22	As at 31/03/23	As at 31/03/24
Unadjusted Collection Rate	71.49%	80.68%	81.40%	85.22%
Adjusted Collection Rate	93.12%	97.55%	93.28%	92.38%

3.5.6 **Appendix 2** shows the comparison between the levels of outstanding debt for each month from April to March for the years 2021/22 through to 2023/24.

3.5.7 **Appendix 3** shows the comparison between the numbers of invoices outstanding each month from April to March for the years 2021/22 through to 2023/24

3.5.8 This graph shows an increase in the total number of invoices outstanding at the end of each month. Residential care invoices are often disputed and remain unpaid until issues are resolved which can take some time if the matter is complex or a final Ombudsman decision is required before the debt can be pursued.

Aged Debt

3.5.9 The out-of-year collection rate across all financial years was 99.1% with £10.3m collected up to the end of March 2024. The factors which continue to affect out-of-year collection are shown below. Once this has been adjusted to take account of these debts the collection rate was 99.58%.

Table 3

Description	Value of Invoices
Disputed and Escalated debts	£3,464,088.68
Debts referred for Write Off & awaiting cancellation	£1,632,172.25
Debts placed on hold by LBB Departments	£131,140.24
Debts with LBB's Legal Team	£63,753.22
Debts relating to Insolvency	£1,163,895.01
Debts secured by Charging Order	£514,252.23
Total	£6,969,301.63

3.5.10 Of the £1.16m relating to insolvency, £1.1m is in respect of corporate rents owed by one organisation that went into liquidation in 2022. To date we have received dividends totalling £530k and we are expecting to receive a final dividend in 2024.

3.5.11 Table 4 shows the movement in the out-of-year debt for the year 1st April 2023 to 31st March 2024 along with the overall percentage reduction.

Table 4

Fin Year	31-Mar-23	31-Mar-24	Reduction since 31/03/23
	£,000	£,000	%
Pre 2018	1,525	1,294	15%
2018/19	390	338	13%
2019/20	569	503	12%
2020/21	1,789	1,421	21%
2021/22	2,048	1,569	23%
2022/23	11,502	2,477	78%
Total	17,823	7,602	57%

3.5.12 **Appendix 4** shows the overall recovery position of debts in each financial year up to 31st March 2024.

3.5.13 The debts in dispute or on hold where Liberata require instructions from LBB, remain high at £3.8m however disputed invoices over one year old have reduced by 50%.

3.5.14 In 2023/24 the value of invoices disputed was significantly higher than in previous years which was mainly due to the number of invoices for residential care charges that were disputed.

3.5.15 Liberata continue to work with LBB officers to resolve queries and disputes as quickly as possible so that recovery action can continue. Cases are escalated by Liberata to the Exchequer Client Unit who liaise with senior LBB officers regarding pursuing the debt or writing it off if it is uncollectable.

Utilities

3.5.16 **Appendix 5** shows a summary of Utility debts as at 31st March 2024.

3.5.17 The total debt outstanding for Utilities as at 31st March 2024 was £260k which is 7% higher than the previous financial year however the amount of debt over 30 days old has reduced by 11% and the value of invoices in dispute has reduced by 44%. Liberata continue to liaise with the service department regarding all disputed sums.

Income

3.5.18 The Income Team raised 13,288 sundry invoices (excluding the Trade Refuse service) with a value of £55.82m from 1st April 2023 to 31st March 2024. This represents an increase of 5% in the number of invoices raised in comparison to 2022/23.

3.5.19 During the same period, 1,186 invoices relating to all financial years with a total value of £8.2m were subsequently cancelled. This includes invoices for charges raised in advance where the service was subsequently cancelled.

3.5.20 This is a much higher number and value compared to previous years, caused by several property sales during 2023/24 resulting in part cancellations of rent and a large number of credits for deceased cases and backdated assessments for residential care charges. Combined, these accounted for 69% of the cancellations.

3.5.21 **Appendix 6** shows the value of invoices raised month by month for the period from 1st April 2023 to 31st March 2024 compared to the same periods in the previous two financial years.

3.5.22 **Appendix 7** shows the number of invoices raised month by month for the period from 1st April 2023 to 31st March 2024 compared to the same periods in the previous two financial years.

3.5.23 The significant increase in the volume of invoices raised that can be seen in some months is mainly due to residential care invoices. However, the volume has started to decrease as the providers have started to collect the care charges.

Trade Waste

3.5.24 The outstanding debt for Trade Waste was £149k as at 31st March 2024. Table 5 provides an analysis of the debt and compares it to the position as at 31st March 2023. This shows that the debt has reduced by over £28k compared to the previous year.

Table 5

Age Analysis of Trade Balance	As at 31st March 2023	As at 31st March 2024	Variance	
	£	£	£	%
Under 30 days old	9,013	996	-8,017	
Invoices 31-365 days old	61,947	37,108	-24,839	
Invoices over 1 year old	107,005	111,278	4,273	
Total	177,965	149,383	-28,582	-18.04%
Recovery Status of Trade Balance				
Payment arrangements/Direct Debits	2,113	8,292	6,180	
Invoices in dispute	35,047	19,281	-15,766	
Awaiting cancellation	2,309	1,880	-429	
Awaiting write off	22,894	29,528	6,634	
Active Recovery	115,602	90,402	-25,200	
Total	177,965	149,383	-28,583	-18.04%

Nightly Paid Accommodation Charges

3.5.25 The outstanding debt for Nightly Paid Accommodation charges as at 31st March 2024 was £8.94m. Table 6 gives a breakdown of the outstanding debt as at 31st March 2024 which shows an overall increase of £300k or 3.48% compared to 2023.

3.5.26 However, the total rent charge for the year has increased by over £1m (5.56%) since 2022/23. This is linked to the increase in the number of Current Tenants placed in Nightly Paid Accommodation (see Table 7 below).

3.5.27 When tenants are initially placed, they are encouraged to apply for Housing Benefit and where assistance to complete forms is required Liberata refer them to the Support & Resettlement Team in Housing.

3.5.28 All correspondence issued to tenants highlights the importance of applying for Housing Benefit and claims are monitored to ensure that where there are any suspended claims these are followed up and discussed with the tenants.

3.5.29 It should be noted however that there are more people in temporary accommodation whose income is above the income thresholds for receiving Housing Benefit, also the feedback from recovery officers who liaise with tenants indicates that cost-of-living issues is cited as the reason for non-payment.

3.5.30 Issuing statements on a 4-weekly basis continues to form part of the process for current tenants and tenants are also signposted for debt advice and financial help.

3.5.31 Tenants often had larger debts at the start of the eviction process due to recovery action being prevented during the pandemic. This led to an increase in the debt level for former tenants requiring tracing and/or further recovery action.

3.5.32 Where Liberata can agree payment arrangements for former tenants they are frequently for very small instalments over long periods of time thereby affecting collection rates. Tenants often have issues with affordability and do not possess the assets needed for successful enforcement of legal action. Where payment arrangements are offered, it is preferable to accept low repayments rather than submitting the debt for write off.

3.5.33 A workshop was held in June 2024 with Liberata, the Exchequer Client Unit and the Housing Department which identified a number of areas for further review and action to improve communication between the teams, improve the tenant support at the sign up stage to take into account that tenants are being placed out of borough, and reduce the length of the eviction process where appropriate.

Table 6

	As at 31 March 2023	As at 31 March 2024	Variance %
Charges raised for current year and arrears brought forward for previous years	£18,129,101	£19,136,401	5.56%
Payments received from debtors	-£1,580,218	-£1,492,246	-5.57%
Housing Benefit awards	-£7,824,704	-£8,518,641	8.87%
Sub total	£8,724,180	£9,125,514	4.60%
Less Grants provided for Rough Sleepers	£0	-£102,044	
Less combined total debts written on/off	-£81,590	-£80,421	-1.43%
Total	£8,642,589	£8,943,049	3.48%

Table 7

Month/Year	Tenant Numbers			Variance %
	Currents	Formers	Total	
Mar-20	714	1,872	2,586	-
Mar-21	899	2,249	3,148	21.73%
Mar-22	1,115	2,757	3,872	23.00%
Mar-23	1,035	2,835	3,870	-0.05%
Mar-24	1,356	3,130	4,486	15.92%

3.6 Accounts Payable

- 3.6.1 Under the Public Contracts Regulations 2015 the Council is required to publish prompt payment data showing the percentage of undisputed invoices paid within 30 days.
- 3.6.2 A performance summary covering the period from 1st April 2023 to 31st March 2024 is shown below. This shows that the percentage of undisputed invoices paid within 30 days was 97%, against a target of 99%. The percentage of invoices paid within 20 days was 96%.
- 3.6.3 Although the performance was below the target, there has been an improvement of 3% when compared with the previous year's performance of 94%. Liberata and the Exchequer Unit continue to liaise with service departments to reduce the delays with the receipting of goods and services which impact the timely payment of invoices. The performance for April and May have been 98%.

Table 8

Target: 99%	Invoices Over 30	Invoices Under 30	Total	%	Invoices Over 20	Invoices Under 20	Total	%
Manuals	592	19,574	20,166	97%	699	19,467	20,166	97%
I-Proc	602	13,178	13,780	96%	1,055	12,725	13,780	72%
Social Care	32	9,339	9,371	100%	56	9,315	9,371	99%
Total	1226	42,091	43,317	97%	1,810	41,507	43,317	96%

- 3.6.4 Table 9 below shows the percentage split in the method of payments to suppliers. The percentage of suppliers paid by BACS from 1st April 2023 to 31st March 2024 was 99%. This is an increase in BACS payments of 1% compared to the previous year.
- 3.6.5 The number of payments made by cheque continues to reduce year on year and officers will continue to work with Liberata to reduce this further.

Table 9

	2022/23				2023/24			
	BACS		Cheques		BACS		Cheques	
	No.	%	No.	%	No.	%	No.	%
April	2,418	97%	71	3%	3,500	98%	58	2%
May	3,404	99%	33	1%	4,181	99%	34	1%
June	3,456	99%	48	1%	3,745	98%	65	2%
July	3,508	98%	70	2%	3,369	99%	44	1%
Aug	3,821	98%	73	2%	4,101	99%	56	1%
Sept	3,293	98%	77	2%	3,459	99%	24	1%
Oct	3,420	98%	77	2%	3,866	99%	45	1%
Nov	4,442	99%	61	1%	4,439	99%	56	1%
Dec	3,276	99%	26	1%	3,176	99%	21	1%
Jan	3,992	98%	76	2%	4,353	99%	55	1%
Feb	3,488	98%	60	2%	4,298	99%	28	1%
Mar	4,582	99%	59	1%	3,983	99%	30	1%
	43,100	98%	731	2%	46,470	99%	516	1%

3.7 Financial Assessment and Charging

3.7.1 The Key Performance Indicator figures for the team covering the period from 1st April 2023 to 31st March 2024 are shown in table 10 below.

Table 10

Indicator	Target	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24
Complete Financial Assessments within 10 working days	100%	89%	97%	92%	100%
Produce the charging file in line with the timetable	100%	100%	100%	N/A	N/A

3.7.2 Performance remained stable by using the automated Workflow Manager on the Anite Document Management Systems (DMS) which was changed to Northgate Document Management System (NDMS) in February 2024. The team adapted well to this change and continued to meet the target month on month.

3.7.3 Liberata continue to quality check staff outputs to ensure service standards are met. Procedures are updated regularly and briefing notes issued as and when required. Using experience from other Councils has assisted with working practices to improve performance.

3.7.4 There is ongoing work to explore the use of ContrOCC functionality to automate processes and reduce human error. Liberata are also continuing to work closely with LBB to ensure that we are well placed to resume the work required for the Social Care Reforms should they proceed in the future.

3.7.5 Customers continue to use the online facility to complete a financial assessment form, upload evidence and contact the team. The online channel is promoted on all correspondence to

customers and their representatives. For the financial year April 23 to March 24, 51% of customers completed the online financial assessment form.

3.8 Appointee and Deputyship

- 3.8.1 The Key Performance Indicator figures for the team, covering the year to 31st March 2024, are shown in table 11 below which shows the service is consistently performing well. This performance has also been maintained at 100% for both indicators as at 30th April 2024.
- 3.8.2 The migration to the new Caspar Cloud system In January 2023 offered improved functionality and once it had bedded in Liberata implemented the automation of the bank reconciliations successfully in July 2023. This streamlined the bank reconciliation process significantly.
- 3.8.3 The system provider, Trojan released a recent enhancement to Caspar Cloud which allows the DWP benefit rates to be updated annually for multiple clients. This was implemented by Liberata at the end of April 2024 which significantly reduced the amount of time it took to manually complete this task.
- 3.8.4 The system supports the new Deputyship process and legal Court of Protection forms which collectively aid the Appointee & Deputyship team in working effectively.

Table 11

Indicator	Target	Actual 2020/21	Actual 2021/22	Actual 2022/23	Actual 2023/24
Referral of applications to the Panel within 14 working days	100%	100%	100%	100%	100%
Raise invoices within 2 months of the anniversary of the court order	100%	100%	100%	100%	100%

3.9 User/Stakeholder Satisfaction

- 3.9.1 Complaints are used as a tool for improvement, with individual errors seen as an opportunity to put things right not just for the individual complainant but for the wider community.
- 3.9.2 The table below shows the number of complaints received since April 2020 split between justified and unjustified. For the range of services being provided the number of complaints remains relatively low, however there was an increase following the transition to the new Care Management system.
- 3.9.3 Liberata have worked closely with Council colleagues to resolve the system issues and as a result the number of complaints have fallen however there is ongoing work to improve the customer experience.

Table 12

	2020/21	2021/22	2022/23	2023/24
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Sundry Debtors/Income				
Justified	6	7	19	4
Unjustified	2	3	9	12
Total	8	10	28	16
Accounts Payable & Charging				
Justified	-	-	14	4
Unjustified	-	-	3	4
Total	-	-	17	8
Financial Assessment				
Justified	7	13	22	22
Unjustified	6	12	22	12
Total	13	25	44	34
Appointee & Deputyship				
Justified	-	-	-	-
Unjustified	-	-	-	-
Total	-	-	-	-

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The Single Financial Assessment Unit are required to carry out timely and accurate financial assessments so that the adults receiving social care and support are informed as early as possible how much they are required to pay towards their care. When there are delays in completing financial assessments or providing information this can cause distress or anxiety for clients and their families.
- 4.2 The Accounts Payable Team are responsible for making direct payments to vulnerable adults, children with disabilities, foster carers and care homes. Making the correct payments on time ensures there is no impact on vulnerable adults or children.
- 4.3 The Appointee and Deputyship Team provide services to vulnerable adults who lack the capacity to manage their finances. Prompt submission of court and DWP applications ensures that the risk of financial abuse is removed as early as possible.
- 4.4 The Appointee and Deputyship Team also carries out protection of property to prevent or mitigate the loss or damage to property belonging to adults in Bromley who are receiving care and support from the Council or are in hospital and no suitable arrangements have been made.

5. TRANSFORMATION/POLICY IMPLICATIONS

- 5.1 One of the “Making Bromley Even Better” ambitions is to manage our resources well, providing value for money, efficient and effective services for Bromley’s residents. To achieve this, we will ensure robust contract management with a focus on efficiency and innovation to improve services for Bromley residents.

6. FINANCIAL IMPLICATIONS

- 6.1 The services provided through the Exchequer Services Contract referred to within this report deal with significant financial transactions with examples illustrated below:
- Accounts Payable - £500m per annum
 - Sundry debts (income) - £48m per annum
 - Financial Assessments - £14m per annum
 - Appointee and Deputyship - £3m per annum
- 6.2 The contract costs £2.24m per annum against a revenue budget of £2.24m for 2023/24.
- 6.3 There are no direct financial implications as a consequence of this report, however the report requests members to take note of the performance of Liberata (the contract provider) and any actions taken to improve performance.
- 6.4 This service is responsible for significant number of financial transactions (as illustrated above), for which poor performance or management of these duties can be significantly costly to the council and can affect our cashflow, liquidity and ability to meet our liabilities.

7. LEGAL IMPLICATIONS

- 7.1 This report is a contract performance report for Exchequer Services and is submitted in compliance with rule 23 of the Contract Procedure Rules which requires an annual update report to be submitted when the value of the contract is in excess of £1 million.

8. CARBON REDUCTION/SOCIAL VALUE IMPLICATIONS

- 8.1 Liberata exclusively uses Ark data centres which are committed to the European Green Deal, achieving the ambitious greenhouse gas reductions of the climate law, and leveraging technology and digitalisation to achieve the goal of making Europe climate neutral by 2050. For the last 6 years, all Ark facilities have been powered by 100% renewable energy. To improve sustainability further Ark has developed innovative direct air evaporative cooling capability that dramatically lowers energy consumption and cost, capable of providing compressor free cooling for 100% of every year.
- 8.2 The MyBromley account software supports over 49,815 subscribers to e-billing, reducing paper production and postal service reliance. Officers continue to work with Liberata on projects to increase back-office automation and further reduce paper volumes.
- 8.3 Liberata also supports staff to volunteer for local organisations, such as Age Concern befriending scheme.

9. CUSTOMER IMPACT

- 9.1 The services covered in this report affect those who owe general income to the Council, all of the Council's suppliers and all adult social care clients. This amounts to an estimated 40,000 people.

Non-Applicable Headings:	Personnel implications, Procurement implications, Property implications, impact on the local economy, impact on Health and Wellbeing, Ward councillor views
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Background Documents: (Access via Contact Officer)	
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Claudine Douglas-Brown
Assistant Director of Exchequer Services
London Borough of Bromley
Civic Centre
Stockwell Close
Bromley
BR1 3UH

Appendix 1

23rd May 2024
Our Ref: BO

Dear Claudine,

As we approach the June 2024 Executive, Resources and Contracts Policy Development and Scrutiny Committee where we consider and review the Exchequer service, we take this opportunity to write to you with Liberata's assessment of the performance that we have provided to London Borough of Bromley (LBB) and its citizens.

This summary covers performance for the year to 31st March 2024.

Debtors and Income

For the 2023/24 financial year we achieved an unadjusted collection rate of 85.22% on in-year debt. Although this equated to £35.8m of cash received, it was still below the target of 92%. However, within the outstanding balance there remained several debts where we were unable to take any recovery action. For a true reflection of our recovery performance, we must exclude these debts and calculate an adjusted collection rate. As such, the adjusted rate for the year was 92.38%, which was 0.38% above the target. A summary of the main debts that have been excluded from the adjusted rate are listed below:

- There were debts of £2.56m which remained on hold at the year end. This was due to them either being disputed or were cases where we were awaiting further instructions from the Council.
- Debts totalling £359k related to Community Infrastructure Levy (CIL) invoices. Although these had been raised during the year, they were not actually due for payment until after the year end.
- A total of £254k of debts had been secured by charging order whilst a further £86.4k of debts were awaiting write off at the year end.

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(Registered in England and Wales - No 1238274)

Registered Office: 2nd Floor Front, 60 Cheapside, London, EC2V 6AX

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Registered Office: Floor 9, Peninsular House, 30-36 Monument Street, London, EC3R 8LJ

In Year Collection	31/3/2024	31/3/2023	Variance
	£m	£m	£m
Net Collectable Debt	£42.01	£63.86	-£21.85
Amount Collected	£35.80	£51.98	-£16.18

Unadjusted Collection Rate	85.22%	81.40%	3.82%
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Adjustments to Net Collectable Debt:			
- CIL Debts	-£0.36	-£1.14	£0.78
- Disputed Debts	-£2.42	-£0.76	-£1.66
- With LBB	-£0.14	-£0.06	-£0.08
- Charging Orders	-£0.25	-£0.08	-£0.17
- Awaiting write off	-£0.09	-£0.03	-£0.06
- Invoices less than 30 days old*	£0.00	-£6.09	£6.09
Adjusted Net Collectable Debt	£38.75	£55.77	-£17.02

Adjusted Collection Rate	92.38%	93.28%	-0.90%
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**Invoices less than 30 days old are now excluded from our Unadjusted Collection Rate calculation*

We collected cash of £10.31m on out-of-year debt which gave a collection rate of 99.1%. However, like the in-year debt, there remained cases totalling over £6.9m where we were unable to take any active recovery action. Taking these debts into account increased the collection rate to 99.58%. These debts are summarised below:

- A total of £3.66m of debts were either in dispute or had been placed on hold by Council departments at the year end.
- There were £1.63m of invoices awaiting write-off.
- Debts totalling £1.16m related to organisations that were in administration. The majority of this, £1.12m, relates to a high street retailer.
- £0.51m of debt was secured by charging orders on the debtors' properties.

The Council's temporary change to the Residential Care charging policy has continued to adversely impact operations. The large increase in volume and value of invoices raised has resulted in a material increase in queries, disputes and cancellations as is evidenced in our report.

We have also continued to see both individuals and businesses being adversely impacted by the current economic climate. As a result, we have continued with our policy of maintaining regular contact with debtors

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to ensure that they fully understood the amount and reason for the debt and to secure early payment. This was particularly true for Social Care debt and Temporary Accommodation debt. For residents receiving Social Care we have been contacting them once they have started to incur charges. This is to ensure they understand how the charges have been calculated and to stress the importance of making regular payments. Historically, we have found that due to confusion, some residents delay making any payments. This can quickly lead to the creation of large outstanding debt balances. For Temporary Accommodation tenants we have continued issuing statements on a four-weekly basis. This ensures that they are made aware of their outstanding balances and prompts them to contact us if they have any questions or financial concerns.

We continue to work with the Client Unit and Council departments to look at further opportunities to review and improve internal debt creation and collection processes. As such we have recently commenced a project designed to automate the production of invoice requests which we receive from Council departments. Although this is still at the review stage, it is believed that the automation will result in faster processing times while eliminating keying errors.

Accounts Payable

For the financial year 2023/2024 the Liberata performance for undisputed invoices paid within 30 days was 99.59% which was above the target of 99%. The Council's reported performance on this same metric was 97% for the previous year, which is an increase in performance of 3%. This increase was driven by an improvement in the receipting of goods and services which were actioned more promptly by Council officers.

As a way of speeding up the processing of supplier invoices, we have recently commenced discussions with the Council on implementing a new automated scanning solution. This will not only reduce processing times and eliminate manual keying errors but will also reduce the risk of incorrect payments being made when suppliers send in duplicate invoices.

In line with previous years, we have continued to drive down the use of cheque payments. As a result, during the year, we paid 99% of suppliers by BACS which was an improvement on the previous period's figure which was 98%.

Financial Assessment and Management Team

As at the end of March 2024, we had 886 Residential Care cases and 2,327 Non-Residential Care cases. Liberata has continued to work closely with the Council to improve our current processes and performance along with the project team and progress has been made in some areas. There has been no further update with regards to the changes in Social Care Reform however, Liberata are in a position to implement any changes that may occur. Skill sets and knowledge continue to increase within the team to provide increased resilience in all areas.

Appointee & Deputyship Team

As at 31st March 2024, the team had a portfolio of 308 clients of which 263 were for Appointees and 45 were for Deputyship. The number of cases managed by the team has increased since 2020.

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The team use the newly migrated Caspar Cloud system for their case management. The automated bank reconciliations undertaken by the team are working very well. This has resulted in a reduction in the time taken to complete these reconciliations compared to the old manual process.

There is also a recent enhancement within Caspar Cloud which allows the team to update the new DWP benefit rates at the start of the financial year for multiple clients. The team used this facility in April 2024 which allowed the DWP benefit to be updated more quickly, hence saving time. The team continues to work effectively in identifying changes within Caspar Cloud to improve work tasks and processes.

I trust you find that the above has been informative and comprehensively demonstrates that Liberata remains firmly committed to delivering an outstanding service to the London Borough of Bromley and its citizens.

Yours sincerely



Bola Odunsi
Regional Director (London & The Southeast)

Liberata is a trading name of Liberata UK Limited

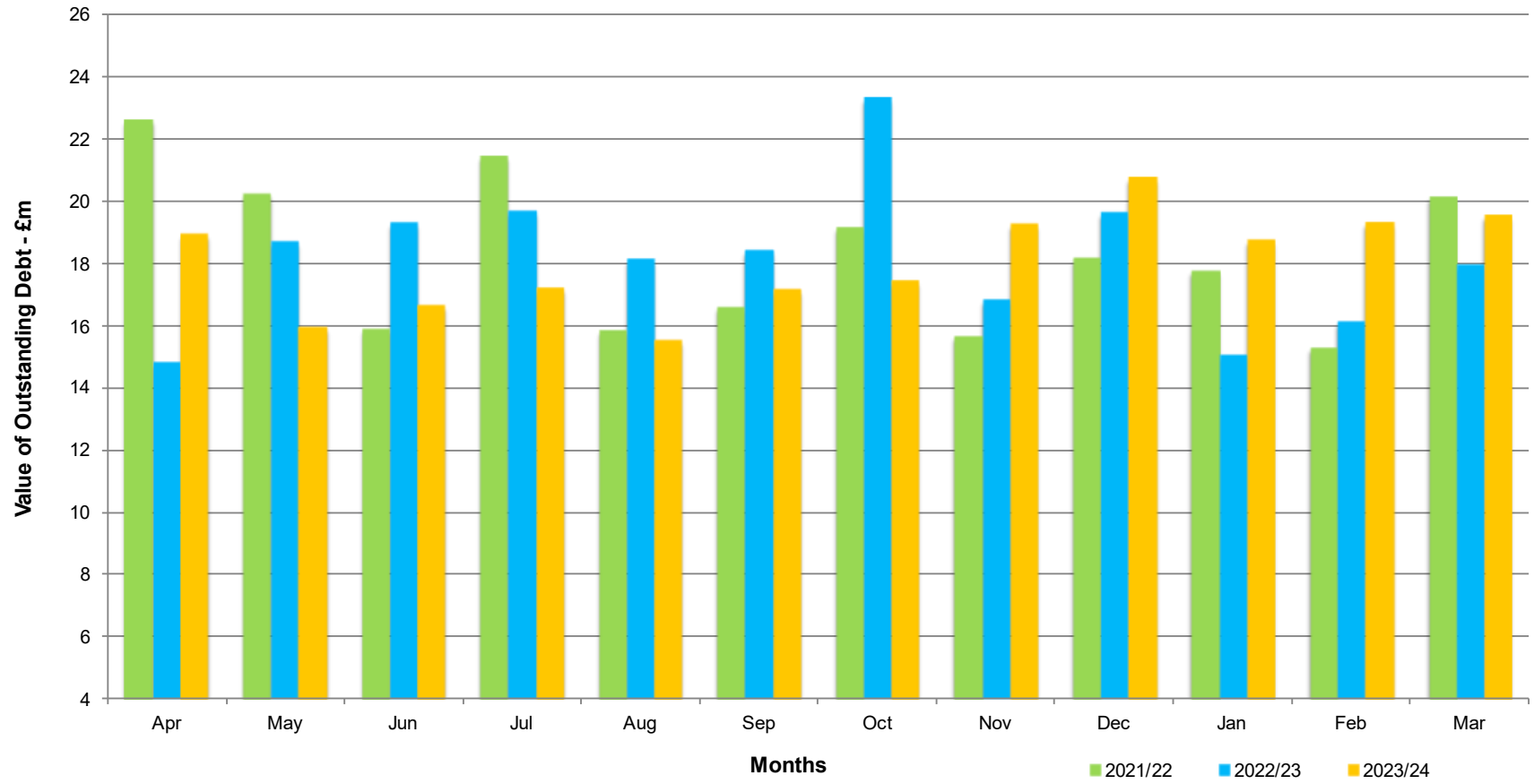
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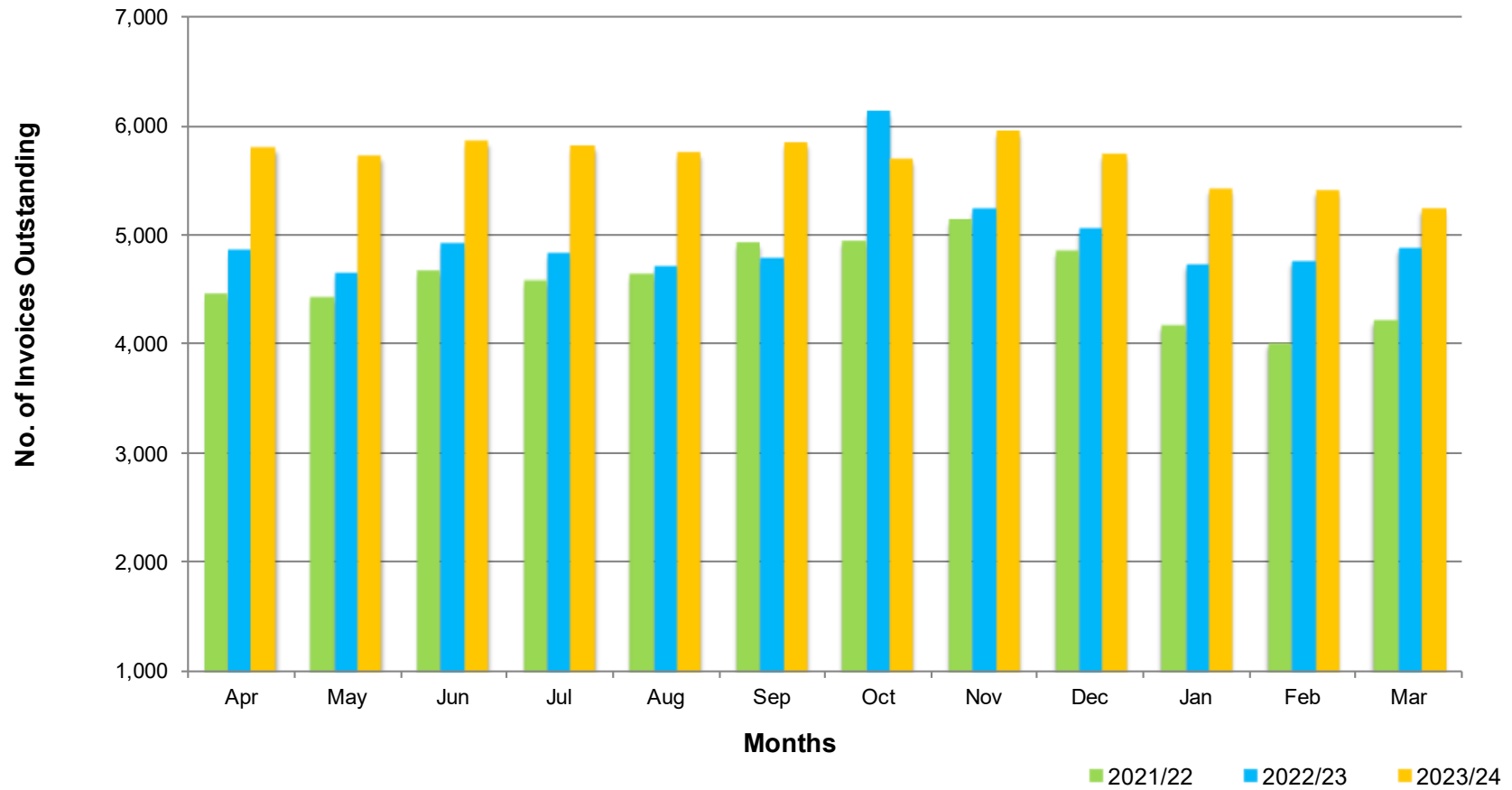
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Monthly Comparison of Total Outstanding Debt



Monthly Comparison of no. of Invoices Outstanding



Overall Recovery position of Debts raised in the financial years as at 31st March 2024

Outstanding balance and Recovery position of debts raised in the years below							
Fin Year in which the original debt was raised	Pre 2019	2019-20	2020-21	2021-22	2022-23	2023-24	Grand Total
	£000	£000	£000	£000	£000	£000	£000
In reminder letter cycles (no pro-active recovery)						5,571	5,571
Recovery being actively pursued	36	55	48	120	665	1,947	2,871
In Recovery, paid by instalments	49	5	7	65	79	219	425
Awaiting Cancellation	4	9	3	11	13	2	42
Appointee & Deputyship in place	7		42	32	232	222	534
Deceased Accounts	145	16	153	126	421	627	1,488
Searching for probate		5	18	1	55	1	79
Probate granted (in recovery)	1	3	22	79	128	22	254
Debt Secured by Charge	164				97	254	515
With LBB for Instructions				1	10	120	131
Pre Debt Collector checks	4	5	11	31	23	30	105
With Debt Collector	21	4		6	9	12	53
Returned from Debt Collector	2	1					4
Court Action (pre-legal action review & application)	139	157	123	77	95	95	686
Judgement obtained - Enforcement options in review	39				2		41
Judgement obtained - High Court Enforcement	14	1			10		25
With LBB Legal Dept for instructions					27	16	43
In Administration (Insolvency)			634	529	1		1,164
Recommended for Write Off	973	202	130	111	130	86	1,632
In dispute/under query with LBB Service Departments	33	40	230	377	480	2,655	3,814
Covid-19 Grant Clawback				3		19	23
Premises Licences						19	19
Grand Total	1,631	503	1,421	1,569	2,477	11,917	19,518

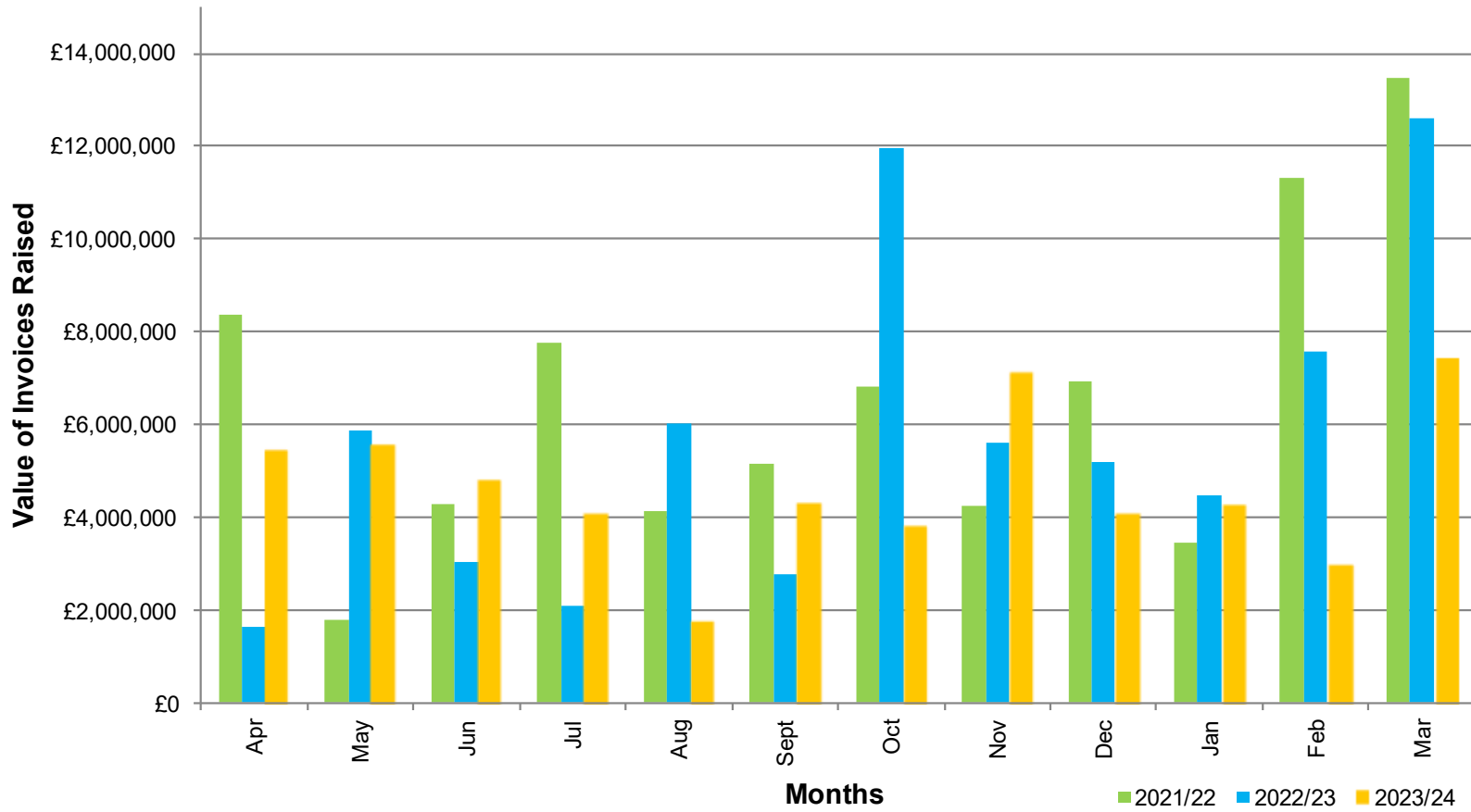
Age Profile of outstanding Utility Debts as at 31st March 2024

Utility	Pre 2019	2019-20	2020-21	2021-22	2022-23	2023-24	TOTAL BALANCE
Virgin Media	£0	£0	£0	£475	£0	£15,527	£16,002
British Telecom	£0	£0	£0	£0	£0	£0	£0
EDF	£0	£0	£0	£0	£0	£0	£0
UK Power Networks Ltd	£0	£0	£0	£0	£0	£0	£0
SGN PLC	£0	£0	£0	£3,360	£0	£44,848	£48,208
Thames Water	£0	£583	£5,985	£0	£2,686	£55,409	£64,663
Other Utilities	£9,717	£0	£6,875	£36,563	£604	£77,252	£131,011
TOTAL	£9,717	£583	£12,860	£40,398	£3,290	£193,036	£259,883

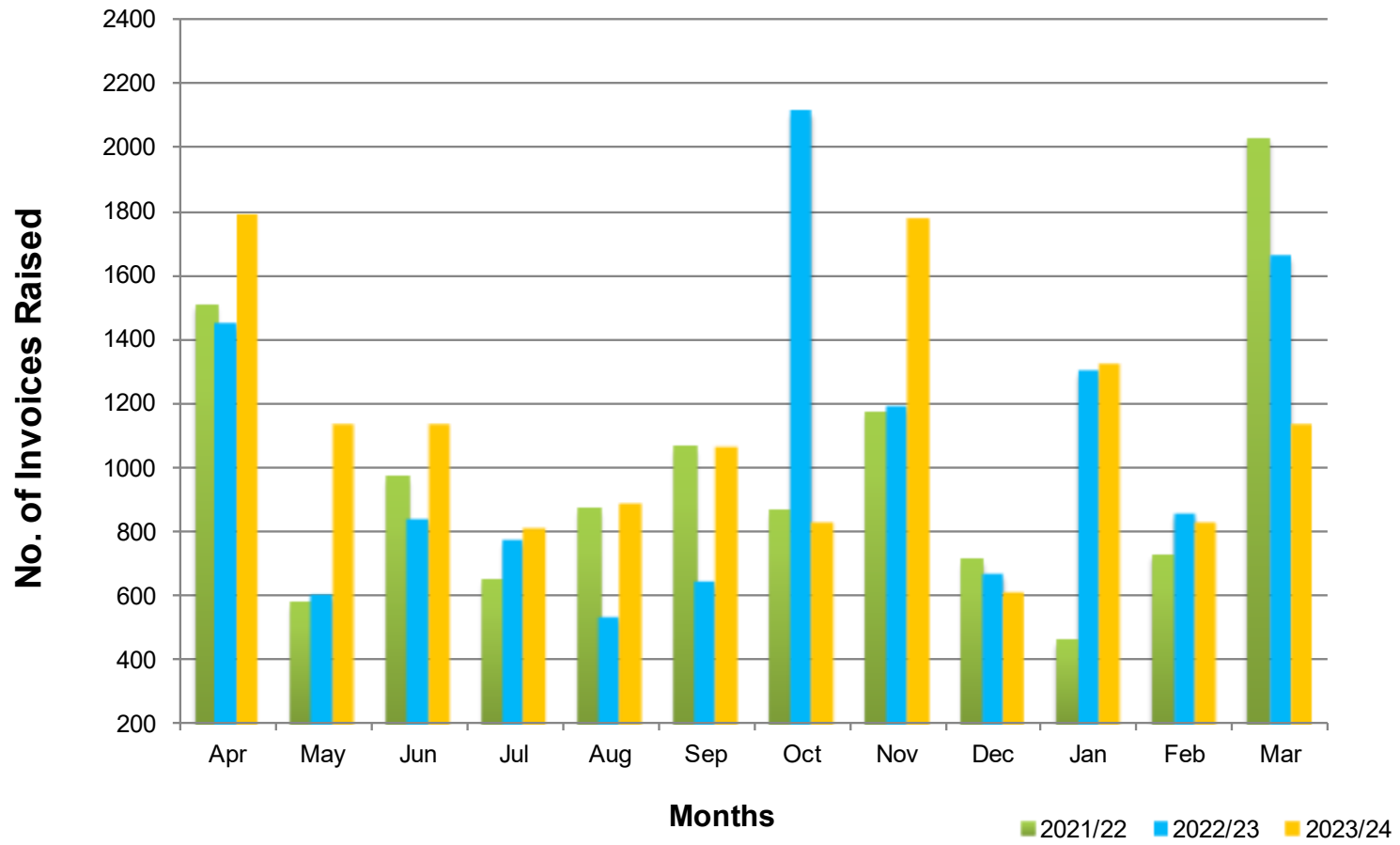
Overall Recovery Position of outstanding Utility Debts as at 31st March 2024

Utility	Total under 30 days old	Total over 30 days old	Total outstanding	No. of invoices in dispute	Amount of invoices in dispute	Amount marked for write off
Virgin Media	£7,120	£8,882	£16,002	0	£0	£0
British Telecom	£0	£0	£0	0	£0	£0
EDF	£0	£0	£0	0	£0	£0
UK Power Networks Ltd	£0	£0	£0	0	£0	£0
SGN PLC	£11,730	£36,478	£48,208	4	£5,226	£0
Thames Water	£55,223	£9,440	£64,663	3	£6,754	£0
Other Utilities	£46,456	£84,555	£131,011	4	£3,840	£10,909
TOTAL	£120,529	£139,354	£259,883	11	£15,820	£10,909

Monthly Comparison of the Value of invoices Raised



Monthly Comparison of No. of Invoices Raised



Report No.
FSD24046

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE, RESOURCES AND CONTRACTS POLICY
DEVELOPMENT AND SCRUTINY COMMITTEE

Date: Monday 8 July 2024

Decision Type: Non-Urgent Non-Executive Non-Key

Title: BENEFITS SERVICE MONITORING REPORT

Contact Officer: Jayne Carpenter, Revenue and Benefits Manager
Tel: 020 8461 7996 E-mail: Jayne.Carpenter@bromley.gov.uk

Chief Officer: Peter Turner, Director of Finance

Ward: (All Wards);

1. Reason for report

- 1.1 This report provides information regarding the performance of the Benefits Service provided by Liberata for the period 1 December 2023 to 31 March 2024. A letter from Bola Odunsi Liberata's Regional Contract Director (London and Southeast) is attached as Appendix 1. This communication provides Liberata's perspective of performance, together with an update on initiatives to be introduced in the coming months.

2. RECOMMENDATION(S)

2.1 The PDS is requested to:

- note the information contained with the report and the letter provided by Liberata detailed in Appendix 1

Impact on Vulnerable Adults and Children

1. Summary of Impact: The Benefits Service impacts on all benefit recipients including vulnerable adults and/or those with children.
-

Transformation Policy

1. Policy Status: Not applicable
 2. Making Bromley Even Better Priority:
(5) to Manage our resources well, providing value for money, and efficient and effective services for Bromley residents
-

Financial

1. Cost of proposal: Not applicable
 2. Ongoing costs: Not applicable
 3. Budget head/performance centre: Exchequer – Benefits and Admin
 4. Total current budget for this head: £3.5m
 5. Source of funding: Existing revenue budget 2023/24 including Government Grants and Subsidy
-

Personnel

1. Number of staff (current and additional): 3 plus Liberata staff
 2. If from existing staff resources, number of staff hours: Not applicable
-

Legal

1. Legal Requirement: Statutory Requirement
The main pieces of legislation covering the Service are:
Housing Benefit Regulations 2006
The Council Tax Reduction\Support Schemes Regulations 2012
The Local Government Finance Act 2012
 2. Call-in: Not applicable
-

Procurement

1. Summary of Procurement Implications: The Benefits Service is provided by Liberata as part of the Exchequer Services contract.
-

Property

1. Summary of Property Implications: Not applicable
-

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: Not applicable
-

Impact on the Local Economy

1. Summary of Local implications: Not applicable
-

Impact on Health and Wellbeing

1. Summary of Carbon Reduction/Sustainability Implications: Not applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):15,986
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: Not applicable

3. COMMENTARY

- 3.1 The Exchequer Services Team monitors the contract, sets targets and performance standards, liaises with partners, progresses the development and improvement of services through leadership on specific initiatives. The team also ensures the services comply with current legislation, financial regulations, contractual obligations and audit requirements. Graphical illustrations as to the level of performance being achieved are attached as appendices to this report.
- 3.2 To maintain the drive for improved service performance, monthly service review meetings are held with operational and senior Liberata management. Regular meetings take place between senior managers in both organisations to discuss escalated items, technological advances and further development opportunities.
- 3.3 The Exchequer Service specification effective from 1 April 2020 introduced key performance indicators for the processing of new claims and change in circumstances as well reducing the tolerance level for errors to 4% (previously 5%).
- 3.4 The Housing Benefit caseload is reducing monthly due to the natural and managed migration of working age customers now receiving assistance with their Housing costs by Universal Credit.

3.5 Outstanding work

The target in the specification requires that the level of outstanding work is less than 5,700 documents of which 2,200 are in pending. At the 31 March 2024 there were 1463 outstanding documents. Of the 1463 documents, 807 were in pending awaiting further information. A graph showing the level of outstanding work since April 2021 is attached at Appendix 2.

A graph illustrating the number of Housing Benefit and Council Tax Support new claims, change in circumstance and Universal Credit notifications (new, changes and stops) since April 2021 is attached at Appendix 3

3.6 Claim Processing

The speed of processing indicator is a combination of the time taken to assess new claims and change of circumstances.

The below table shows the Benefits Sections performance under the Right Time Indicator, the annual target for which is 13 days:

Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
5.59	9.54	14.90	34.01	17.85	9.28	5.81	14.47	4.10	5.95	7.93	2.45

Average 2021/22 **6.32 days**
Average 2022/23 **5.68 days**
Average 2023/24 **8.49 days**

Performance under the Right Time Indicator is illustrated as Appendix 4.

3.7 Tabled below are the performance figures in respect of the 2 components, new claims and change of circumstances:

New claims – target for 2023/24 is 19 days

Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
9.68	14.14	14.96	25.69	19.93	21.72	15.02	14.94	16.50	10.65	13.17	15.74

Average 2021/22 **13 days**
Average 2022/23 **11.13 days**
Average 2023/24 **15.95 days**

3.8 **Change in circumstances – target for 2023/24 is 9 days**

Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
5.37	9.54	14.89	34.62	17.64	8.74	5.37	14.40	3.63	5.67	7.93	2.06

Average 2021/22 **7 days**
Average 2022/23 **6.81 days**
Average 2023/24 **8.09 days**

3.9 The average processing days covers a wide variance amongst claims. Appendix 5 and 5a show the “spread” in respect of new claims and change of circumstances.

For the period 1 December 2023 to 31 March 2024, 690 new claims were processed, with 3 new claims (0.43%) taking over 80 days to process. Of the 26,956 changes in circumstances processed, 104 changes (0.38%) took more than 80 days to process. The reasons why are detailed below:

New claims

Reason why the change was processed in excess of 80 days	Number of claims
Incorrect receipt dates input	0
Additional time given for the claimant to provide information	3
Administration delay	0
Retrospective changes advised by DWP report (Atlas)	0
Total	3

Change in circumstances

Reason why the change was processed in excess of 80 days	Number of claims
Incorrect receipt dates input	36
Additional time given for the claimant to provide information	44
Administration delay	24
Retrospective changes advised by DWP report (Atlas)	0
Total	104

All the 24 changes that have been recorded as administration delay were caused by the Housing Benefit Accuracy Award initiative (HBAAI) full case reviews not being dealt with upon receipt.

During 2023/24, the claim processing times have exceeded the contractual targets. The deterioration in performance was escalated and an improvement plan agreed. Liberata's explanation is contained in Appendix 1.

DWP Benchmarking - processing times for new claims and changes

The table below shows the latest benchmarking figures released by the DWP in respect of new claims and change of circumstances processing for the 19 Outer London authorities:

Local Authority	Quarter 2 2023/24		Quarter 3 2023/24	
	New Claims	Changes	New Claims	Changes
Barking and Dagenham	19	10	18	11
Barnet	17	5	17	6
Bexley	13	10	16	11
Brent	19	8	21	8
Bromley	22	18	16	6
Croydon	37	8	34	8
Ealing	24	8	22	6
Enfield	26	6	22	9
Greenwich	21	11	20	11
Harrow	23	10	21	9
Havering	21	5	16	4
Hillingdon	23	6	20	7
Hounslow	8	4	8	4
Kingston upon Thames	20	7	20	6
Merton	47	12	32	9
Redbridge	22	7	19	6
Richmond upon Thames	20	13	21	11
Sutton	13	6	14	4
Waltham Forest	16	4	15	6

As predicted in the previous monitoring report, Bromley's performance in Quarter 2 of 2023/24 deteriorated (joint 12th new claims and 19th for changes).

Bromley's performance in Quarter 3, 2023/24 improved significantly (4th for new and 4th for changes) but it is still higher than previous years.

Attached as Appendix 6 and 6a are graphical illustrations of Quarter 2 (2023/24) and Quarter 3, 2023/24 performance against our contractual target.

The DWP are due to publish Quarter 4 (January to March) 2023/24 benchmarking statistics in July 2024.

From 1 April 2020 the Exchequer Services specification requires the contractor to ensure that financial errors are found in less than 4% of the cases checked by the Authority's monitoring team. The level of tolerance for errors is strict compared to many other authorities; with DWP statistics indicating that the average error rate nationally is in excess of this figure. However, the tolerance was set in the knowledge that errors result in poor customer service and waste of resources through reworking.

The contractor remained within the 4% tolerance contained in the specification and the 3% "soft target" for the 12 months covered in this reporting period as shown in the table below. A graphical illustration is entered as Appendix 7.

Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
1.2%	2.5%	1.9%	1.9%	0.5%	1.2%	1.7%	0%	1.4%	1.3%	0%	0.5%

3.11 Complaints

Considerable changes have occurred in both Housing Benefit legislation and Council Tax Support since April 2013, with many experiencing a reduction in entitlement. In many cases this has led to a complaint and/or an appeal as a result of the claimant not comprehending the revised entitlement is due to changes in the scheme. There were no "Stage 2" complaints during the period December 2023 to 31 March 2024 which is an indication that a good service is being provided and that the customer's areas of discontent are being resolved therefore preventing unnecessary complaints.

3.12 Housing Benefit Overpayments

The Housing Benefit overpayment recovery rate percentage is based on the amount of debt raised in month against amount of debt recovered in month. Using this formula, the percentage recovered often exceeds the amount created and is referred to as the underlying trend.

Appendix 8 shows the monthly recovery rates since April 2021.

3.13 Call Centre (Help line)

The graph at Appendix 9 details the performance of the Call Centre from April 2021.

The number of calls received for the period December 2023 to March 2024 was 35,576 this is a reduction of 4.8% when compared to the same period in 2022/23. The reduction in call volumes has been attributed to the natural and managed migration of residents moving to Universal Credit.

The average abandonment rate for the period December 2023 to March 2024 was 12% which is outside of the 5% tolerance allowed for under the specification. This was caused by the increased number of calls received during February and March 2024 as a direct result of annual billing and the length of time it takes to deal with the calls.

To improve the customer experience, we have introduced a signposting voice bot and a call back request service known as RPIQ (Retain Place in Queue) which is now offered to all

customers when the number of callers waiting exceeds 3. This has been positively received with 895 customers opting for this option in March 2024, with a 100% receiving a call back.

3.14 **Caseload**

A graph showing the overall number of claims in payment and the Council Tax Support caseload is attached as Appendix 10. The overall caseload has been consistently reducing due to the natural migration of working age Housing Benefit claimants to Universal Credit.

At the end of March 2024, the combined caseload was 15,986 (16,402 in March 2023) and the Council Tax Support was 13,162 (13,606 in March 2023).

3.15 **Discretionary Housing Payments (DHP's)**

The DWP allocation for 2023/24 was £512,968, the same amount as allocated in 2022/23. From 1 April 2020 the DHP fund has been administered by Liberata and monitored by Bromley.

The fund was fully utilised with 645 awards being made.

3.16 **Council Tax Support (CTS)**

The Council Tax Support scheme for 2023/24 increased the minimum contribution of working-age claimants to 30% of the household's Council Tax liability and introduced a "band D" eligibility restriction.

At the end of March 2024 there were 13,162 households in receipt of Council Tax Support of which 8,176 were of working age, 723 households are affected by the "band D" eligibility restriction and 4,986 were elderly.

The working age and elderly caseload split by Council Tax band is shown below:

Council Tax Band	A	B	C	D	E	F	G	H	Total
Number of working-age claims	335	1740	3251	2127	543	137	43	0	8176
Number of elderly claims	273	974	1728	1363	452	140	54	2	4986

The working age caseload has reduced by 361 claims since March 2023 (8537).

For 2023/24, the Government provided Bromley £365,066 to help all Council Tax Support claimants. We have assisted 11,839 households from this fund with a maximum award of £32 (£25 mandatory and £7 discretionary).

3.17 **Service Development**

We committed to improving and enhancing the service by implementing initiatives that will allow us to automate our “back office” processes. It is envisaged that these will eventually lead to a significant reduction in processing times.

We have introduced on-line applications forms for Housing and Council Tax Support with the majority of the claims received now being made electronically.

Our focus remains on increasing the percentage of Universal Credit notifications that can be processed without any manual intervention. During 2023/24 we managed to automate the processing of 86% of the notifications being received, although significant progress has been made there is still more that can be done.

In addition to our internal service improvements, we continue to work on the DWP’s mandatory Housing Benefit Award Initiative (HBAAI) which requires LA’s to conduct full case reviews on a percentage of their high-risk cases to ensure that the amount of benefit being awarded is accurate.

In 2023/24 Bromley were required to review 2760 high risk-cases, the risk scores for the individual cases having been provided by the DWP.

At the end of March 2024, 2270 (98.5%) of these reviews had been completed and we identified that 23% had a change that directly affected the amount of benefit they were awarded. The remaining 33 (1.5%) have been reminded that review is still outstanding. Failure to comply with the review will ultimately lead to benefit being withdrawn.

3.18 **Universal Credit (UC) update**

Universal Credit in Bromley moved into the ‘managed migration’ of residents on old style benefits such as working tax and child tax credit in August 2023. We currently have very little details on who is being contacted by the DWP and how quickly the migration will take place. The aim is for the migration of working age residents to be completed by the end of 2025.

According to our caseload data, in August 2023 there were 1700 households in receipt of Housing Benefit and/or Council Tax Support with entitlement based on working tax and/or child tax credit. From our own caseload monitoring it appears that 20 households per week are currently migrating with more being directly affected over the coming months.

The impact of this will be significant and it is anticipated that from 2025 the only working age residents in Bromley on Housing Benefit will be those in temporary or supported/exempt accommodation.

The Department of Works and Pensions (DWP) statistics show 18,892 households in Bromley were on Universal Credit (latest provisional figures from February 2024, increase from 17,393, in August 2023) with 23,591 (previously 21,652) people in total on UC of which 8954 (previously 8178) are in employment.

The latest constituency data for Universal Credit is based on April 2024 statistics and can be found in detail on the following link [Constituency data: Universal Credit rollout \(parliament.uk\)](https://www.parliament.uk/constituency-data/universal-credit-rollout) but for information the headline figures for Bromley are:

Constituency	Households on UC	Households on Legacy Benefits	% Caseload complete
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Bromley & Chislehurst	6545	1916	77
Orpington	4774	1420	77
Beckenham	4111	1128	78
Lewisham West & Penge	12585	3394	79

The Citizens Advice Bureau (CAB) have been contracted to deliver both assistance in claiming UC and follow that through with budgeting support via a national help-line.

4 FINANCIAL IMPLICATIONS

Housing Benefit and Council Tax Support present significant “business”. The 2023/24 budget includes payments in excess of £75m for Housing Benefit and £14m (net) for Council Tax Support. Any deterioration in performance could result in, for example:

- Increase in “Local Authority Error” overpayments, leading to receipt of reduced subsidy from Central Government
- Potential increase in overpayments which may not be recoverable.

5. TRANSFORMATION/POLICY IMPLICATIONS

- 5.1 One of the “Making Bromley Even Better” ambitions is to manage our resources well, providing value for money, efficient and effective services for Bromley’s residents. To achieve this, we will ensure robust contract management with a focus on efficiency and innovation to improve services for Bromley residents.

6. LEGAL IMPLICATIONS

- 6.1 This is a contract monitoring report pursuant to CPR23. There are no specific legal implications raising from this report.

7. CUSTOMER IMPACT

- 7.1 The Benefits Service directly impacts 15,986 customers.

8. CARBON REDUCTION/SOCIAL VALUE IMPLICATIONS

- 8.1 Liberata exclusively uses Ark data centres which are committed to the European Green Deal, achieving the ambitious greenhouse gas reductions of the climate law, and leveraging technology and digitalisation to achieve the goal of making Europe climate neutral by 2050. For the last 6 years, all Ark facilities have been powered by 100% renewable energy. To improve sustainability further Ark has developed innovative direct air evaporative cooling capability that dramatically lowers energy consumption and cost, capable of providing compressor free cooling for 100% of every year.

The My Bromley account software supports 49,815 subscribers to e-billing, reducing paper production and postal service reliance. Officers continue to work with Liberata on projects to increase back-office automation and further reduce paper volumes.

Liberata also supports staff to volunteer for local organisations, such as Age Concern befriending scheme.

Non-Applicable Sections:	Impact on Vulnerable Adults and Children, Personnel, Procurement, Property, Impact of Local Economy, Impact on Health and Wellbeing and Ward Councillors views
---------------------------------	--

Claudine Douglas-Brown
Assistant Director of Exchequer Services
London Borough of Bromley
Civic Centre
Stockwell Close
Bromley
BR1 3UH

Date: 31st May 2024

Our Ref: BO/DK

Dear Claudine,

As we approach the June 2024 Executive, Resources & Contracts PDS meeting where we consider and review the performance of the Benefits Service, I'm taking this opportunity to write to you with Liberata's assessment of the performance of this critical, high profile service that we provide to London Borough of Bromley (LBB) and its customers.

Liberata's Business Continuity plans remain in place and now the majority of employees are working on a hybrid basis where they work one or two days in the office with the remainder from home.

This summary covers performance for the period: 1st April 2023 to 31st March 2024.

1. Current Status of the Benefits Service

As at the end of March 2024, the Benefits caseload was 15,986, which was down by 416 on the same period last year. This caseload measures all households receiving Housing Benefit (HB) and/or Council Tax Support (CTS).

The average performance for the period on New Claims was 15.95 days compared to the previous year of 10.22 days. The average time for Changes was 8.09 days against 5.37 days for last year. Both of these are much higher than our usual standards of service delivery. Whilst we recognise that the outturn on both indicators remain within the range of our respective contractual targets, please be reassured that we are keen and committed to reverting back to the higher performance standards historically achieved on this contract.

The drop in performance was primarily caused by the loss of several staff at the beginning of the year. Replacing and training the new team had an inevitable impact on our work outputs while the new staff bedded in. The team are now in a good position to deliver to the historic levels of performance expectations for the coming year.

Outstanding work items at the period end totalled 1,463 with 807 items pending i.e. cases where we were awaiting information from the claimant and/or third-party. The totals for the previous year were 1,247 items and 720 items respectively.

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(Registered in England and Wales - No 1238274)

Registered Office: 2nd Floor Front, 60 Cheapside, London, EC2V 6AX

Liberata UK Limited is a subsidiary of Outsourcing UK Limited (Registered in England and Wales - No 10280945)

Registered Office: Floor 9, Peninsular House, 30-36 Monument Street, London, EC3R 8LJ

1.1 Temporary Accommodation

We have continued to maintain our strong relationships with the various LBB Housing Teams, Pinnacle (formerly Orchard & Shipman) and the Mears Group. We hold regular operational meetings in order to quickly identify and resolve any benefit issues which arise. We are also able to fast track cases where there is a risk of arrears accumulating which helps to sustain tenancies and prevent homelessness.

We have in place a dedicated Temporary Accommodation benefit team who work closely with LBB's Housing staff and stakeholders in order to ensure that benefit claims are paid as quickly and efficiently as possible. We will also work with the Council to understand and try and minimise arrears where possible.

1.2 Verify Earnings and Pensions (VEP) Alerts Service

We receive and process the Verify Earnings and Pensions (VEP) alerts, from the DWP. These provide a valuable tool for updating and ensuring the accuracy of the earnings and pension information which is held within the Academy benefits system. These VEP alerts extract and consolidate information held by various external organisations including HMRC and the Pension Service in order to provide 'real time' information which is essential in the administration of Benefits. Our specialised VEP Team then ensure that the VEP files, which are received daily, are processed in a timely manner.

The effective and timely processing of these alerts helps maintain the accuracy of the Academy database and also helps reduce the likelihood of overpayments which would typically occur where a claimant delays or fails to advise the Council of any changes in their household income.

1.3 ATLAS

ATLAS is a process of transferring data from the DWP systems to the Local Authority systems. This includes state benefit changes which may not have been previously notified to us by the customer. We currently automate the transfer of the majority of the ATLAS files received directly into the Academy database. This not only improves the processing speed but also removes the risk of any manual re-keying errors. We have continued to see an ongoing reduction in the number of ATLAS files received as a number of these cases now come through the Universal Credit (UC) channels.

1.4 Quality

As always our focus has remained fixed on maintaining our quality levels for the service with a continual review of our processes with the aim of eradicating errors. The average financial error rate for the period April 2023 to March 2024 was 1.53% which is slightly higher than the same reporting period last year (0.95%) but well within both the contractual target of 4% and the 'soft' target of 3%.

Our quality assurance checking is carried out on a continual basis throughout the year on our Assessment Officers work. This helps ensure that we continue to deliver a high-quality service to customers and mitigating the risk of financial error. In addition, the ongoing checking helps feed into the training program for our new recruits and the upskilling of existing employees. This quality checking forms part of the ongoing monitoring and mentoring of our Officers to ensure accuracy

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rates remain at a high level. It also allows for any errors to be quickly identified and then immediately addressed either by refresher training or mentoring. This then helps maintain our high standard of quality in the assessments that are undertaken.

The DWP accept that a certain level of error will be made in the administration of Benefits. As such, an upper and lower threshold of Local Authority error is outlined by the DWP. Liberata's performance continues to remain well below the lower threshold, thereby attracting maximum subsidy for the Authority.

1.5 Overpayment Strategy

The creation of overpayments is a natural bi-product of the administration of Housing Benefit & Council Tax Support, with recovery needing to be sought from some of the most vulnerable members of the community.

As at the period end, our recovery rate, known as the underlying trend, was 90.69%. This underlying trend includes the recovery of current year and previous year debts. In order to maximise recovery we have continued to use a number of different techniques including Blameless Tenant recovery, Direct Earnings Attachment and Debt Collection Agencies. These recovery techniques have proven effective tools in securing the repayment of these debts.

1.6 Universal Credit (UC)

The volumes of UC notifications received continues to be high as more customers are moved over to the new benefit. In order to deal with this, and speed up processing, we have utilised automation which means that 86.9% of UC change notifications were automatically uploaded through the system without the need of any manual intervention.

Increasing numbers of customers are using the online smart forms for new claims and changes, which were implemented last year. We have also continued to provide support for vulnerable customers who are not able to transact with the service online from our Customer Services team.

1.7 Discretionary Housing Payments (DHP)

We have continued to administer DHP on behalf of the Council, which allows for assistance to be provided to some of the most vulnerable customers within borough. In this way residents who may be experiencing problems with rent arrears can be supported to help avoid the risk of eviction. We work closely with the Council to ensure that assistance from the discretionary fund is targeted at people that are in genuine need of support.

2. Corporate Visiting Team (CVT)

The Visiting Officers continue with their face-to-face visits to verify customer information on income and capital levels or to assist them in accessing the service.

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3. Call Centre & Customer Services

During the period under review the Revenues & Benefits Call Centre received 105,923 calls which is 13% lower in comparison to the same reporting period last year where we received 121,416 calls. Our Call Centre answered 92.5% of calls with an average speed to answer of 3 minutes & 26 seconds. The average overall service level for the Revenues & Benefits telephone service (excluding Business Rates) during the reporting period was 63.70%, with an average abandonment rate of 7.4%. The average handling time has increased by 24% in comparison to 2022/23, our average handling time is now 421 seconds compared to 340 seconds in the previous year.

The service has introduced a signposting voicebot to assist in directing customers to the most appropriate online service and this has allowed customers to resolve their enquiries without the need to talk to an operator. The voicebot has completely resolved 6% of customer interactions since implementation in August 2023 (4,962 calls).

We continued with a predominantly appointment-only service for the Customer Services front facing team. However, we ensured that vulnerable customers who presented without an appointment were still seen. During this reporting period, the team saw 1,509 R&B customers compared to 1,033 during the same period in 2023.

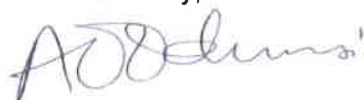
4. Service Developments

One of Liberata's goals has always been to continually improve and enhance the services provided to the Council and its citizens either through the application of new or existing technology or through process improvements. Examples of current year new and ongoing initiatives include:

- As part of our ongoing digital transformation programme to channel shift customers to online services, the service is currently reviewing the introduction of electronic notification letters to be sent to working age customers.
- During the year we have switched to summary notification letters in order to simplify the information and for the ease of understanding of most customers.
- Housing Benefit Award Accuracy Initiative (HBAAI); Liberata reviewed 2,760 HBAAI cases. Cases identified by the DWP are reviewed to ensure that current awards of Benefits are accurate, and the Benefits database is up to date with current information.
- Mass Recalculation Automation; Whilst this is primarily a tool to ensure that assessments are not left uncalculated (majority with no change to entitlement) this should facilitate an improved automation levels for both UC and ATLAS changes.

I trust you find that the above has been informative and comprehensively demonstrates that Liberata remains firmly committed to delivering an outstanding service to the London Borough of Bromley and its citizens.

Yours sincerely,



Bola Odunsi
Regional Director (London & The Southeast)

Liberata is a trading name of Liberata UK Limited

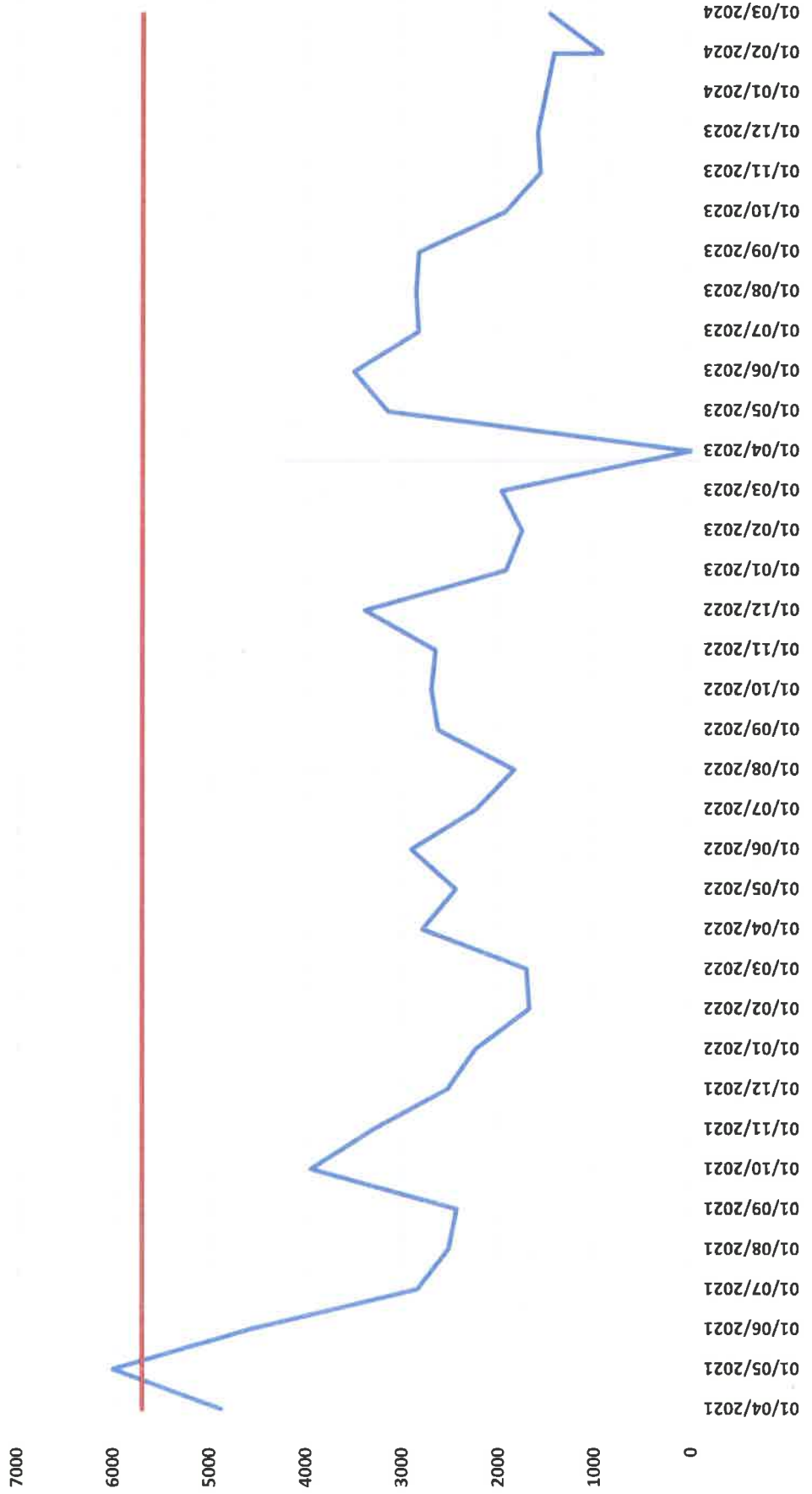
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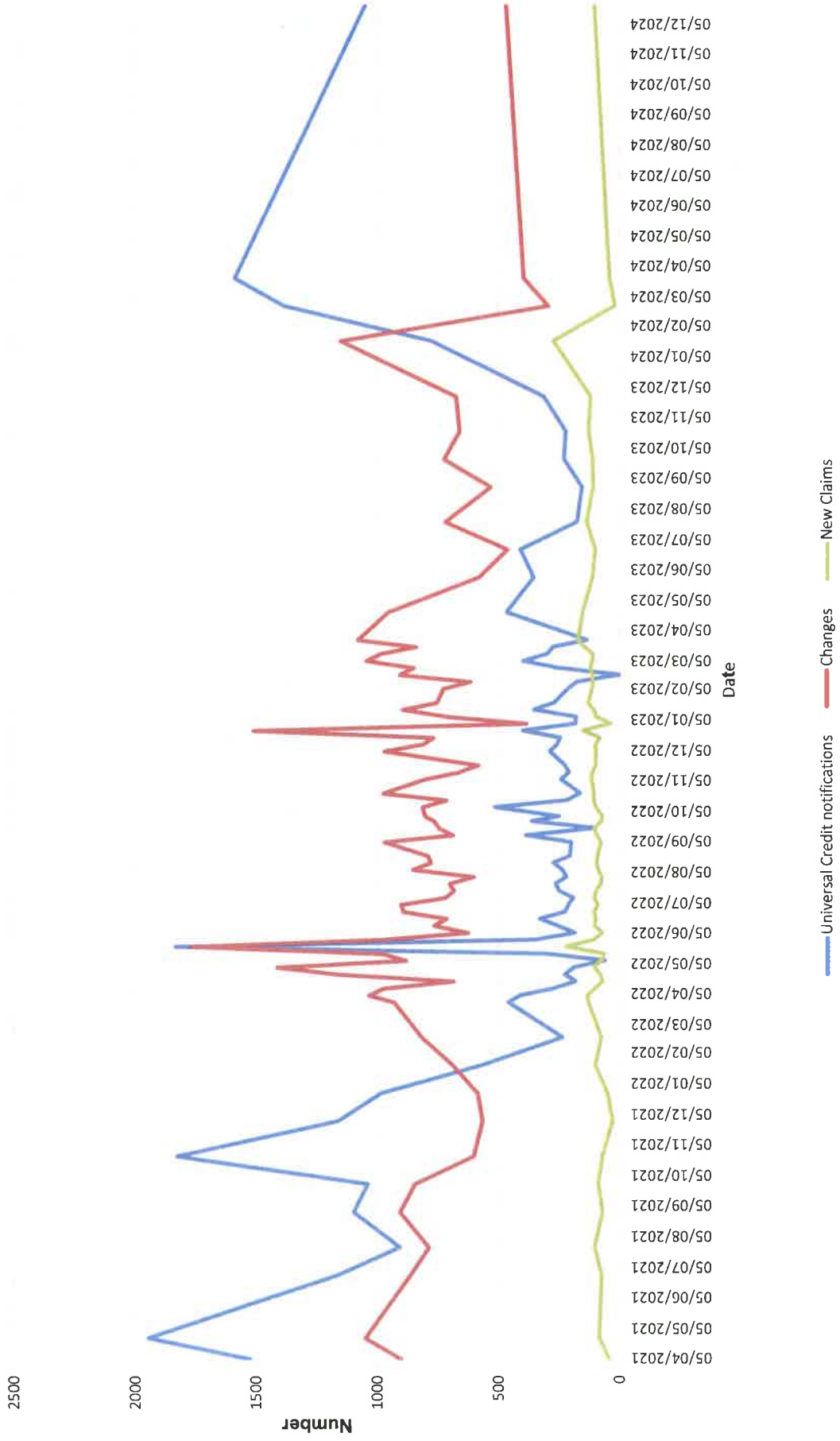
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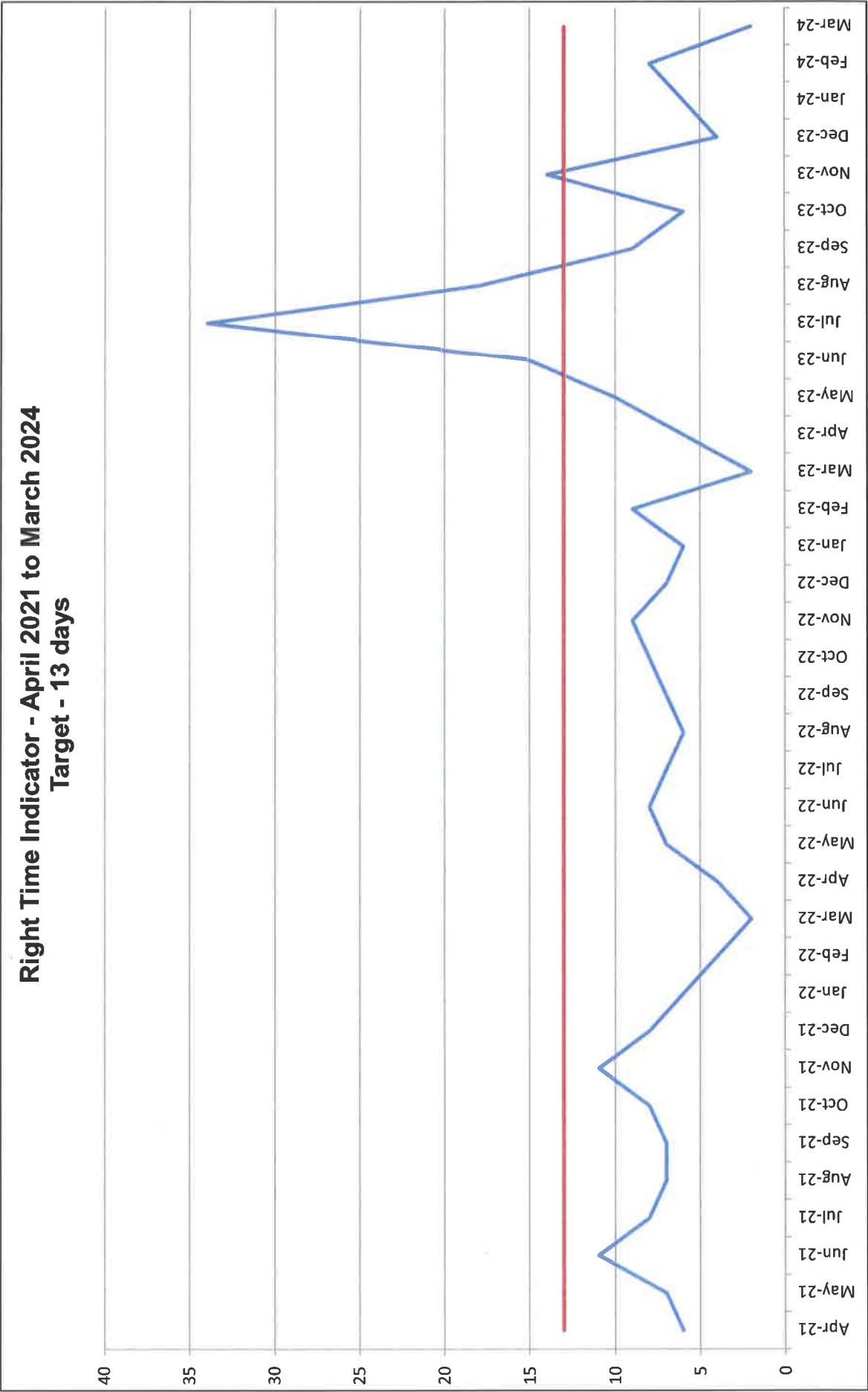
Registered Office: Floor 9, Peninsular House, 30-36 Monument Street, London, EC3R 8UJ

Outstanding Work - April 2021 to March 2024
Target - 5700 documents

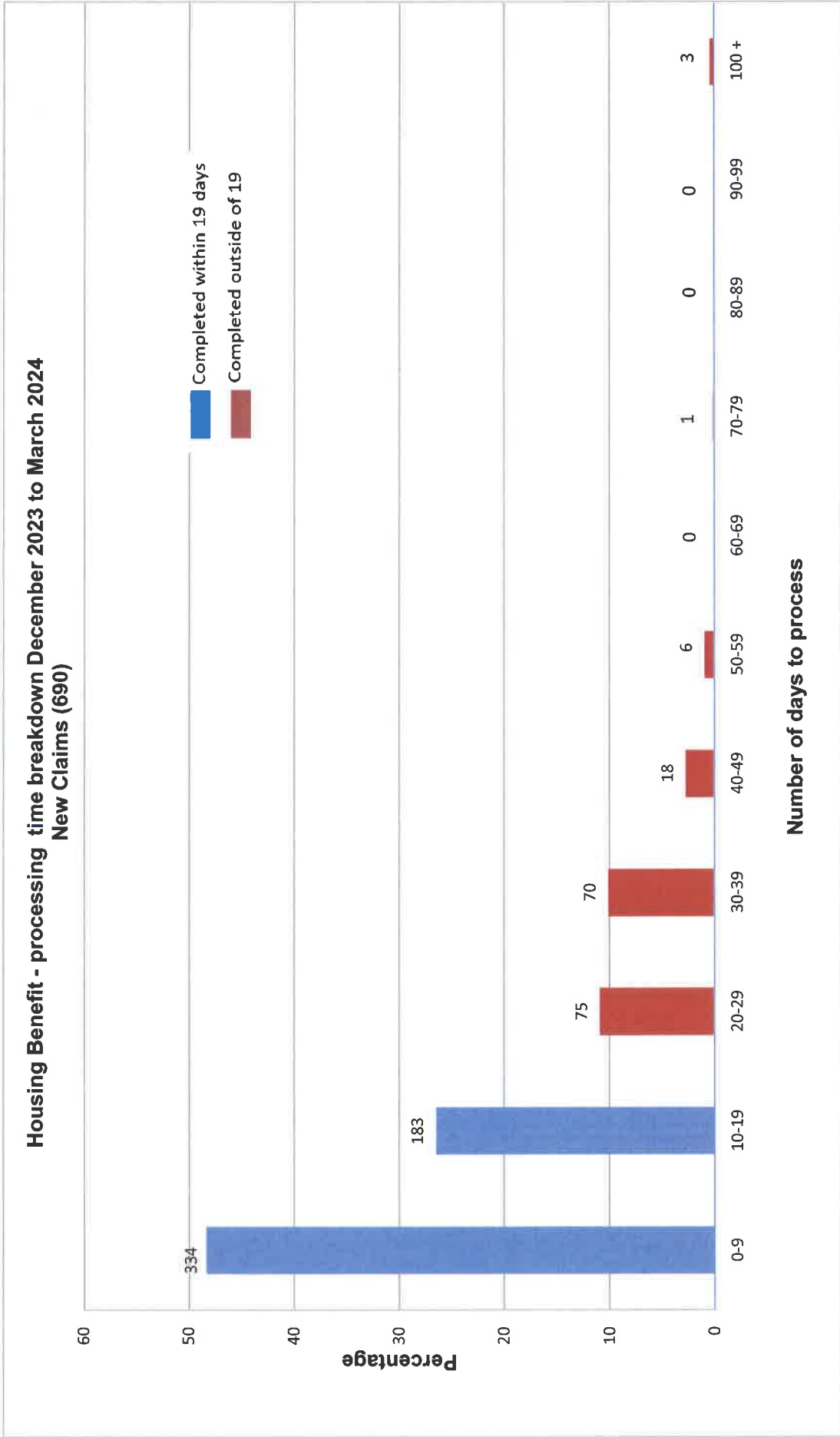


New claims, Changes in Circumstances and Universal Credit notifications received since April 2021

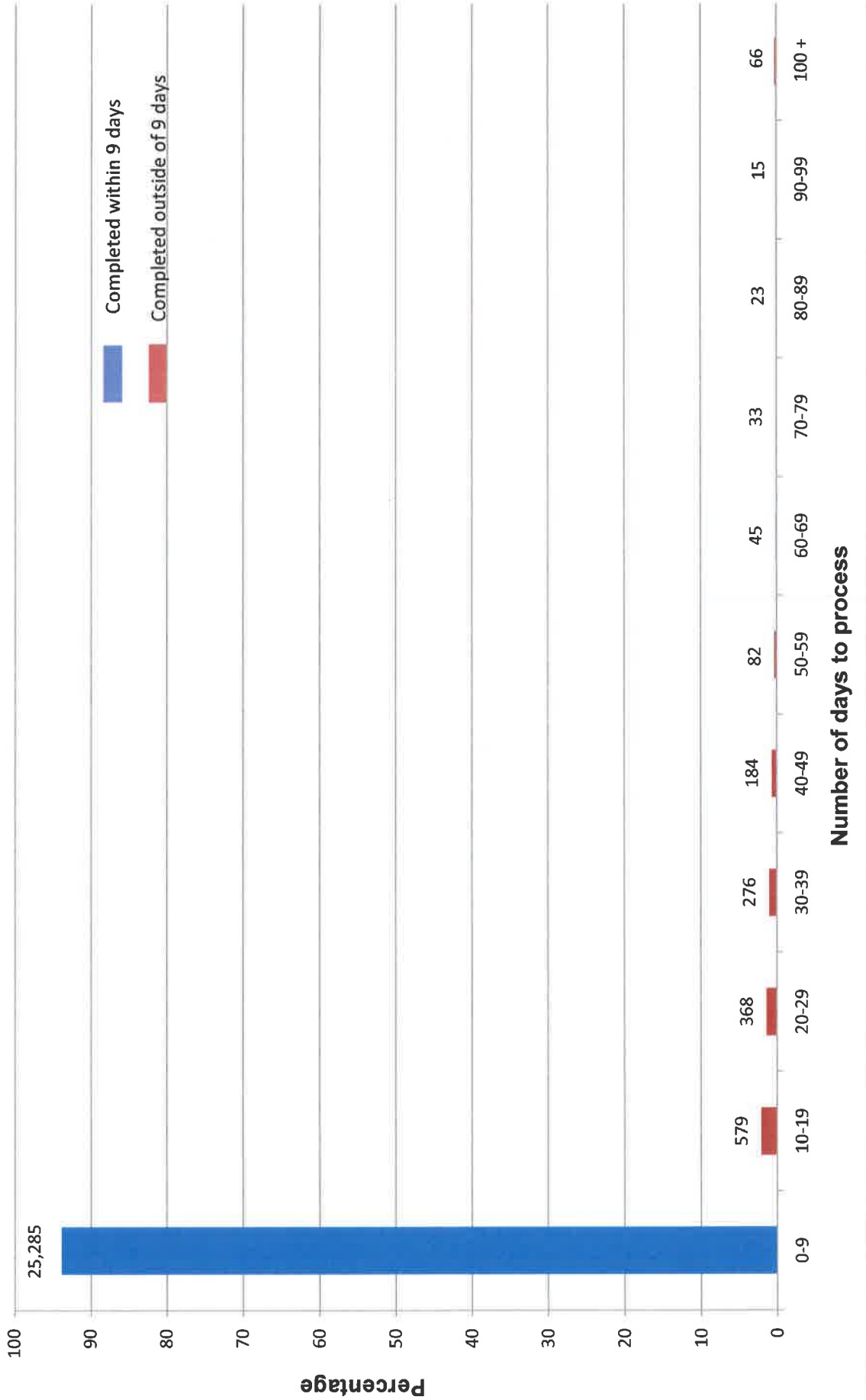




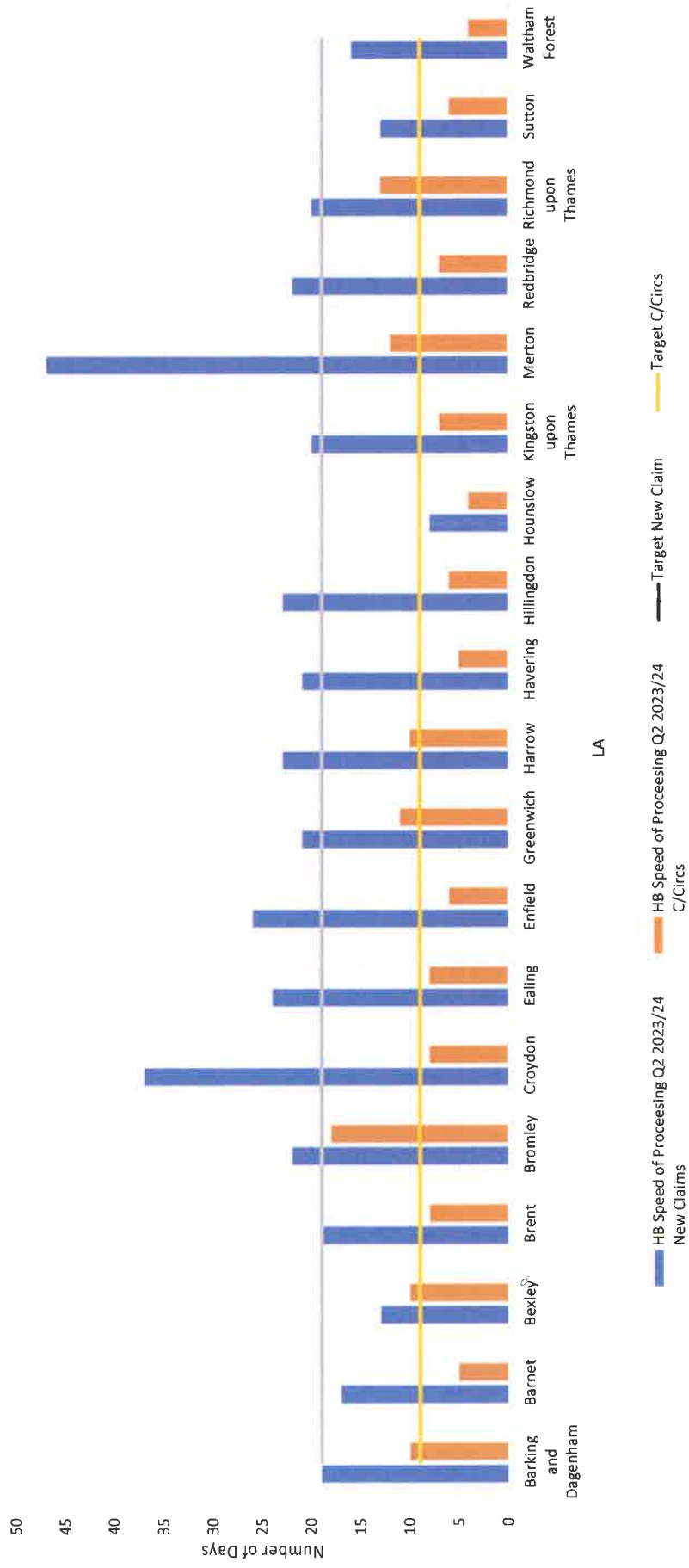
Target - 13 days



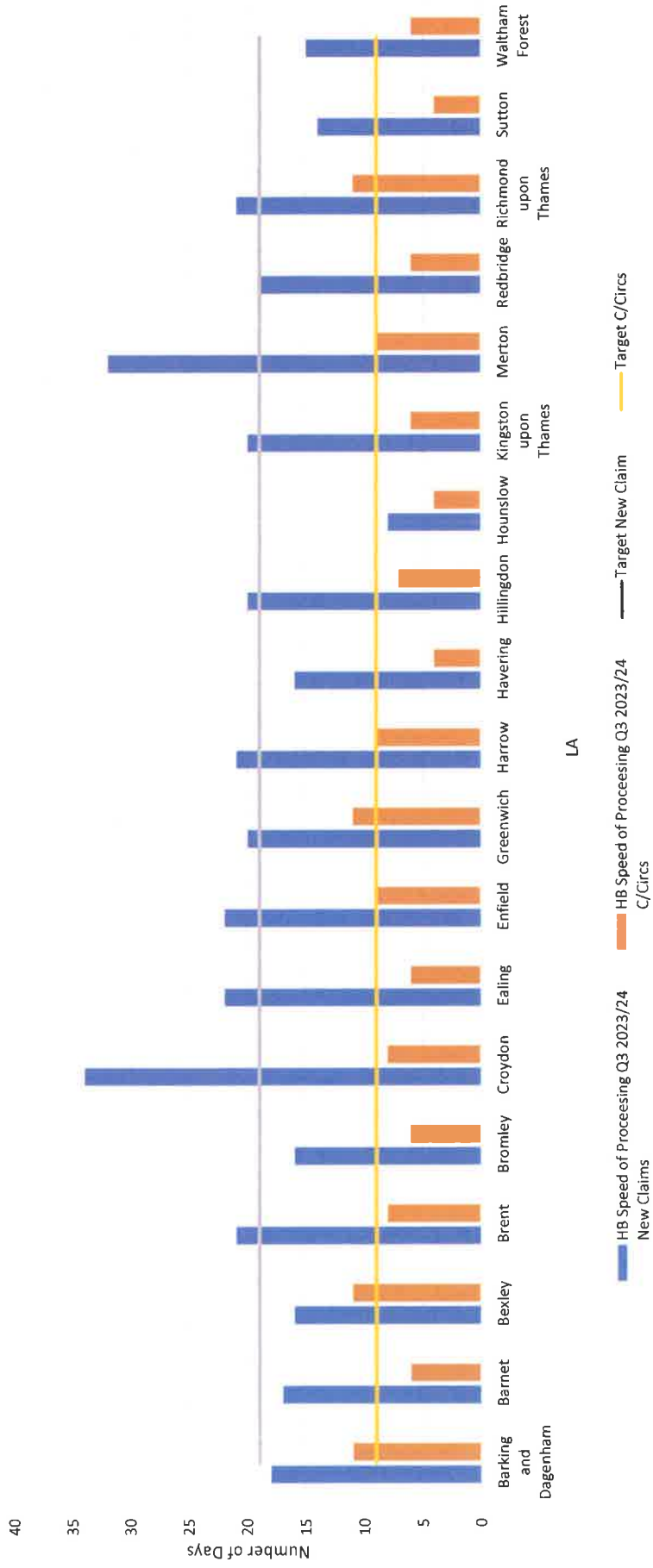
**Housing Benefit - processing time breakdown - December 2023 to 31 March 2024
Change in Circumstances (26,956)**



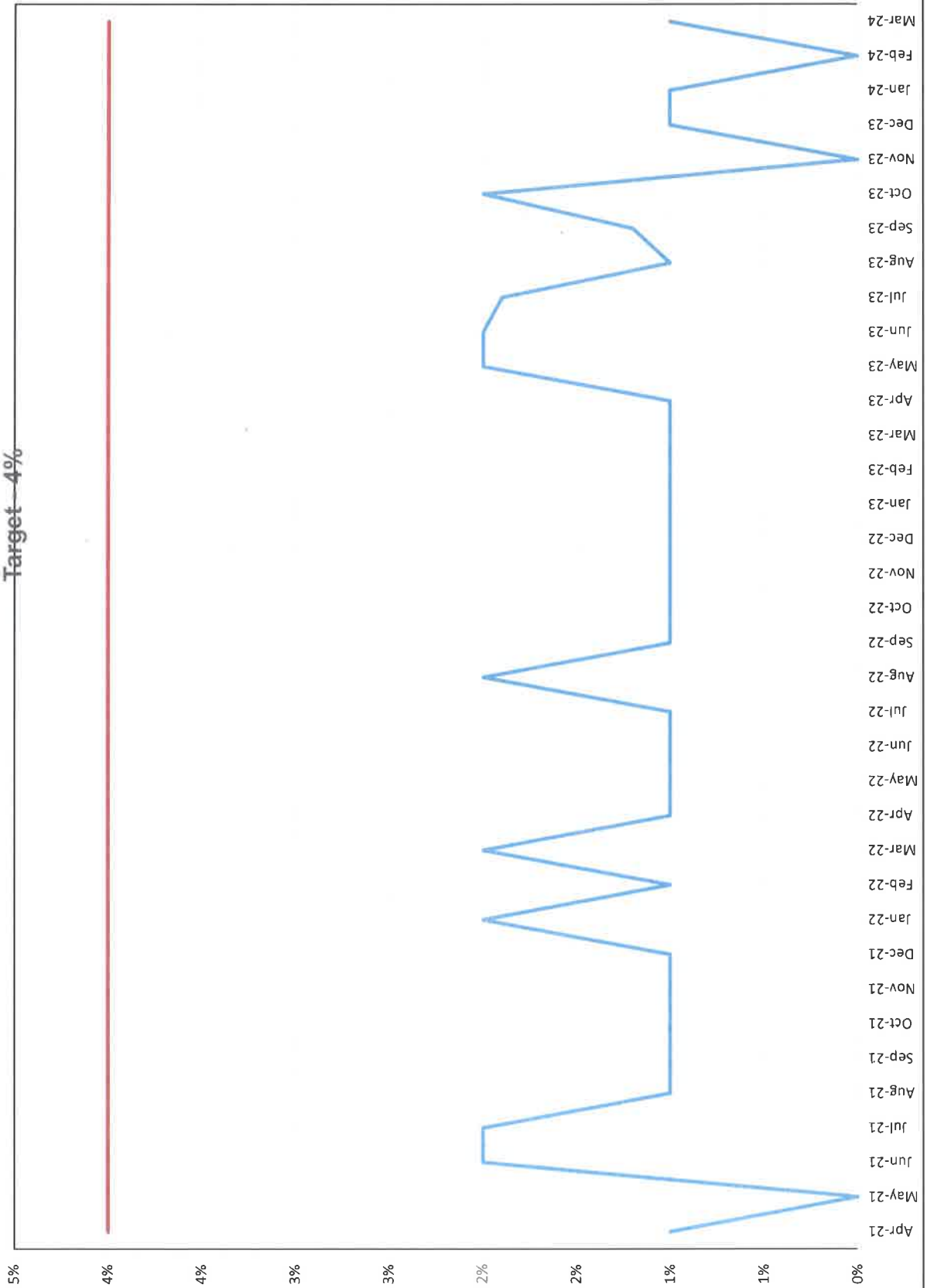
DWP benchmarking - HB Speed of Processing Quarter 2 - 2023/24



DWP benchmarking - HB Speed of Processing Quarter 3 - 2023/24

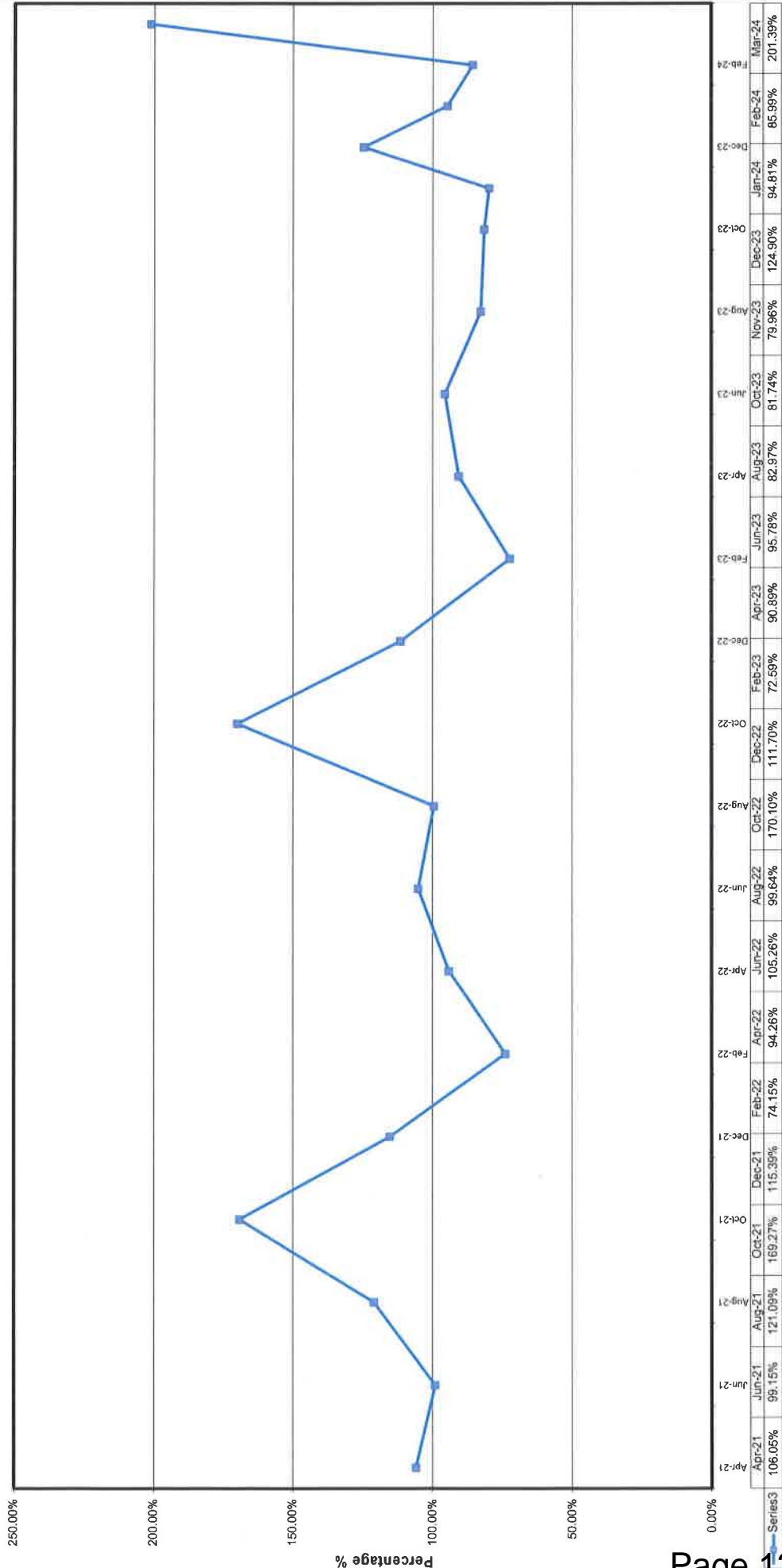


Monthly Error Rate from April 21 to March 2024 - Percentage

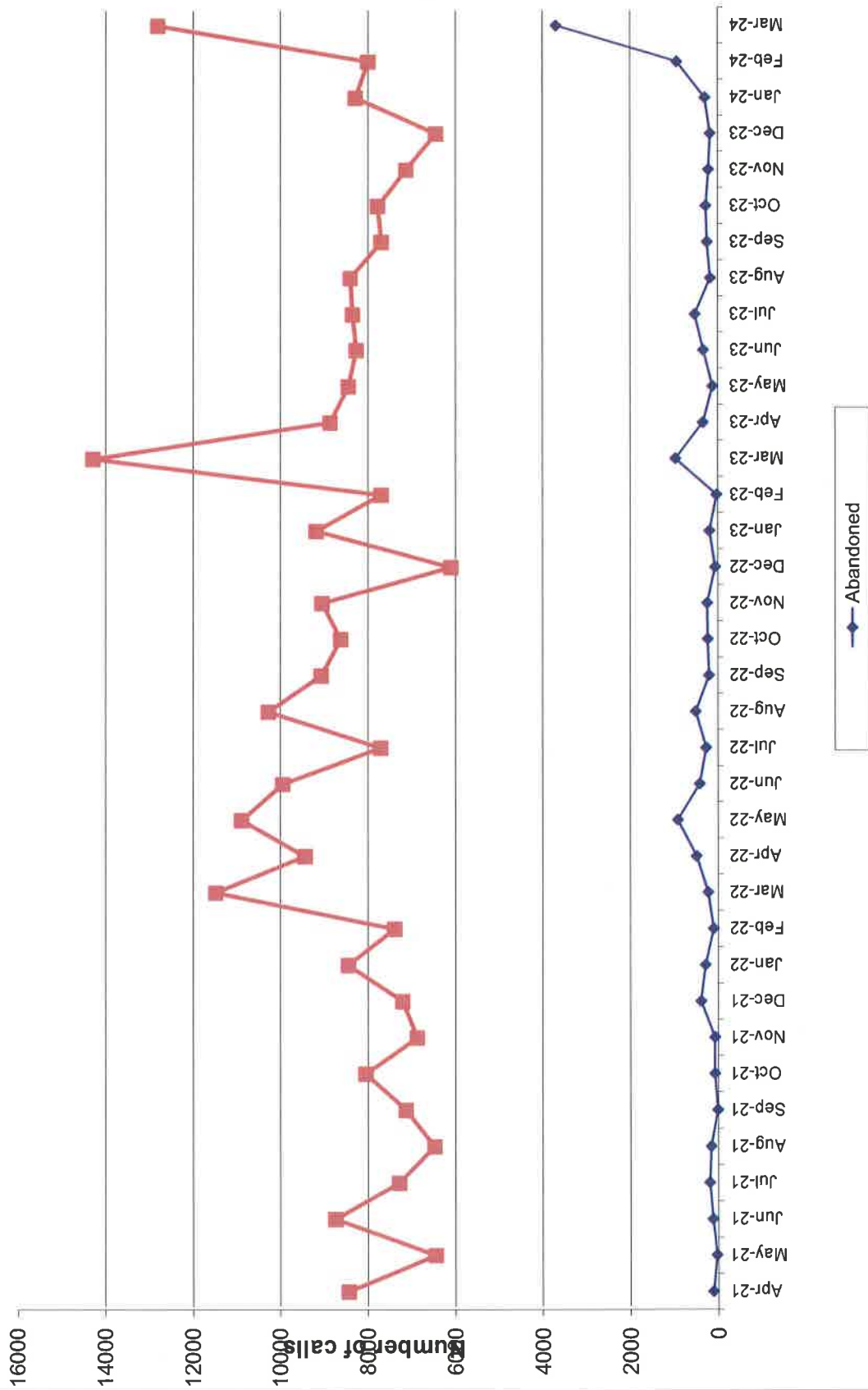


Month

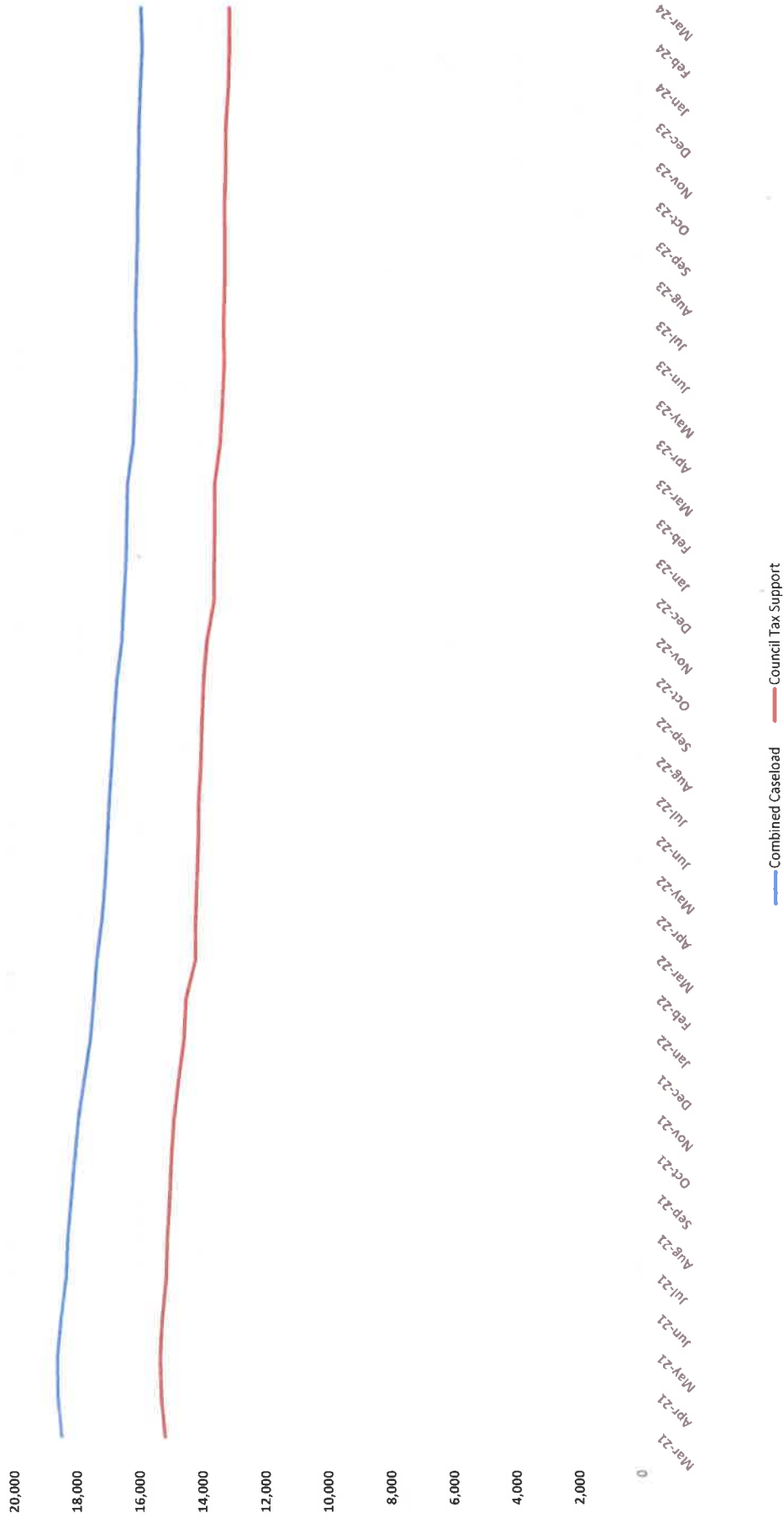
Monthly Overpayment % recovered against that created since April 2021



Revenues and Benefits Call Centre - number of telephone calls received and abandoned from April 2021 to March 2024



Caseload from March 2021 to 31 March 2024



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Report No.
FSD24045

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: PORTFOLIO HOLDER FOR RESOURCES, COMMISSIONING AND CONTRACT MANAGEMENT

Date: Monday 8 July 2024

Decision Type: Non-Urgent Non-Executive Non-Key

Title: REVENUES SERVICE MONITORING REPORT

Contact Officer: Jayne Carpenter, Revenues and Benefits Manager
Tel: 020 8461 7996 E-mail: Jayne.Carpenter@bromley.gov.uk

Chief Officer: Peter Turner, Director of Finance

Ward: (All Wards);

1. Reason for report

- 1.1 This report provides information regarding the performance of the Revenues Services provided by Liberata for the period 1 December 2023 to 31 March 2024. A letter from Bola Odunsi, Liberata's Regional Director (London and the Southeast), provides an update on each of the individual services and is attached at Appendix 1 with statistical data relating to the Revenues Service attached at Appendix 2.

2. **RECOMMENDATION(S)**

The PDS is requested to:

- note the information contained within the report and the letter provided by Liberata detailed in Appendices 1 & 2

Impact on Vulnerable Adults and Children

1. Summary of Impact: The Revenues Service impacts on all residents in the Authority including vulnerable adults/and those with children.
-

Corporate Policy

1. Policy Status: Existing Policy
 2. Making Bromley Even Better Priority
 - (5) To manage our resources well, providing value for money, and efficient and effective for Bromley's residents
-

Financial

1. Cost of proposal: Not applicable
 2. Ongoing costs: Not applicable
 3. Budget head/performance centre: Exchequer - Revenues
 4. Total current budget for this head: £3.9m
 5. Source of funding: Existing Revenue Budget for 2023/24
-

Personnel

1. Number of staff (current and additional): 3 plus Liberata staff
 2. If from existing staff resources, number of staff hours: Existing Revenue budget for 2023/24
-

Legal

1. Legal Requirement:
Local Government Finance Act 1988
The Council Tax (Administration and Enforcement) Regulations 1992
The Local Government Finance Act 2012
Rating Law and Practice; England and Wales
LGPS Regulations 2013
 2. Call-in: Not applicable
-

Procurement

1. Summary of Procurement Implications: The Revenues Service forms part of the Exchequer Services contract
-

Property

1. Summary of Property implications: Not applicable
-

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability implications: Not applicable
-

Impact on the Local Economy

1. Summary of Local Economy implications: Not applicable
-

Impact on the Health and Wellbeing

1. Summary of Health and Wellbeing implications: Not applicable
-

Customer Impact

1. Summary of Health and Wellbeing implications: The Services covered in this report affect all the Council Tax payers, Business rates payer, Members and Pensioners, this could be estimated to 150,000 households.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
 2. Summary of Ward Councillors comments: Not applicable
-

3. COMMENTARY

3.1 The Exchequer Services Team monitors the contract, sets targets and performance standards. Liaises with partners, progresses the development and improvement of services through leadership on specific improvement initiatives. The team also ensures the services comply with current legislation, financial regulations, contractual obligations and audit requirements.

3.2 To maintain the drive for improved service performance, monthly service review meetings are held with operational and senior Liberata management. The Heads of Service of Liberata and Bromley meet regularly to deal with escalated issues, review policies and develop new ideas.

3.3 Council Tax

Collection

The in-year collection for the period ending 31 March 2024 was 96.94% which is 0.18% down on that achieved last year.

The collection rate for the current year and arrears for the period ending 31 March 2024 was 96.18% which is 0.71% lower than last year.

All previous measures to maximise collection remain in place, but we have recently added a separate team to focus solely on trying to collect the arrears of Council Tax across previous years.

Liberata are also looking to introduce the following:

- focused efforts on potentially more achievable debt cases (propensity to pay).
- an automated outbound messaging service to prompt customers for payments or to make contact to make appropriate arrangements.
- a specialist Inspection team to visit all customers in receipt of a final notice to ensure they are still resident and offer appropriate support and guidance for those struggling to make payments.

There is currently no published benchmarking data on collection figures. However, based on our monitoring data, Bromley came 6th out of the 26 London Boroughs who provided the information.

Recovery of Council Tax

The collection and recovery of both in year and arrears are proving more challenging this year. This is maybe attributed to the economic pressures that many residents are experiencing, arrears accrued during the pandemic, the change in the Council Tax Support scheme and the increase in the Empty Home Premiums from 1 April 2023.

Whilst there is no statistical data available to support, it's evident during discussions with the London Revenues Group, that the majority of Local Authorities are finding it more difficult to collect Council Tax since the pandemic as many residents are now facing the challenge of paying current years charge in addition to the accumulated arrears.

This is demonstrated by the number of summonses issued and cases referred for enforcement when compared to previous years.

The table below details how many summonses have been issued and accounts referred to enforcement agent since 2017/18. It highlights that no Court recovery action took place in 2020/21 (pandemic restrictions applied) which delayed the recovery processes and that during 2023/24 we issued more summonses and referred more accounts to the Enforcement agents than last year.

Financial Year	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of Summonses Issued	10,755	9,375	9,561	0	21,132	12,421	13,957
Number of accounts passed to Enforcement agent	8,647	10,074	9,129	0	10,518	9,491	11,725

The Exchequer Services Team whilst monitoring performance, are ensuring that all methods of recovery are effectively being adopted.

Number of properties on the Council Tax register

At the 31 March 2024, the number of properties registered for Council Tax was 143,276. The table below shows the number of properties by Council Tax “band” and the number in receipt of Single Person Discount (SPD):

Band	A	B	C	D	E	F	G	H	Total
Number of properties	2,125	10,516	30,393	36,413	29,525	18,533	14,044	1,727	143,276
Number of properties with SPD	1,227	6,300	13,911	11,474	6,871	3,515	2,074	164	45,536

In comparison to last year, the number of registered properties has increased by 494 and the number receiving SPD has increased by 349.

The number of accounts receiving SPD in 2022/23 and 2023/24 varies very little, a comparison chart is included at Appendix 3.

Single Person Discount review

The accounts in receipt of SPD are reviewed annually and is being done in partnership with a credit reference agency using a “residency checker service” that allows us to undertake a data matching exercise on our live SPD accounts. This year’s review has been completed and resulted in 714 accounts having the discount removed.

Direct Debit

Council Tax can be paid by direct debit on either 1st or 15th of the month and over 10 or 12 months. Last year, 73.29 % of the accounts were being paid by direct debit compared to 71.2% at end of 22/23. The number of accounts paid by direct debit fluctuates during the year due to residents moving in and out in of the borough. The increase is attributed to the direct debit campaign.

Empty Homes Premium (EHP)

From 1 April 2023, the EHP was increased to 100% for properties that have been empty for over 2 years, 200% for properties over 5 year and 300% after 10 years.

At the 31 March 2024 the EHP was applied to 417 properties, an increase of 27 since March 2023. The table below shows the long-term empty properties by Council Tax band and by the number of years they have been empty for:

Band	A	B	C	D	E	F	G	H	Total
Number of properties to which an EHP is being applied	14	54	175	91	42	26	12	3	417
Number of properties Empty between 2 and 5 years (100% premium)	12	37	135	53	37	22	11	1	308
Number of properties Empty between 5 and 10 years (200% premium)	2	12	31	25	3	1	1	1	76
Number of properties empty over 10 years (300% premium)	0	3	9	13	2	3	0	1	33

3.4 Business Rates

Collection

The in-year Business rates collection rate for the period ending 31 March 2024 was 97.11% which is down by 0.10% on the previous year's figure.

The reduction is partly being attributed to Covid Additional Relief Fund (CARF) payments that were granted last year, as a significant number of businesses wanted the award offset against their 2022/23 liabilities and the challenges being faced by small businesses.

The collection rate for current year and arrears for the period ending 31 March 2024 was 94.16% which is an increase of 1.06 % for the same period last year.

In order to maximise recovery, the following initiatives remain in place:-

- increased frequency of reminders and final notices
- telephoning businesses that have been issued with recovery notices
- an adjustment of the recovery process to enable debts to be moved through the billing and recovery cycle quicker

Whilst Liberata look to introduce:

- a specialist Inspection team to visit all businesses in receipt of a final notice to ensure they are still trading and offer appropriate support/guidance for those struggling to make payments.
- a team focused on arrears collection.

There is currently no published benchmarking data on collection figures. However, based on our monitoring data, Bromley came 14th out of the 27 London Boroughs who provided the information.

Number of properties on the Business Rates register

As at the 31 March 2024 there were 7,416 properties registered for Business Rates, this is an increase of 11 on the figure as at the 31 March 2023.

The table below shows the number of premises by their current rateable value:

Business size based on rateable value	Properties at 31.3.23	Properties at 31.3.24
Less than £28k (small)	5,763	5,576
Between £28,001k and £100,000 (medium)	1,197	1,181
Over £100,001 (large)	445	449
Total	7,405	7,416

Business rate review

During 2023/24, Liberata undertook a review to identify any additional rateable value properties previously not rated by or undervalued by the Valuation Office Agency (VOA).

The review highlighted 42 prospects, all of which were referred to the VOA for assessment.

So far, 17 prospects have been successful and equated to additional £102,403 of chargeable business rates.

There are still 13 outstanding prospects with the VOA awaiting assessment.

Recovery of Business rates

Recovery of Business Rates has a prescribed recovery process set out in the Local Finance Act 1988 and is adopted by all Local Authorities.

Ultimately, when the account remains unpaid, after obtaining a Liability order at the Magistrates court the debt is referred to an enforcement agent for collection.

Historically, Bromley had been able to collect the majority of the Business Rates owed without the need to refer accounts to the enforcement agents. However, since the pandemic, the number

of accounts referred has increased. The table below shows the number of accounts referred to the enforcement agents since 2017/18:

Financial Year	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of accounts passed to Enforcement agent	159	203	369	0	545	1,015	995

Whilst there is currently no statistical data to support, other LA's are experiencing an increase in the referral to enforcement agents, this has been attributed to the financial struggle faced by businesses caused by the pandemic and the current economic pressures being experienced e.g. increased energy costs.

At the 31 March 2024, there were 334 current year debts with the enforcement agents which related to the following types of property/business:

Property/Business Description	Number
Shop	130
Offices	124
Restaurant	18
Workshop	13
Warehouse	9
Car Parking Space and premises	6
Store and premises	6
Cafe	5
Public House	4
Betting shop	2
Vehicle repair workshop and premises	2
Advertising right and premises	1
Automatic Teller Machine and premises	1
Bank & premises	1
Car Park and premises	1
Club and premises	1
Gymnasium	1
Hairdressing salon	1
Kiosk	1
Land used for Storage and premises	1
Launderette	1
School	1
Shop, store & premises	1
Surgery	1
Takeaway food outlet	1
Warehouse, workshop and premises	1
Total	334

At the 30 November 2023, 186 accounts had been passed to the enforcement agents by 31 March 2024 this had increased to 334 with shops and offices being the most affected categories.

3.5 Cashiers

The number of payments received, including amounts received via either of the payment kiosks, or by post is shown in the table below:-

Period	Number of transactions	Amount
1.4.21 – 31.3.22	9,396	£6,289,973
1.4.22 – 30.3.23	9,446	£3,749,659
1.4.23 – 31.3.24	9,328	£3,041,503

The value of the amounts being received via either of the payment kiosks, or by post continues to reduce. This has been attributed to residents and businesses preferring to pay by BACS, automated or on-line method rather than sending cheques by post or using the kiosks.

3.6 Payroll

The number of payments made in March 2024 was as follows:

LBB General/Schools 2,744

Pensions 5,689

For the period 1 April 2023 to 31 March 2024 Liberata achieved 96.30% accuracy.

3.7 Pensions

Membership numbers recorded on the pension administration system at the 31 March 2024 were 6,526 actives, 8097 deferred and 6,139 pensioners.

The number of pensioners recorded on the Pension system is different to the number of pensions paid because pensioners only have one record on the Payroll system but they may have more than one pension record in the pension system e.g. a person may have worked for different departments or left Bromley then returned at a later date

Liberata have provided assurance that all pension entitlement and benefits are calculated and paid in accordance with Legislation and the Local Government Pension Scheme Regulations.

4. FINANCIAL IMPLICATIONS

4.1 This report refers to significant income collection undertaken through the Exchequer Service contract with Liberata. For 2023/24 the key financial elements of the Revenues Service are:

- £254.8m - annual Council Tax raised
- £90m – annual Business Rates raised
- £84.1m – gross amount paid in staff salaries (inclusive of Schools but excluding Academies) for the period 1 April to 31 March 2024

- £35.1m – gross amount paid in Pensions for the period 1 April to 31 March 2024
- £3.04m - revenue on 9,328 transactions for the period 1 April to 31 March 2024 (including kiosks)

5. TRANSFORMATION/POLICY IMPLICATIONS

- 5.1 One of the “Making Bromley Even Better” ambitions is to manage our resources well, providing value for money, efficient and effective services for Bromley’s residents. To achieve this, we will ensure robust contract management with a focus on efficiency and innovation to improve services for Bromley residents.

6. LEGAL IMPLICATIONS

- 6.1 This is a contract monitoring report pursuant to CPR23. There are no specific legal implications raising from this report.

7. CUSTOMER IMPACT

- 7.1 The Revenues Services impacts of a wide variety of customers which include residents, staff and pensioners.

8. CARBON REDUCTION/SOCIAL VALUE IMPLICATIONS

- 8.1 Liberata exclusively uses Ark data centres which are committed to the European Green Deal, achieving the ambitious greenhouse gas reductions of the climate law, and leveraging technology and digitalisation to achieve the goal of making Europe climate neutral by 2050. For the last 6 years, all Ark facilities have been powered by 100% renewable energy. To improve sustainability further Ark has developed innovative direct air evaporative cooling capability that dramatically lowers energy consumption and cost, capable of providing compressor free cooling for 100% of every year. The My Bromley account software supports 49,815 subscribers to e-billing, reducing paper production and postal service reliance. Officers continue to work with Liberata on projects to increase back-office automation and further reduce paper volumes.

Liberata also supports staff to volunteer for local organisations, such as Age Concern’s befriending scheme.

Non-Applicable Sections:	Impact on Vulnerable Adults and Children, Personnel, Procurement, Property, Impact on the Economy, Impact of Health and Wellbeing and Ward Councillors views
Background Documents: (Access via Contact Officer)	

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Claudine Douglas-Brown
 Assistant Director of Exchequer Services
 London Borough of Bromley
 Civic Centre
 Stockwell Close
 Bromley
 BR1 3UH

Date: 3rd June 2024

Our Ref: BO/DK

Dear Claudine,

As we approach the July 2024 Executive, Resources & Contracts PDS meeting where we consider and review the performance of the Revenues Service, I'm taking this opportunity to write to you with Liberata's assessment of the performance of this critical, high profile service that we provide to London Borough of Bromley (LBB) and its customers.

Liberata's Business Continuity plans remain in place and now the majority of employees are working on a hybrid basis where they work one or two days in the office with the remainder from home.

This summary covers performance for the period: 1st April 2023 to 31st March 2024.

Council Tax

The in-year collection for the period was 96.94% which is equivalent to £249.16m cash collected. The collection rate was 0.18% lower than the previous year. The economic challenges faced by many residents has made debt recovery far more difficult in the last year.

In Year collection

	31/03/2024	31/03/2023	Variance
In Year	£m	£m	£m
Net collectable debt	£257.03	£241.06	£15.97
Amount collected	-£249.16	-£234.12	£15.04
Debt remaining	£7.87	£6.94	
Collection rate	96.94%	97.12%	0.18%

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The all-years collection figure achieved was 96.18% which is 0.71% lower when compared to the previous year.

All Years collection

	31/03/2024	31/03/2023	Variance
All Years	£m	£m	£m
Net collectable debt	£262.56	£246.47	£16.10
Amount collected	-£252.53	-£238.80	£13.73
Debt remaining	£10.03	£7.67	
Collection rate	96.18%	96.89%	0.71%

To try and maximise Council Tax recovery, we continue to utilise all recovery options available to the team. The introduction of a dedicated high-end debt recovery team should provide increased collection for arrears cases, which may in turn assist with improving the in-year performance.

Another measure we are taking to further aid debt recovery, is that we are introducing a team which will focus on trying to intervene on customers who have received a final notice. This will mean that we ensure that the customer still lives at the address and that we are billing the correct person, and where appropriate that we can make sensible payment arrangements with those who may be struggling and to assist with sign-posting to relevant support services.

We will also be introducing a propensity-to-pay review so that we can tailor our approach to recovery, based on customer circumstances. An outbound dialling service will also be brought on-line in the coming months to assist with chasing debts across all years.

We have continued to see an increase in the number of residents signing up for an online MyBromley Account for access online services. During the year, nearly 16,000 residents registered for an account bringing the total number of accounts held to nearly 140,000. This growth reflects both the increasing popularity and preference of our residents to interact with the Council in this way as well as the increasing variety of tasks that can now be undertaken using a MyBromley Account. There were just under 200,000 electronic interactions during the year.

There are now 44,000 customers receiving electronic bills. Whilst there were still some customers who needed assistance during annual billing, this was down to a normal level of enquiries, and we did not experience the issues that we faced last year.

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Business Rates

As at the period end, the in-year collection rate was 97.11%, representing cash of £80.57m. This was a decrease of 0.10% compared to the same period last year. This decrease was affected by the challenges faced by small businesses, the increases in the fuel charges and other costs as well as the absence of any form of government grants to business like we had during covid and in the immediate post-covid years.

In Year collection

	31/03/2024	31/03/2023	Variance
In Year	£m	£m	£m
Net collectable debt	£82.97	£90.27	£7.30
Amount collected	-£80.57	-£87.76	£7.18
Debt remaining	£2.40	£2.52	
Collection rate	97.11%	97.21%	0.10%

The all-year's collection rate for the period was 94.16%, which is an improvement by 1.06% on the previous year.

All Years collection

	31/03/2024	31/03/2023	Variance
All Years	£m	£m	£m
Net collectable debt	£86.35	£88.57	£2.23
Amount collected	-£81.30	-£82.47	£1.16
Debt remaining	£5.04	£6.11	
Collection rate	94.16%	93.10%	1.06%

To assist with maximising collection the Liberata Team meet regularly with the Council's Revenues Client Team to review the top debtors and ensure that appropriate and timely action is taken on all accounts.

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Homes for Ukraine Support Scheme

Liberata continue to work closely with the Council to deliver this support scheme and ensure sponsors are paid promptly when taking on new guests. The original software has had to be adapted on multiple occasions as the rules are changed and the scheme extends beyond its initial timescales.

Cashiers

Payments totalling £3.04m were received during the year which covered 9,446 transactions. These payments were received in the post or were taken via the kiosks. The amount received was lower by £710k or 18.9%, when compared to the previous year. This has been an ongoing trend over the last few years as residents have continued moving towards using online methods of payment.

Pensions and Payroll

The Pension Team achieved an average of 96.30% service level compliance over the year to 31st March 2024.

After twelve months of data cleansing the database, the Corporate staff and Pensioners were migrated to the new HRP solution with the first Payroll processed in April 2023. This was not only high volume of data but also consisted of complex terms and conditions so after the first Payroll went live there were some "snagging" issues, but the Council, their migration partner and Liberata worked in partnership to resolve these and continue to address and implement further improvements.

During this time BACS files were all processed on time and any adjustments to pay were arranged by the Faster Payment process ensuring Staff or Pensioners were not ever in a position of hardship.

The Payroll Team also continued to provide a valued service with an average accuracy rate of 99.94% across the Council's Corporate, Schools and Pension.

I trust you find that the above has been informative and comprehensively demonstrates that Liberata remains firmly committed to delivering an outstanding service to the London Borough of Bromley and its citizens.

Yours sincerely,



Bola Odunsi
Regional Director (London & The Southeast)

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The key elements of the Revenues Service includes (2023/24 figures):

- **£254.8 million** – Annual amount of Council Tax raised.
- **£90 million** – Annual amount of Business Rates raised.
- **£13.9 million** – Annual payment of Council Tax Support
- **£75.8 million** - Annual payment of Housing Benefit
- **£84.1 million** – Gross payment of staff salaries (through the LBB payroll service, including schools, excluding Academies) for the period from 1st April 2023 to 31st March 2024
- **£35.1 million** – Payment of Pensions from 1st April 2023 to 31st March 2024
- **£3.04 million** – 1st April 2023 to 31st March 2024 revenue on 9,328 transactions, this includes Kiosk
- (453 Loomis cash collections during the year to 31st March 2024)

Council Tax Data:

In year collection performance by Liberata is shown below:

Best Value PI's	Actual 13/14	Actual 14/15	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Actual 19/20	Actual 20/21	Actual 21/22	Actual 22/23	Actual 23/24
BV9:CTAX Collected	97.50%	97.70%	97.79%	97.93%	98.04%	98.00%	97.86%	96.51%	96.82%	97.12%	96.94%

Actual 31 March 2024 – 96.94%

The amount of collectable debt raised for the year 2023/24 was **£254.8m** in respect of **142,950** properties.

34 Cheque refunds and **7418 BACs** refunds totalling **£2,890,340.84** have been issued from 1st April 2023 to 31st March 2024.

The following Council Tax recovery notices were issued:

	31/03/14	31/03/15	31/03/16	31/03/17	31/03/18	31/03/19	31/03/20	31/03/21	31/03/22	31/03/23	31/03/24
Reminders	56,256	54,745	52,125	55,553	78,657	63,387	57,196	54,201	63,769	52,036	30,822
Summonses	19,267	13,158	9,543	14,052	10,755	9,375	9,561	0	21,132	12,421	13,957
Liability Orders	9,999	8,645	8,337	10,338	9,115	8,105	8,606	0	10,010	10,065	12,410
14 day letters – Enforcement Agent warning	15,816	10,103	12,214	8,24794	8,647	10,074	9,129	0	10,518	9,491	11,725

The 2022/23 debt carried forward at the 1st April 2023 was £7,361,027.70

Council Tax - Summoned Debt	
Summonses / costs	£620,126.98
Arrangement	£483,844.76
Bailiff /14 DAY	£3,547,476.01
Attachment	£3,670.90
Bankruptcy	£0.00
Liability	£751,506.33
Un-summensed Debt	
Finals	£293,050.35
Un-summensed	£1,661,352.37
Total	£7,361,027.70

The breakdown analysis of the total 2022/23 debt outstanding at the 1st April 2023 of £7,361,027.70 is shown above.

The balance of the total 2022/23 debt outstanding as at the 31st March 2024 is £4,825,772.93 a reduction of £2,535,254.14.

Council Tax Arrears Breakdown as at 31st March 2024

ct6223a	Arrears B/F 31.03.2023	Arrears carried forward	Net reduction	Actual % collection
2000	£1,923.05	£2,671.35	-£748.30	
2001	£5,134.12	£4,853.75	£280.37	
2002	£12,841.32	£12,187.24	£654.08	
2003	£21,944.79	£21,112.02	£832.77	
2004	£25,542.24	£24,394.10	£1,148.14	
2005	£42,233.44	£38,414.53	£3,818.91	
2006	£64,109.66	£60,718.41	£3,391.25	
2007	£90,337.70	£86,419.95	£3,917.75	
2008	£111,380.16	£103,507.38	£7,872.78	
TOTAL	£375,446.48	£354,278.73	£21,167.75	5.64%
2009	£132,984.37	£125,151.28	£7,833.09	5.89%
2010	£165,396.94	£154,982.69	£10,414.25	6.30%
2011	£213,104.82	£198,357.83	£14,746.99	6.92%
2012	£289,607.07	£268,247.81	£21,359.26	7.38%
2013	£441,887.34	£417,853.93	£24,033.41	5.44%
2014	£568,939.76	£529,003.28	£39,936.48	7.02%
2015	£748,167.43	£690,570.35	£57,597.08	7.70%
2016	£968,040.81	£896,375.19	£71,665.62	7.40%
2017	£1,290,782.76	£1,191,025.31	£99,757.45	7.73%
2018	£1,814,145.48	£1,649,361.55	£164,783.93	9.08%
2019	£2,529,254.70	£2,257,750.45	£271,504.25	10.73%
2020	£3,398,599.56	£2,905,729.98	£492,869.58	14.50%
2021	£4,859,928.76	£3,979,431.06	£880,497.70	18.12%
2022	£7,361,027.07	£4,825,772.93	£2,535,254.14	34.44%
TOTAL	£25,157,313.35	£20,443,892.37	£4,713,420.98	18.74%

Business Rates Data:

In year collection performance by Liberata is shown below:

Best Value PI's	Actual 13/14	Actual 14/15	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Actual 19/20	Actual 20/21	Actual 21/22	Actual 22/23	Actual 23/24
BV10: Rates Collected	98.70%	98.80%	99.05%	98.87%	98.53%	98.53%	98.03%	91.89%	95.47%	97.21%	97.11%

The amount of collectable debt raised for the year 2023/24 is **£90 million** in respect of 7,399 properties.

There have been **759** refunds actioned from the 1st April 2023 to the 31st March 2024 amounting to **£5,234,183.07** in respect of vacation and rateable value reductions.

The following recovery notices were issued -

	31/03/14	31/03/15	31/3/16	31/3/17	31/3/18	31/03/19	31/03/20	31/03/21	31/03/22	31/03/22	31/03/24
Reminders Issued	3,545	4,445	4,263	4,288	3,525	3,245	3,447	1,803	5,350	4,198	4,582
Final Notices Issued	2,472	2,353	1,560	1,960	1,985	1,312	2,201	0	2,874	2,496	2,835
Summonses Issued	1,091	1,053	535	1,123	768	601	429	0	612	1,020	1,176
Liability Orders	771	734	411	525	522	550	438	0	584	900	1,006
Accounts passed to Enforcement Agent	650	444	283	184	159	203	369	0	545	1,015	995

The **2022/23** debt carried forward at 1st April 2023 was **£5,701,573.91**

Movement in arrears for reporting period –

Arrears total 2001 - 2022/23 as at **01/04/23** **£5,701,573.91**

Arrears total 2001 - 2022/23 as at **31/03/24** **£3,186,193.52**

Reduction in Overall arrears **£2,515,380.39**

Business Rates Arrears breakdown as at **31st March 2024**

	Arrears B/F 31.03.2023	Arrears C/F	Net Reduction
2008	1,143.35	1,143.35	0.00
2009	938.03	938.03	0.00
2010	0.00	569.71	-569.71
2011	1,576.41	1,536.91	39.50
2012	10,879.38	5,417.33	5,462.05
2013	17,513.98	10,282.62	7,231.36
2014	26,518.72	15,457.08	11,061.64
2015	26,246.67	22,028.57	4,218.10
2016	86,821.81	75,337.46	11,484.35
2017	211,717.60	159,400.26	5,2317.34
2018	360,513.57	234,591.42	125,922.15
2019	647,969.19	457,083.61	190,885.58
2020	622,057.55	402,779.03	219,278.52
2021	115,9714.15	665,787.05	493,927.10
2022	2,527,963.50	1,133,841.09	1,394,122.41

Backdated revaluations and the removal of discounts and exemptions can result in a backdated increase in arrears.

Cashiers Data

The cashiering service dealt with the following transactions in the period 1st April 2023 to 31st March 2024:

Civic Centre Total	Transactions including Kiosk
£3,041,503.20	9,328

Payroll Data:

The average number of payments made each month/annually is shown below:

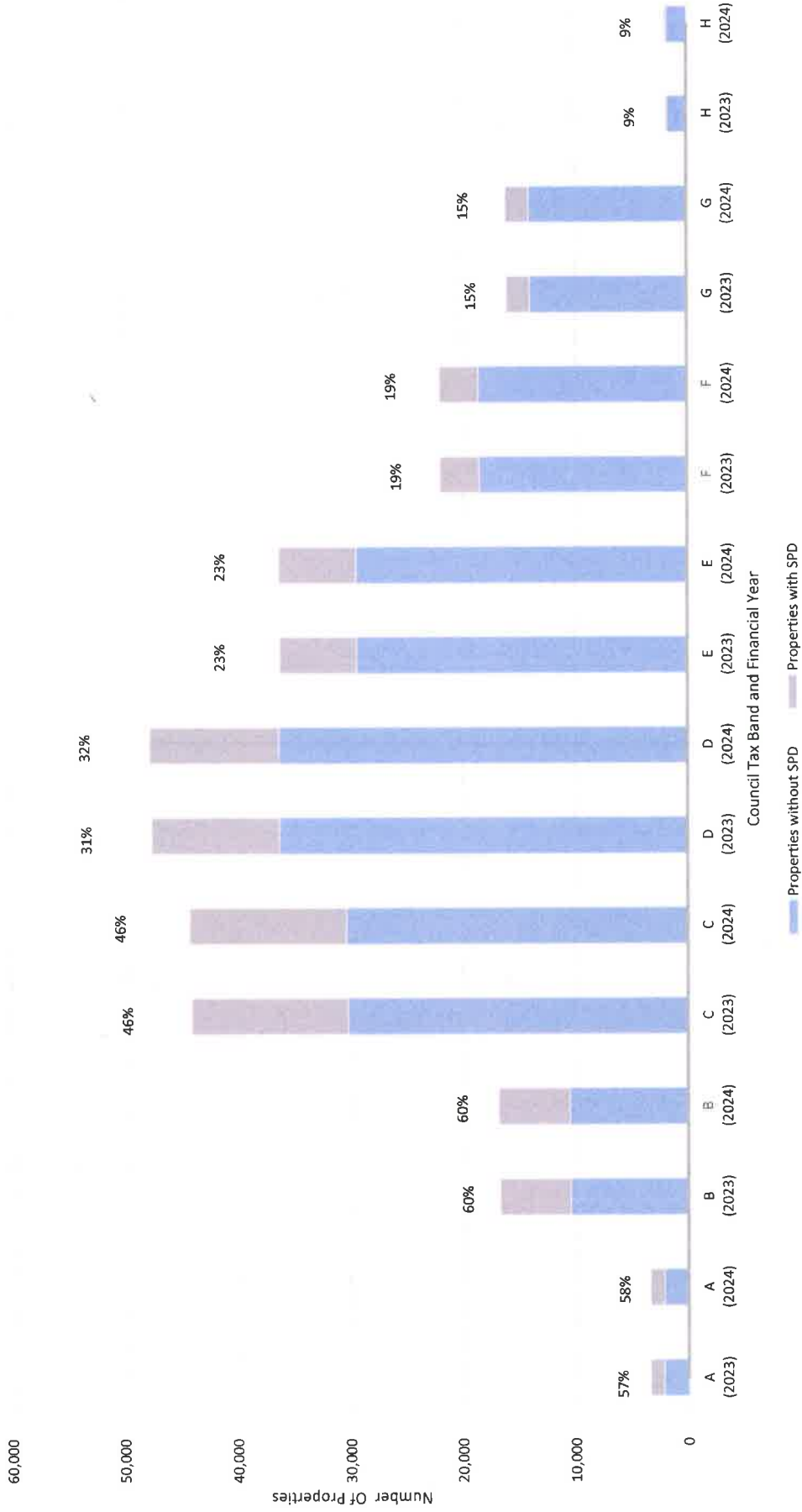
	Monthly	Annually
Non-Teaching/Teaching	2,701	32,417
Pensions	5,606	67,267

Appendix 2

Complaints Data:

Service	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Actual 01/04/23 to 31/03/24
Council Tax	540 (446 unfounded)	427 (378 unfounded)	348 (274 unfounded)	373 (309 unfounded)	344 (299 unfounded)	337 (260 unfounded)	170 (114 unfounded)	212 (152 unfounded)	223 (187 unfounded)	110 (102 unfounded)
NNDR	21 (7 unfounded)	10 (9 unfounded)	6 (3 unfounded)	3 (2 unfounded)	4 (3 unfounded)	3 (1 unfounded)	4 (0 unfounded)	7 (6 unfounded)	12 (10 unfounded)	10 (3 unfounded)
Pensions	4 (1 unfounded)	2	4 (2 unfounded)	2 (1 unfounded)	4 (2 unfounded)	8 (5 unfounded)	9 (4 unfounded)	5 (3 unfounded)	12 (7 unfounded)	5 (3 unfounded)
Payroll	9 (7 unfounded)	4 (2 unfounded)	1 (1 unfounded)	0	3 (2 unfounded)	3 (3 unfounded)	0	0	0	1 (1 unfounded)
Cashiers	0	0	0	0	0	0	0	0	0	0

Single Person Discount Comparison 2022/23 & 2023/24



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Report No.
FSD24047

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE, RESOURCES AND CONTRACTS POLICY
DEVELOPMENT AND SCRUTINY COMMITTEE

Date: 8th July 2024

Decision Type: Non-Urgent Non-Executive Non-Key

Title: EXPENDITURE ON CONSULTANTS AND CONTRACTORS
2023/24

Contact Officer: David Bradshaw, Head of Finance
Tel: 020 8313 4807 E-mail: david.bradshaw@bromley.gov.uk

Chief Officer: Peter Turner, Director of Finance

Ward: N/A

1. Reason for report

Members of ER&C PDS requested a report on Consultant and Contractors expenditure. Officers have therefore looked at expenditure in 2023/24 in both Revenue and Capital Budgets.

2. **RECOMMENDATION(S)**

Members of the ER&C PDS are requested to:-

- 2.1 Note the overall expenditure on Consultants and Contractors/Agency as set out in this report.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Any issues concerning vulnerable adults and children should be considered within each individual project brief.
-

Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Not Applicable
-

Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: All one-off expenditure met from allocated budgets
 3. Budget head/performance centre: Consultants
 4. Total current budget for this head: £N/A
 5. Source of funding: Revenue & Capital
-

Personnel

1. Number of staff (current and additional): N/A – one-off costs
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: None
 2. Call-in: Not Applicable
-

Procurement

1. Summary of Procurement Implications: Consultants should be appointed in accordance with CPRs 8.2 and 8.6. IR35 Tax implications also need to be considered.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

3.1 ER&C PDS members requested information on the Councils expenditure on Consultants and Contractors/Agency be reported to the Committee.

3.2 To do this officers have for the Consultant element:-

- Looked at the total expenditure on consultants in 2023/24.
- This covers Revenue and Capital Expenditure.
- The list has been approved by the relevant Executive Director.

3.3 For the Contractors expenditure officers have:-

- Taken a point in time (1st April 2024)
- For comparison purposes converted all rates to a day rate so that costs can be compared.
- This is a day rate only, some may only do a few hours/days in a working week, or only have worked for a short period of time so overall total costs will vary.
- The cost includes the cost of the agency, so this is not what the worker actually receives as a payment.

Consultants

3.4 The basic reason for the use of consultants is that at times the Council requires that specialised work is undertaken for specific projects. This is particularly valid when consultants are engaged to work on large scale projects. For completeness expenditure on Architects, Engineers, Surveyors and other consultants commissioned to work on Capital Projects have been included as these generally meet the definition of one-off projects. Proposed expenditure on Capital Projects will have been approved by Executive before being included in the Capital Programme.

3.5 The Councils Contract Procedure rules sets out the procurement process to be followed when appointing a consultant and there is also guidance available to staff about what needs to be included in the formal agreement when engaging a consultant, which as a minimum needs to confirm the overall cost, project deliverables, clear brief and reporting arrangements.

3.6 There is an element of subjectivity as to what constitutes a “consultant” as a number of services could fall within this definition, however it is generally defined as “a person brought into the Council to carry out a specific job” which is not on-going. For the purposes of this report expenditure on medical fees, counsel and legal fees have been excluded as these are considered to be professional fees rather than consultants.

3.7 In looking at consultants, members need to be minded that officers will use them to carry out work on the Council’s behalf when:-

- There is no one internally with the relevant skills or experience
- There is no capacity/resources available to undertake this work
- Specialist skills are required

3.8 It is important when recruiting a consultant that the project brief sets out the reasons for the use of consultant, that officers have consider any alternative options and also to evaluate the effectiveness of the work undertaken by consultants within the authority.

- 3.9 The benefit of employing consultants is that the Council makes a saving in relation to employer National Insurance and pension contribution. Also in employing consultants the Council is under no obligation to pay consultants for days when they are not working for the Council e.g. sickness and holiday and they are only engaged for a specific period of time – however offsetting this is that these staff are often more expensive.
- 3.10 The risk in not using consultants is that the Council would have to recruit a more substantial and specialised workforce at a greater expense, and thus creating an employment relation or a “contract of service” with the associated diversity of employment rights including unfair dismissal and redundancy payment rights, etc.
- 3.11 This report provides a detailed breakdown of all costs officers believe are consultants, broken down over Portfolio’s and service areas. This is shown in Appendix 1 (revenue) and Appendix 2 (capital).

Contractors/Agency

- 3.12 The main reason to employ Contractors/Agency staff is to fill vacancies (long term and to cover statutory duties) or to cover short term periods of pressures in particular areas.

4. FINANCIAL IMPLICATIONS

- 4.1 The financial implications are included in the body of the report and the appendices.
- 4.2 A summary of the expenditure is detailed in the table below

<u>Expenditure on consultants</u>		
		<u>2023/24</u>
		<u>£'000</u>
Revenue		1,052
Capital		4,335
		<u>5,387</u>
<u>Expenditure on Contractors/Agency</u>		
		Per day
Average day rate of contractor/Agency (inclusive of fees)		£289
Average day rate of top 40 most expensive (inclusive of fees)		£547
		£m
Spend on Contractors/Agency in 2023/24		18

- 4.3 Details of the Consultants expenditure is contained in Appendix 1 and 2.
- 4.4 The cost of Contractors/Agency staff in 2023/24 was in the region of £18m. As of June 2024 there are approximately 270 contractor/agency staff.

5. LEGAL IMPLICATIONS

- 5.1 Legislation affords employees employment rights e.g. paid holiday, maternity leave and pay, entitlement to redundancy payments, minimum notice periods and protection from unfair

dismissal. In general terms self-employed individuals and consultants are not entitled to these enhanced statutory rights or protections, because, arguably, they are not employees in the strict legal sense. However, the law around who is an employee/not an employee is constantly evolving and has resulted in a number of high profile cases e.g. Uber, Pimlico Plumbers and Deliveroo.

- 5.2 In addition HMRC also uses criteria e.g. IR35 when determining an individual's employment status. This means that an individual could be considered an employee for tax purposes and yet remains a consultant from an employment perspective. Ultimately, who is an employee or a worker, or self-employed individual for employment law purposes is a matter for the employment tribunal to decide.
- 5.3 To manage and minimise the risk to the Council, the Council procedures should be followed which also includes IR35 together with using the Councils consultant contract documentation or other suitable contracts. In addition the Councils HR and legal departments can be consulted.

6. PROCUREMENT IMPLICATIONS

- 6.1 Consultants should be appointed in line with CPR 8.6 which requires a detailed project brief to be included with specific outcomes identified, and in line with guidance from the Corporate Procurement Team. Chief Officers are responsible for ensuring that project briefs are in place and that no payments are made until the specific outcomes have been achieved.

7. POLICY IMPLICATIONS

- 7.1 Consultants may be used to assist officers in meeting the Council's key priorities.

Non-Applicable Sections:	Strategic Property, IT and GDPR, Transformation, Impact Assessments & Personnel Implications
Background Documents: (Access via Contact Officer)	Held in Finance teams

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Category / Supplier Name	Division /Serv. Area	2023/24	Description
		£	
SOCIAL CARE INSSTITUTE OF EXCELLANCE	Adult Social Care	80,000	In May 2023, Adult Services commissioned the Social Care Institute of Excellence (SCIE) to complete an independent review, (diagnostic / research phase), and produce a forward plan setting out an end-to-end change programme to deliver substantial sustainable savings in Adult Social Care.
NUMBER 10 INTERIM	Adult Social Care	37,375	This resource was essential to support the Liquid Logic System used by Adult Social Care during the post implementation phase after the Implementation Team's work had ended.
T-CUBED LTD	Adult Social Care	20,000	Support, consultation work and training packages for the Assistive Technology Project which is one of the Transformation projects for Adult Social Care
SAFEGUARDING TRAINING & CONSULTANCY SERVICES LTD	Adult Social Care	11,640	Training re Bromley Safeguarding Adults Board
BAILEY PARTNERSHIP	Adult Social Care	9,750	Building Surveyor led consultancy services re the Astley Centre. Commissioned by Property Services.
APOLLO EAGLE CONSULTING LTD	Adult Social Care	5,500	Presentation on Domestic Abuse & Older People for Learning from complex safeguarding cases awareness week
LS CONSULTING	Adult Social Care	2,580	Training re Bromley Safeguarding Adults Board
DR V G	Adult Social Care	400	Provision of Medico-legal report (HR advice)
ADVOCACY FOR ALL	Adult Social Care	40	Safeguarding review - this is a statutory requirement to have in place.
SOFTWARE LTD	Carbon Mgmt	9,500	The CO2 Analysis work to measure the Council's Scope 3 emissions
MAYDENCROFT LTD	Carbon Mgmt	3,300	Employed to develop UK Forestry Standard Compliant Woodland Creation
42 BEDFORD ROW	Carbon Mgmt	1,200	Barrister taking the legal Case around the BT Telegraph Pole.
ENCOMPASS PRINT SOLUTIONS LTD	Carbon Mgmt	210	The company made the maps to the Woodland Consultation accessible for the Council website.
A W	Children Social Care	36,000	ISW advising on Ofsted inspection prep and completing external audits
AV OUTCOMES LTD	Children Social Care	28,422	ISW advising on Ofsted inspection prep and completing external audits
BE HEARD LTD	Children Social Care	26,810	Grant funded temporary role for specific Home Office initiated programme
EXPERT IN MIND	Children Social Care	26,253	Court Directed Psych Assessment
PSYCHOLOGY DIRECT LTD	Children Social Care	24,741	Court Directed Psych Assessment
THE LUCY FAITHFULL FOUNDATION	Children Social Care	15,891	Court Directed Assessment For Sexual Abuse / Harm
EXPERT IN MIND	Children Social Care	15,407	Court Directed Psych Assessment
C B THE EXPERT SERVICE LTD	Children Social Care	14,467	Assessment by ISW
C F	Children Social Care	13,418	Court Directed Assessment And Parenting Work
CHILDRENS SERVICES NETWORK	Children Social Care	9,932	Court Directed ISW
EXPERT IN MIND	Children Social Care	9,847	Court directed psych assessment
DV-ACT LTD	Children Social Care	8,790	Court Directed Assessment
DR N	Children Social Care	7,918	Court Directed Psych Assessment
G J	Children Social Care	7,700	ISW advising on Ofsted inspection prep and completing external audits
THE LUCY FAITHFULL FOUNDATION	Children Social Care	7,523	Court Directed Assessment For Sexual Abuse / Harm
DR J S	Children Social Care	7,508	Court Directed Psych Assessment
WEALDEN PSYCHOLOGY LTD	Children Social Care	6,937	Court Directed Psych Assessment
MORSON SOCIAL WORK SOLUTIONS	Children Social Care	6,200	Parenting Assessment By ISW
M W	Children Social Care	5,981	Psychologist
M F CONSULTANCY	Children Social Care	5,500	ISW advising on Ofsted inspection prep and completing external audits
CHILDREN & FAMILIES ACROSS BORDERS (CFAB)	Children Social Care	5,141	Court Directed ISW
DV-ACT LTD	Children Social Care	5,103	Court Directed Assessment
DR Y O	Children Social Care	5,015	Court Directed Psych Assessment
MR E D	Children Social Care	4,973	Court Directed Psych Assessment
MRS J C	Children Social Care	4,400	Positive Behaviours Support (PBS) /Behaviour consultant
DR C M	Children Social Care	4,217	Court Directed
A C	Children Social Care	3,680	Court Directed Assessment
ISW ASSESSMENT & CONSULTANCY LTD	Children Social Care	3,669	Court Directed ISW
EXPERT IN MIND	Children Social Care	3,635	Assessment whilst in legal framework
MORSON SOCIAL WORK SOLUTIONS	Children Social Care	3,550	Assessment whilst in legal framework
S D	Children Social Care	3,514	TCR Consultant
GOLDEN HEIGHTS LTD	Children Social Care	3,170	Specialist Parenting Assessment By ISW
MORSON SOCIAL WORK SOLUTIONS	Children Social Care	2,914	TCR Consultant - Parenting/Community based assessments
E M PSYCHOLOGY LTD	Children Social Care	2,792	Court Directed Psych Assessment
M F CONSULTANCY	Children Social Care	2,750	ISW advising on Ofsted inspection prep and completing external audits
THINK PARENTING LTD	Children Social Care	2,749	Court Directed ISW
DR N	Children Social Care	2,583	Court Directed Psych Assessment
C B THE EXPERT SERVICE LTD	Children Social Care	2,559	TCR Consultant
MEWA LLP	Children Social Care	2,441	Psychiatry report
FORENSIC HEALTHCARE SERVICES LTD	Children Social Care	2,435	Court Directed Assessment
I M A	Children Social Care	2,331	Court Directed Psych Assessment
DV-ACT LTD	Children Social Care	2,259	Court Directed assessment
KINGDOM FAMILY ASSESSMENT SUPPORT and EDUCATION SERVICES	Children Social Care	1,800	Court Directed Assessment
MEWA LLP	Children Social Care	1,404	Court directed expert witness
J D	Children Social Care	1,353	Court Directed Psych Assessment
EXPERT IN MIND	Children Social Care	1,337	Court directed psych assessment
S P PSYCHOLOGY LTD	Children Social Care	1,320	Court Directed Psych Assessment
S P PSYCHOLOGY LTD	Children Social Care	1,240	Court Directed Psych Assessment

CHILDRENS SERVICES NETWORK	Children Social Care	987	Willis Palmer - Community Based Assessment
G T ASSOCIATES	Children Social Care	918	TCR Legal
DR J S	Children Social Care	850	Court Directed Psych Assessment
J H LTD	Children Social Care	791	Court Directed ISW
DR J S	Children Social Care	713	Court Directed Psych Assessment
PSYCHOLOGY DIRECT LTD	Children Social Care	666	Court Directed Psych Assessment
THINK PARENTING LTD	Children Social Care	653	Court Directed ISW
ONE IN FOUR	Children Social Care	575	TCR Consultant
D C	Children Social Care	500	Court Directed Assessment
DR C M	Children Social Care	486	Court directed psych assessment
S R & CO LTD	Children Social Care	441	Court Directed Psychiatric Assessment
DR K P W	Children Social Care	405	Court Directed Psych Assessment
DR M L	Children Social Care	302	Court Directed Psych Assessment
EVIDENCE MATTERS LTD	Children Social Care	300	Court Directed Assessment
J D	Children Social Care	257	Court Directed Psych Assessment
C B THE EXPERT SERVICE LTD	Children Social Care	247	Court directed ISW
EVIDENCE MATTERS LTD	Children Social Care	180	Court Directed Assessment
J D	Children Social Care	171	Court directed
MR E D	Children Social Care	149	Court Directed ISW
MONTAGU EVANS LLP	Culture Projects	6,000	Development consultancy advice for sites at Crystal Palace Park.
STIRLING MAYNARD & PARTNERS LTD	Culture Projects	90	Crystal palace Park - Presentation of HE Hydrology Works
RHJD CONSULTANCY LTD	Democratic Services	4,900	Constitution review
EDUSOLVE LTD	Education	4,950	School improvement consultant
FRANKHAM CONSULTANCY GROUP LTD	Education	500	Consultant re Capital Works part of Tender
THE QUALITY IMPROVEMENT GROUP LIMITED	Health	45,100	Employment of a Consultant to oversee the Vaccine Hesitancy Project. The project was agreed with, and funded by the ICB and designed to improve the relationships and engagement between the local authority and NHS for certain areas of the population that were not participating in the vaccination and other health interventions and subject to worse health outcomes. There was a capacity issue and urgency during and post the Covid pandemic requiring the use of additional resource to increase/improve the vaccination rate
JB RINEY & CO LTD (MAJOR WORKS)	Highways	31,650	Waterman professional services for Highways
KAINOS SOFTWARE	Highways	15,000	DfT Street Manager services
R C ASSOCIATES	Highways	3,450	Specialist consultancy services for a Public Right of Way (PROW) report on the Landway Definitive Map Modification Order (DMMO) in Downe
C T LIMITED	Housing	27,584	Review and develop the Council's Housing Allocations Policy.
C T LIMITED	Housing	11,278	Housing Revenue Account Policy work
BAILEY PARTNERSHIP	Housing	5,375	Repair work redesign at Bellegrave
DEVONSHIRES SOLICITORS	Housing	1,750	Allocations Policy work
PERSONNEL HEALTH and SAFETY CONSULTANTS LIMITED	Housing	1,750	External Risk Assessment for Star Lane Traveller Site
MONTAGU EVANS LLP	Investment and Non-Operational Property	4,250	104 - 106 High Street Bromley - To act in respect of Investment portfolio review for the lease renewal at the above property
BLACK STANNILand LTD	Investment and Non-Operational Property	2,500	Specialist Negotiator - 63 The Walnuts Orpington - As instructed to negotiate the lease renewal with the sub tenant and occupier
AVISON YOUNG (UK) LTD	Parks	19,387	Feasibility Study into 5 Council owned Open Spaces including a shortlist of interventions
FRANKHAM CONSULTANCY GROUP LTD	Parks	19,303	Topographical Survey for St John's Church, survey and costing report for Exelsior Bowls Club, Poverest Park, Queensmead Pavilion
PURCELL ARCHITECTURE LTD	Parks	225	Management of the Construction works at Scadbury Moated Manor
Land USE CONSULTANTS LTD	Planning Services-Planning	1,288	Specialist advice on planning application
BPS DORKING LTD	Planning Services-Planning	260	Specialist advice on planning application
AVISON YOUNG (UK) LTD	Planning Strategy & Projects	64,351	Employment Land and Space Study - contract reference number 7394
Land USE CONSULTANTS LTD	Planning Strategy & Projects	20,033	Sites of Importance for Nature Conservation update - contract reference number 6341
M C ASSOCIATES LTD	Public Protection	10,167	Cranfield's Local Air Pollution Prevention and Control (LAPPC) Environmental Permitting and inspection and regulation of industrial processes
MAKE ASSOCIATES	Public Protection	9,975	Cumulative Impact Assessments (CIA) and Licensing policy consultant
PARTICIPATION PEOPLE	Regeneration Team - Town Centre Development	11,940	Project High Street - Youth Engagement (Participation People)
FLOCK CREATIVE LTD	Regeneration Team - Town Centre Development	9,642	Event social media and marketing support including design and photography
GARDINER & THEOBALD LLP	Regeneration Team - Town Centre Development	7,750	Poverest, Cotmandene and Sundridge Cost Plans, Programmes and Risk Reviews
EB7 LTD	Regeneration Team - Town Centre Development	5,450	Glare Assessment and Internal Daylight Sunlight for Beckenham Housing Site
31TEN CONSULTING LTD	Regeneration Team - Town Centre Development	1,400	Housing Feasibility - Social rent calculation for Bromley North and Belle Grove
LAMBERT SMITH HAMPTON GROUP LTD	Regeneration Team - Town Centre Development	1,200	Social Rent Calculations
BAS BOOKS LTD	Strategy	2,133	Customer complaints investigations
J F	Strategy	1,380	Customer complaints investigations
MONTAGU EVANS LLP	TFM Client Monitoring Team	75,588	Fee in relation to the provision of valuations for financial reporting purposes (2022/23).
MICHAEL PAGE INTERNATIONAL RECRUITMENT LTD	TFM Client Monitoring Team	46,020	For agency fees re employment of Interim Head of Estates
FRANKHAM CONSULTANCY GROUP LTD	Transport Op and Depot	600	This should have been coded in Property. Undertook a structural survey to metal profiled sheeting to waste transfer station at Churchfields Depot
MONTAGU EVANS LLP	Waste	17,071	Work commissioned by Property to challenge Business Rates charges for Cornwall Drive NNDR refund
Total		1,051,955	

Sum of Total Supplier name	Resources, Commissio ning & Contract Managem ent					Grand Total	Scheme
	Adult Care & Health Portfolio ACH	Children & Families Education CEP	Environment & Community Services ECS	Contract Managem ent RCCM	Renewal, & Housing RRH		
AB STANS HEATING					2,640	2,640	Empty Homes Programme
AB STANS HEATING					252	252	London Private Sector Renewal Schemes
AECOM INFRASTRUCTURE & ENVIRONMENT UK LTD					1,848	1,848	Beckenham Housing
ALIX SLATER CONSULTANCY & TRAINING LTD					2,400	2,400	Crystal Palace Park - Regeneration
ALLIANCE LEISURE SERVICES LTD					1,196,984	1,196,984	OPR leisure centres (group 2)
ARTSCROLL LTD					27,680	27,680	Modular Build York Rise
B & M MCHUGH LIMITED					796	796	Provision of Housing and Library Improvement Works in West Wickham
BAILEY PARTNERSHIP		103,456				103,456	Basic Needs
BAILEY PARTNERSHIP		13,210				13,210	Capital Maintenance in Schools
BAILY GARNER LLP		47,855				47,855	Basic Needs
BAILY GARNER LLP		5,250				5,250	Capital Maintenance in Schools
BAILY GARNER LLP					21,022	21,022	Replacement of District Heating System Boilers & Works to Walnut Leisure Centre
BANNER GROUP LTD					93	93	Crystal Palace Park - Regeneration
BEVAN BRITTAN					1,781	1,781	Replacement of District Heating System Boilers & Works to Walnut Leisure Centre
BRIMELOW MCSWEENEY ARCHITECTS LIMITED					711	711	Provision of Housing and Library Improvement Works in West Wickham
BROMLEY BID LTD					37,000	37,000	Bromley High Street Improvements
BRONTIDE CONSULTING LTD					781	781	OPR leisure centres (group 2)
BURO HAPPOLD LTD				9,950		9,950	HWBC co-location
CENTRAL ILLUSTRATION AGENCY LTD					29,905	29,905	OPR Libraries
CLARKEBOND (UK) LTD				93,347		93,347	HWBC co-location
COLIN TOMS & PARTNERS LLP					2,185	2,185	Replacement of District Heating System Boilers & Works to Walnut Leisure Centre
COUNTERCULTURE PARTNERSHIP LLP					525	525	Crystal Palace Park - Regeneration
CURL LA TOURELLE & HEAD LTD					43,151	43,151	OPR leisure centres (group 2)
DAYDON GRIFFITHS & SURRY					5,699	5,699	OPR Libraries
DR R B H					600	600	Crystal Palace subway
Eb7 PARTY WALL LIMITED					8,169	8,169	Provision of Housing and Library Improvement Works in West Wickham
EDWARD PAYNE & VENESS LTD				3,000		3,000	Investment Fund - Property Acquisition
ENERGY MATTERS NATIONWIDE LTD					150	150	Investment Fund - Property Acquisition
ENERGY MATTERS NATIONWIDE LTD					700	700	OPR Libraries
EQUALS CONSULTING LTD					2,828	2,828	Provision of Housing and Library Improvement Works in West Wickham
ETEC ASSOCIATES LTD					35,811	35,811	Provision of Housing and Library Improvement Works in West Wickham
ETEC CONTRACT SERVICES LTD					1,950	1,950	Provision of Housing and Library Improvement Works in West Wickham
FORESHAW BUILDING SERVICES LIMITED					2,339	2,339	Bushell Site Development
FRANKHAM CONSULTANCY GROUP LTD					8,059	8,059	Replacement of District Heating System Boilers & Works to Walnut Leisure Centre
FULKERS LLP					9,000	9,000	Crystal Palace Park - Regeneration
FULKERS LLP					15,000	15,000	Crystal Palace Park Improvements
GARDNER STEWART AND STEWART LTD					197,500	197,500	HWBC co-location
G E					6,588	6,588	Adventure Kingdom HWBC – next steps
G E					9,000	9,000	HWBC co-location
G E					6,000	6,000	OPR leisure centres (group 2)
GREENWICH LEISURE LTD					27,904	27,904	Provision of Housing and Library Improvement Works in West Wickham
HTA DESIGN LLP					524,500	524,500	Crystal Palace Park - Regeneration
HTA DESIGN LLP					62,639	62,639	Crystal Palace Park Improvements
IDVERDE LTD		33,138				33,138	Basic Needs
IDVERDE LTD					229	229	Crystal Palace Park - Regeneration
INDEPENDENT BUILDING CONSULTANCY LTD					2,100	2,100	Dilapidations and charges on properties

INGLETON WOOD LLP		17,250	17,250 OPR Libraries
INOAPPS LTD	4,400		4,400 Oracle HR Payroll Software
JACKSON COLES LLP		1,540	1,540 Bushell Site Development
K2 CONSULTANCY	7,000		7,000 Adventure Kingdom HWBC – next steps
K2 CONSULTANCY	203,288		203,288 HWBC co-location
LAMBERT SMITH HAMPTON GROUP LTD		16,852	16,852 Bromley North Housing
LIBRA CONSTRUCTION SERVICES LTD		9,815	9,815 Empty Homes Programme
MARSH LTD		30,240	30,240 Provision of Housing and Library Improvement Works in West Wickham
MONTAGU EVANS LLP		5,000	5,000 Bromley North Housing
MONTAGU EVANS LLP	22,871		22,871 Civic Centre Development Strategy
MONTAGU EVANS LLP		13,000	13,000 Crystal Palace Park - Regeneration
MONTAGU EVANS LLP	3,488		3,488 Investment Fund - Property Acquisition
MORGAN LOVELL PLC	30,200		30,200 Civic Centre Development Strategy
NAMOS SOLUTIONS LTD	11,813		11,813 Financial Systems Replacement
NAMOS SOLUTIONS LTD	228,692		228,692 Oracle HR Payroll Software
NHBC		1,234	1,234 Provision of Housing and Library Improvement Works in West Wickham
O B		5,200	5,200 Bromley High Street Improvements
OXFORD ARCHAEOLOGY LTD		19,612	19,612 Crystal Palace Park - Regeneration
OXFORD ARCHAEOLOGY LTD		70	70 Crystal Palace Park Improvements
P K P LTD		1,509	1,509 Crystal Palace Park - Regeneration
PELLINGS LLP	56,287		56,287 Basic Needs
PELLINGS LLP		344,957	344,957 Civic Centre Development Strategy
PFB CONSTRUCTION MANAGEMENT SERVICES LTD		1,075	1,075 Bromley North Housing
PICK EVERARD	340,699		340,699 Depot Improvement Works
PINNACLE ESP LTD	1,253		1,253 Basic Needs
PINNACLE ESP LTD	10,451		10,451 Security Works - Standards Fund
PLAYLE & PARTNERS LLP		2,343	2,343 Anerley Site Development
PRIME START MEDIA LTD		395	395 Crystal Palace Park - Regeneration
PURCELL ARCHITECTURE LTD	10,896		10,896 Croydon Road Recreation Ground Bandstand Restoration
R J C LTD		750	750 Investment Fund - Property Acquisition
RIVERSIDE ENVIRONMENTAL SERVICES LTD		1,140	1,140 OPR Libraries
RN DESIGN LTD		1,400	1,400 Bromley High Street Improvements
ROCK TOWNSEND ARCHITECTS LLP		39,325	39,325 OPR leisure centres (group 2)
SHARPE PRITCHARD LLP		292	292 Adventure Kingdom HWBC – next steps
SHARPE PRITCHARD LLP	4,004		4,004 OPR Adult Day Centres
SHARPE PRITCHARD LLP		7,914	7,914 OPR holding Account
SOMERHILL CONSULTING SERVICES LTD		980	980 Bushell Site Development
STILES HAROLD WILLIAMS PARTNERSHIP LLP		3,800	3,800 Dilapidations and charges on properties
STILES HAROLD WILLIAMS PARTNERSHIP LLP		22,352	22,352 Investment Fund - Property Acquisition
STRUCTURAL SOILS LTD	19,392		19,392 Kelsey Park Replacement Bridges
T&C PRINTERS		130	130 Crystal Palace Park - Regeneration
TETRA TECH LTD		15,690	15,690 HWBC co-location
THE PARTY WALL COLLECTIVE LTD		3,000	3,000 Provision of Housing and Library Improvement Works in West Wickham
T F & PARTNERS		37,772	37,772 Crystal Palace subway
TOPBOND PLC	11,631		11,631 Kelsey Park Replacement Bridges
V T CONSULTING		12,825	12,825 Crystal Palace Park - Regeneration
WATERMAN BUILDING SERVICES LTD	91,250		91,250 HWBC co-location
WOMBLE BOND DICKINSON UK LLP		25,330	25,330 Bushell Site Development
WOMBLE BOND DICKINSON UK LLP		15,507	15,507 Crystal Palace Park - Regeneration
M E H		180	180 London Private Sector Renewal Schemes
K N BUILDING DESIGN		300	300 London Private Sector Renewal Schemes
WATERSIDE & ASSOCIATES LTD		440	440 London Private Sector Renewal Schemes
L H B LTD		756	756 London Private Sector Renewal Schemes
ELWYNS WINDOWS LTD		12,137	12,137 London Private Sector Renewal Schemes

Grand Total

<u>4,004</u>	<u>270,901</u>	<u>382,619</u>	<u>1,320,392</u>	<u>2,357,536</u>	<u>4,335,451</u>
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