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Assistant Director of Exchequer and Revenue Services
London Borough of Bromley
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25 January 2010

Our Ref: JT/gb

Dear Phil,

As we approach the Executive & Resources PDS Committee meeting where we review the performance of the Exchequer service, we take this opportunity to write to you with Liberata's assessment of the current performance of this critical service that we have provided to London Borough of Bromley (LBB) and its citizens during the period from August 2009 up to 31st December 2009. Furthermore, we set out areas where Liberata is focussing its efforts in order to continue service enhancements and deliver Service Excellence.

COUNCIL TAX

The in-year collection performance at the 31st December 2009 was 85.50% which is a 0.52% reduction when compared to the same period last year.

Arrears collection performance also showed a dip in performance of 0.63% with 85.19% having been collected by 31st December 2009 compared to 85.82% at the same time last year. For this quarter 39.11% was collected compared to 39.68% for the same period last year.

We continue to aim at reaching last years performance levels which, given the economic climate is challenging. To help us do this we have:

- Introduced a new payment arrangement policy. Call Centre advisors have been trained to ensure compliance. This new policy will unify the way in which all staff make arrangements and stream line the process to ensure defaulters are moved quickly through to the next recovery stage.

- Continued to hold a drop in summons surgery each month to give taxpayers the opportunity to meet with Recovery staff to discuss issues and make arrangements. We have seen a reduction in the numbers of people attending court since it was launched in July 2009.
- Better communication between Bromley, Sheffield and Barrow supported by a communication policy which provides clear guidance to ensure issues can be escalated effectively between Council Tax and our Call Centre. This is proving to be beneficial for both service areas and has assisted in resolving various issues which have been identified by both sides. This process continues on a weekly basis.
- We have redesigned our Single Person Discount and Exemption templates to help customers complete them more easily and make the processing of these more efficient.
- Our process for making attachments to earnings for council tax arrears has been amended and we are now able to attach 2 years arrears as opposed to just one.

In addition to the above we believe that as part of our programme of continuous improvement, the initiatives and activities we are undertaking to improve collections will help us rise to this challenge. These initiatives include:

- The 'Flow project' is soon to be implemented for LBB. This project will ensure that all work will be managed through the system as we still had a small portion of work being processed and managed manually. In addition this project will deliver improved (automatically and additional) management reporting and visibility.

Business Rates

The team continues to be very busy with the activities associated with the Government initiatives put in place to support businesses through the economic downturn. Volumes of incoming correspondence and telephone calls have increased due to the economic downturn.

The in-year collection performance at 31st December 2009 was 88.26% compared to 89.69% for the same period last year. This

reduction of 1.43% is however to be expected as a result of the difficulties experienced by businesses during the current economic climate. The combined in-year and arrears collection performance for the same period was 86.96% compared to 88.08% last year which is a reduction 1.12%.

As we reported in our last update, there is no doubt that the economic downturn has made collection more challenging for us. The Government recognised the impact of the recession on business by introducing the business rates deferment scheme, enabling ratepayers to request to defer their business rates for 2009/10 over a three year period.

In Bromley a total of £541,054 has been deferred to date which reduces the adverse variance to 0.8% as we will be unable to collect this element of the debt until next financial year

The Liberata team is proactively supporting the activities associated with the regulations and initiatives taken by the Government.

Where possible extended payment arrangements have also been accepted to help businesses throughout the year. For 28 accounts we have offered and accepted an arrangement to clear the business rates over 12 months.

In addition we have ensured that we promote and encourage potential recipients of Small Business Rate Relief (SBRR) to apply.

With regard to recovery activities we have:

- Issued 541 'pay up' letters for outstanding balances not on arrangement or with the bailiffs which had a monetary value of £1.1m
- Reviewed all accounts with arrears outstanding and issued 7 Day letters in advance of enforcement action
- Proactively contacted ratepayers who have failed on their discretionary arrangement to request immediate payment via Debit Card
- Ensured payments to the bailiffs are sent to us weekly.

Furthermore the team continues to execute the initiatives that were implemented last year which are now part of Business As Usual. These focus on: Checking Top 500 debtors for any defaults; improved monitoring of Bailiff cases over 90 days and proactively following-up of arrears outstanding over the last two years.

DEBTORS

We now have dedicated resources focused on Utility debts. This resource is pressing for payment and helping to resolve disputes. This has resulted in us now receiving regular payments from Thames Water and in a payment from Virgin Media this month for £132,499.

However, there is more work for us to do. This includes:

- Providing the details of unpaid debts to debt collector regularly - this will be up to date by mid February.
- Reviewing all debts returned by debt collector to move on in recovery cycle i.e. Court action/write-off recommendations - this will be completed by the end of February.
- Using a debt collector to undertake visits to collect unpaid debts.
- A review of debts referred to Marstons as part of the LBB pilot and then making recommendations regarding enforcement action.

CASHIERS

Liberata's Cashiers, Post Room and Intake Teams have continued to provide a reliable, dependable and effective service for both the Civic Centre and the Walnuts Office in Orpington. Accuracy levels continued to be stable at 99.36%.

All Key Performance Indicators continue to be achieved, including the maintenance of the Sink Account and the management of the Loomis contract.

Our Key Performance Standards promise to our customers has been fulfilled and the high standard of service and commitment has been fully maintained in accordance with our pledge to our customers and client.

The jointly funded refurbishment of the Cashiers office in the Civic Centre has now been completed. This has resulted in an improvement to both the aesthetics and practical working environment. The Changes have contributed to providing a better service to our customers, for example: moving the cash counting section, which reduces the working time and effort of moving tonnes of coins, and the new postal racking which has made sorting over 100,000 postal items a year much faster.

PAYROLL

The focus of the Payroll team for this reporting period has been on implementing pay awards, preparing and planning for the complex Single Status implementation and managing the Business As Usual services at continued high service levels. The accuracy performance for the period to 31st December 2009 continued to be very high and stable with the Employee Payroll performing at 99.82% and the Pensions Payroll at 99.99%.

The Single Status proposals have been accepted by the Unions and four members of the Payroll team and a Project Manager have worked together to identify the detailed project plan required to ensure a high degree of accuracy during processing. There are however several limitations within the payroll system that will result in certain areas of the implementation being managed by extracting data from the system, manipulating the data and then uploading these back into the system.

Our final year end task was completed in August 2009 with the annual Teachers Service Return being completed before the deadline of the 31 August 2009. The return took in excess of 160 hours to complete and it is hoped that the ResourceLink Service Return functionality can be utilised in future years.

PENSIONS

The Pensions Team has had a very busy period from August 2009 until 31st December 2009 with numerous projects being executed alongside managing the Business As Usual service. These projects included:

- Annual benefit statements for active employees were issued
- Life certificates to our overseas pensioners were issued
- The Disaster Recovery Test was successfully completed
- As part of LBB's Internal audit we have assisted and provided guidance to the Auditors regarding the pension scheme as well as provided a number of reports
- Customer Service Week. We held two separate road shows at Exchequer House which provided the opportunity for employees to use the 'drop in pension surgeries' to make enquiries or to view the 'New Look Scheme' DVD.

INVESTMENT IN THE COMMUNITY

Building on the highly successful student programme Liberata has re-launched the scheme by initially taking on 4 new students from Bromley College. The students are placed within teams with the

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intention of them gaining work experience in the services provided by Liberata for London Borough of Bromley.

The student scheme supports young people gaining qualifications in their chosen subjects; develop their employability and interpersonal skills with the aim to help them move forward in their careers and personal development.

In the recent years the programme has been so successful that we have appointed 8 students/apprentices into permanent roles at Exchequer House.

To assist in managing the students Liberata has created a Bromley Student Development Board consisting of dedicated and enthusiastic individuals who co-ordinate the programme, liaise closely with the college and act as mentors to the learners. Liberata are also looking at providing continual professional development opportunities for existing employees through the introduction of apprenticeship schemes and National Vocational Qualifications in relevant business topics.

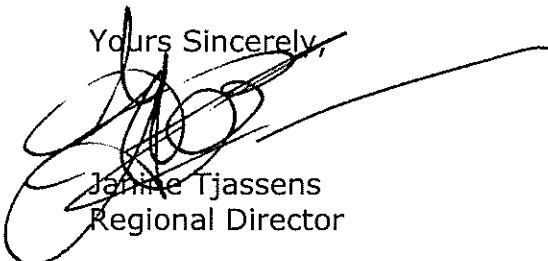
Liberata are continually looking for ways to reach vulnerable groups in the community who may be eligible for benefits. In December 2009 we worked with two charitable organisations, Acorn Group and the United Reformed Church, to provide Christmas presents (including chocolates, biscuits, plants and lots of other goodies) to over 230 people.

We also included a calendar which promoted our call centre number and a 'call to action' encouraging them to contact us to check their benefit entitlements. Both charities were grateful for the co-operation, support and gifts at what can be a difficult time of year for their target groups.

In summary, we are pleased to be able to report that although the affects of the economic downturn have continued to be apparent for the last months of the year 2009, the performance of the Exchequer Service remains at a stable level and we continue to strive to deliver continuous improvement in pursuit of Service Excellence.

Liberata remain firmly committed to delivering an outstanding service to the London Borough of Bromley and its citizens.

Yours Sincerely,



Janine Tjassens
Regional Director