

Peter Turner
Director of Finance
London Borough of Bromley
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Date: 4 July 2013

Our Ref: AIF/GT

Dear Peter,

As we approach the July 2013 Executive & Resources PDS meeting 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 financial year ending 31st March 2013.

Council Tax

The in-year collection performance at the 31st March 2013 was 97.76% which is 0.13% ahead of last year's performance, and is the highest collection achieved to date.

Arrears collection performance also showed improvement with 97.45% collected compared to 97.43% last year.

We are continuing with the drop-in summons surgeries each month. This provides taxpayers with the opportunity to meet with Customer Services staff to discuss issues and make arrangements

Business Rates

Most London Borough Local Authorities are experiencing a drop in collection of Business Rates. This has been attributed to the five year Rateable Value increases that came in during this period, along with the economic climate. As a result the 2012/13 performance for in-year recovery of 98.72% showed a 0.09% reduction on the previous year. However, arrears collection showed a 2.21% improvement over the same period.

The team have continued with its targeted collection activities, focusing on checking the Top 500 debtors for any defaulters, improved monitoring of bailiff cases over 90 days, and proactively following-up of the arrears outstanding, in particular those of the last two years.

Empty Homes Review

Liberata provided the Empty Homes Review service resulting in additional 'New Homes Bonus' funding to the Council of approximately £1.1m. This service identified and reduced the number of empty properties by 112 which represents 13.3% of long term empties.

Debtors and Income

In April 2012 Liberata took on the invoicing and Income function from the London Borough of Bromley. A review of the processes resulted in the transfer of the physical handling of cheque and cash payments from the income team to the cashiering team who are able to utilise their secure area for this work.

Liberata is working towards streamlining the invoicing process with a target of issuing invoices on the day of request, as well as improving accuracy and clarity for the customers.

The annual issuing of the Trade Waste contracts went smoothly with £117k of the outstanding debt of £157k being covered by direct debit payments.

The in year collection figure for 2012/13 on sundry debts was 88.7% which generated income of £33.4m. Liberata continues to work in partnership to improve collection; this includes arrears meetings which are attended by Liberata and the London Borough of Bromley staff, conducting trials with alternative debt collecting agencies and continuing with pro-active collection within the team.

The need for Nightly Paid Accommodation has increased significantly during the year. Although the arrears have increased, the income from Housing Benefit and payments have also increased which has maintained the collection rates. Liberata is working closely with the Temporary Accommodation team to reduce the time taken to set up rent accounts which will improve collection further.

Accounts Payable

During the last financial year the Accounts Payable (AP) Team were transferred to Liberata. The transfer took place in three phases starting in October 2012 and ending in February 2013.

Both during and after the transfer process the team continued to provide a high quality service with 97% of invoices being paid within 30 days during the period 1st October 12 to 31st March 13, and 94% being paid within 20 days.

The focus over the coming year will be to work closely with the service departments to see where we can improve our performance through increased automation and process re-engineering.

Cashiers

During 2012/13 the Kiosk, which had first been installed in the previous financial year, took £2,811,416.

Liberata continue to encourage customers to make payments by Direct Debit.

Pensions and Payroll

This year the Liberata Payroll and Pensions Teams have successfully implemented the greatest change for many years. This included the changes to the Pensions Regulations regarding auto-enrolment which necessitated the requirement to review and implement the new processes required by the Pension Regulator.

On 1st March 2013 Liberata successfully implemented the Staging Date on the Council's behalf. This involved identifying those staff already in a pension scheme, then assessing each employee to determine whether he or she was an eligible, non-eligible or entitled worker and sending an appropriate letter to each individual to inform them of the situation. Some 7,000 letters were sent. Since the payroll system could not accommodate these changes this exercise was carried out manually and was concluded successfully and on time. Each month since that date an assessment has taken place to identify any triggers for change and to action these in a timely way.

The Pensions Administration Team now have the task of manually inputting a new pensions record for all transitional job holders and for employees with a three month postponement and have written to all employers with instructions and copies of the various relevant letters.

During this busy period the Payroll Team continued to provide a valued service with an average accuracy rate of 99.90% whilst the Pension Team managed an average of 97.5% of service level compliance.

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

Yours sincerely,

Amanda Inwood-Field
Contract Director