

Appendix 1

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

7 December 2015

Our Ref: AIF/RJ

Dear Claudine,

As we approach the January 2016 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 the 6 month period 1st April 2015 to 30th September 2015.

Debtors and Income

The in-year collection figure on Sundry Debts was 88.13% as at 30th September 2015, which was 19.48% above the previous year and generated income of £22.84m. Of the total debt outstanding £1.82m (29.5%) related to debts which were less than 30 days old.

The combined out-of-year collection was 56.03% as at the end of September 2015 which is lower than as at 30th September 2014. However, there are certain categories of debt where we are unable to carry out recovery action and this adversely affected our performance, these debt types include the following:

- Debts in Dispute of £386k
- Debts secured by Charging Orders of £380k
- Debts recommended for Write Off of £383k
- Debts relating to Housing Benefit Admin Penalty debts which are not yet payable of £100k

- Debts covered by payment arrangements of £238k

The above debts total £1.49m and represented 62.27% of the outstanding debt as at 30th September 2015. If our collection figure was adjusted by these debts then we would have achieved 70.97%.

The total debt figure for Utilities as at 30th September 2015 was £359k which was a reduction of £772k (68%) on the previous year. British Telecom is the largest debtor with an outstanding balance of £186k.

Liberata continues to work in partnership with service departments to improve collection and recovery. Liberata regularly meets with London Borough of Bromley staff to discuss arrears and proposals for process changes in order to improve the service to our customers and to increase collection.

The need for Nightly Paid Accommodation has continued to rise and this has resulted in an increase in the volume of debts associated with this area. The six month results to 30th September 2015 show that payments received direct from debtors totalled £256k which exceeded the previous year by £110k (74%). In addition the amount collected from Housing Benefit awards was £880k (42%) higher than the previous year. Liberata continues to work closely with the Temporary Accommodation team to reduce the time taken to set up rent accounts.

Accounts Payable

During the period to 30th September 2015 the percentage of invoices that were paid within 30 days was 99% which was a 1% increase compared to the previous year. The percentage paid within 20 days during the same period has also increased by 1% from 96% to 97%.

The percentage of suppliers paid by BACS has increased from 87% to 88%.

Financial Assessment and Management Team

During the six month period under review we started a number of initiatives to improve the Financial Assessment team's performance and productivity and these included the following:

- The Visiting Officers in the team now have access to DWP records to allow them to capture and validate customer's benefits information before their visits. This helps to speed up the process for completing a Financial Assessment as we are no longer reliant on the client to provide this information.
- We have produced a number of reports that record the status and progress of key activities that the team perform. These are produced from CareFirst and will replace the spread sheets that were previously being manually updated to provide the same information. This means that both

Liberata Management and LBB have access to real time performance information.

Appointee & Deputyship Team

As at 30th September 2015 the team had 241 clients of which 177 were for Appointeeship and 64 were for Deputyship. In the six months to 30th September 2015 they arranged for 15 Community Funerals and sold property for one client.

During the period we started a project to move from the current manual banking processes to online bank accounts. Unfortunately due to issues within Lloyds Bank, the project was placed on hold until the New Year. Issues with the type of client bank accounts that we hold have also affected our ability to invest client's surplus funds in ISA's. This should also be resolved in the New Year.

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