

## Appendix 1

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

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Our Ref: AIF/RJ

Dear Claudine,

As we approach the July 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 12 month period 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016.

### **Debtors and Income**

The in-year collection figure on Sundry Debts was 92.92% as at 31<sup>st</sup> March 2016, which was 2.92%% above the target of 90.00% and generated additional income of £1.52m. Of the total debt outstanding, £2.31m (38.18%) related to debts which were less than 30 days old.

The combined out-of-year collection was 65.95% as at the end of March 2016 which is lower than the previous year. 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 £485k
- Debts secured by Charging Orders of £449k
- Debts recommended for Write Off of £405k
- Debts where the Council has placed a hold on recovery work £76k

The above debts total £1.42m and represented 58.81% of the outstanding debt as at 31<sup>st</sup> March 2016. If our collection figure was adjusted by these debts then we would have achieved 85.97%.

The total debt figure for the main utility companies as at 31<sup>st</sup> March 2016 was £384k which was a reduction of £200k (34%) on the previous year. British Telecom is the largest debtor with an outstanding balance of £212k.

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. During the 12 months to 31<sup>st</sup> March 2016 payments received direct from debtors totalled £639k which exceeded the previous year by £276k (76%). In addition the amount collected from Housing Benefit awards was £6.14m which was £1.88m (44%) higher than the previous year.

### **Accounts Payable**

During the year to 31<sup>st</sup> March 2016 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 89%.

### **Financial Assessment and Management Team**

During the 12 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:

- Visiting Officers now have access to DWP records to allow them to capture and validate customer's benefits information. This will reduce the amount of time spent on verifying documentation when carrying out financial assessments in the office and out on visits.
- A number of reports have been produced that record the status and progress of key activities performed by the team. These are produced from CareFirst and replace the spread sheets that were previously being manually updated to provide the same information. This means that both Liberata Management and the Council have access to real time information.
- A revised Financial Assessment Form has been produced and implemented. This is designed to be more understandable than the previous version so should be easier for the users to complete and will result in an improvement in the quality of information received.

- We are currently working with the Council's IT team to implement a solution which will allow us to produce letters directly from the CareFirst system rather than having to manually retype them. This will further improve the quality of the data currently being produced manually and save on processing time.

### **Appointee & Deputyship Team**

As at 31<sup>st</sup> March 2016 the team had 239 clients of which 178 were for Appointeeship and 61 were for Deputyship. In the twelve months to 31<sup>st</sup> March 2016 they arranged 23 Community Funerals and sold properties for two clients. There are a further two properties which are currently in the process of being marketed and sold.

Liberata are working with Lloyds Bank to move from the current manual banking processes to online accounts. The implementation of the new Lloyds Link online system is due to take place in July 2016. In line with this change, Lloyds bank have agreed to pay an enhanced rate of interest on all balances held in the client bank accounts.

We have now invested £430k in respects of 16 Deputyship clients into the Court Funds Officer and/or into a personal Individual Savings Accounts (ISA's) in line with the Council's investment policy.

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**