

# Liberata

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9<sup>th</sup> December 2022

Our Ref: AIF/RJ

Dear Claudine,

As we approach the January 2023 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 eight month period ended 30<sup>th</sup> November 2022.

## Council Tax

The in-year collection for the period was 75.35% which was equivalent to £181.85m of cash collected. The collection rate was 0.69% higher than the previous year. As a result of the pandemic a backlog of recovery work had previously built up but this has now been cleared meaning full and robust recovery action is once again taking place as part of business as usual.

### In Year Collection

	30/11/2022	30/11/2021	Variance
In Year	£m	£m	£m
Net collectable debt	£241.33	£233.46	£7.87
Amount collected	-£181.85	-£174.32	£7.53
Debt remaining	<b>£59.48</b>	<b>£59.14</b>	
<b>Collection Rate</b>	<b>75.35%</b>	<b>74.67%</b>	<b>0.69%</b>

The all-years collection figure achieved was 75.56% which was an increase of 1.15% compared to the previous year.

## All Years Collection

	30/11/2022	30/11/2021	Variance
	£m	£m	£m
All Years			
Net collectable debt	£246.99	£238.67	£8.31
Amount collected	-£186.61	-£177.58	£9.03
Debt remaining	<b>£60.37</b>	<b>£61.09</b>	
Collection Rate	<b>75.56%</b>	<b>74.40%</b>	<b>1.15%</b>

In order to try and maximise Council Tax recovery we commenced a number of new initiatives during the period. These were aimed at providing faster contact with debtors in order to encourage earlier engagement thereby obtaining payments quicker. These measure included increasing the frequency of issuing Final notices to non payers, increasing the number of SMS reminders issued and prompt investigation of Executors accounts to ensure that bills were issued to the correct parties.

In order to further aid debt recovery we will be introducing the following initiatives during the remainder of the year:

- A campaign to identify and contact potential account holders who pay regularly and are up to date to encourage them to sign up for direct debit.
- Contact regular payers who suddenly miss a payment in order to identify potential problems at an earlier stage and prevent unnecessary recovery action if possible.
- Identify and contact customers who may be missing out on their entitlement to Council Tax Support in order to reduce their collectable debit.
- A review of the credits held on the system to ensure that, where possible, they are offset against any debits.

We have continued to see an increase in the number of residents signing up for an online MyBromley Account in order to access online services. During the eight month period over 12,000 residents registered for an account bringing the total number of accounts held to over 117,000. This growth reflects both the increasing popularity by 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 are currently only 7,500 customers making use of electronic billing so work is underway to transfer direct debit payers to this method of billing in time for the 2023/24 annual billing exercise.

## Business Rates

As at the period end the in-year collection rate was 74.25%, representing cash of £67.08m, and was an increase of 11.85% compared to the same period last year. This increase in collection was due to two factors, firstly the increased recovery

activity taking place following the ending of all restrictions previously imposed as a result of the pandemic. Secondly, collection was aided by the introduction of the Government's support packages for business a Covid Additional Relief Fund (CARF). This relief was awarded to businesses meeting the eligibility criteria and was credited to their Business Rates account.

#### In Year Collection:

	30/11/2022	30/11/2021	Variance
In Year	£m	£m	£m
Net collectable debt	£90.35	£75.75	£14.60
Amount collected	-£67.08	-£47.26	£19.82
Debt remaining	<b>£23.27</b>	<b>£28.49</b>	
<b>Collection Rate</b>	<b>74.25%</b>	<b>62.39%</b>	<b>11.85%</b>

The all year's collection rate for the period was 70.70%, which is an increase of 11.82% on the previous year, as above this is partly due to the CARF awards but also to the increased recovery activity.

#### All Years Collection Rate:

	30/11/2022	30/11/2021	Variance
All Years	£m	£m	£m
Net collectable debt	£90.89	£81.17	£9.71
Amount collected	-£64.26	-£47.79	£16.47
Debt remaining	<b>£26.63</b>	<b>£33.38</b>	
<b>Collection Rate</b>	<b>70.70%</b>	<b>58.88%</b>	<b>11.82%</b>

As with Council Tax in order to try and maximise recovery we introduced a number of initiatives to increase the speed and frequency of our contact with debtors. These included increasing the frequency of issuing Reminders and Final notices to non payers and actively calling businesses which had received the above notices.

We also have further planned enhancements which will help with recovery and these are:

- Reviewing how to utilise software which would help identify businesses falsely claiming Small Business Rate Relief.
- Establishing a list of large businesses where it would be beneficial to create an ongoing dialogue to ensure changes to properties are notified promptly for the benefit of all parties.

## **Council Tax Energy Rebate**

As part of the Government's support for household energy bills the Council were charged with paying either £150 or £190 to eligible households in the Borough to help them pay their energy bills. Liberata worked with the Council to identify these households and then to make these payments as quickly as possible. By the time the scheme closed, on 30<sup>th</sup> November 2022, over 75,000 residents had received a payment.

## **Cashiers**

During the period we collected £3.01m which related to 6,826 transactions and included amounts taken via the kiosks, post and central income. This figure is down on the previous year of £5.09m and is even down on the figure taken for the period April to November 2020 of £4.36m, which was during the pandemic. This is further evidence of residents moving to online methods of payments.

## **Pensions and Payroll**

The Pension Team achieved an average of 96.13% service level compliance over the year to 30<sup>th</sup> November 2022. The Payroll Team also continued to provide a valued service with an average accuracy rate of 99.91% across the Council's Corporate, Schools and Pensions payrolls. During this period the Payroll team has been working with the Council on their project to migrate the current payroll platform to a new Oracle platform. This project is due to go live in April 2023.

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

Yours sincerely

*Amanda Inwood-Field*

**Amanda Inwood-Field**  
**London Regional Contract Director**