

Liberata UK Limited
2nd Floor Front
60 Cheapside,
London,
EC2V 6AX

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

7th June 2023

Dear Claudine,

As we approach the July 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 period from 1st April 2022 to 31st March 2023.

Council Tax

The in-year collection for the period was 97.12% which was equivalent to £234.12m of cash collected. The collection rate was 0.30% 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

	31/03/2023	31/03/2022	Variance
In Year	£m	£m	£m
Net collectable debt	£241.06	£233.42	£7.64
Amount collected	-£234.12	-£225.99	-£8.13
Debt remaining	£6.94	£7.42	
 Collection Rate	 97.12%	 96.82%	 0.30%

The all-years collection figure achieved was 96.89% which was an increase of 0.41% compared to the previous year.

Liberata is a trading name of Liberata UK Limited

(Registered in England and Wales - No 1238274)

Registered Office: 2nd Floor Front, 60 Cheapside, London, EC2V 6AX

Liberata UK Limited is a subsidiary of Outsourcing UK Limited (Registered in England and Wales – No 10280945)

Registered Office: Floor 9, Peninsular House, 30-36 Monument Street, London, EC3R 8LJ

All Years collection

	31/03/2023	31/03/2022	Variance
All Years	£m	£m	£m
Net collectable debt	£246.47	£238.50	£7.97
Amount collected	-£238.80	-£230.10	-£8.70
Debt remaining	£7.67	£8.41	
Collection Rate	96.89%	96.48%	0.41%

As part of our efforts to maximise Council Tax recovery, we implemented some new initiatives during the period. These were aimed at providing faster contact with debtors to encourage earlier engagement thereby obtaining payments quicker. These measures 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 addition, to improve debt recovery we introduced the following initiatives during the year:

- Contact regular payers who suddenly miss a payment 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 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 to access online services. During the year nearly 19,000 residents registered for an account bringing the total number of accounts held to over 124,000. This growth reflects both the increasing popularity of this access channel with 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. On average there were over 14,000 interactions via MyBromley each month.

There are now over 52,000 customers receiving electronic bills. The switch to e-billing did have a significant impact on customer services and back-office resources as the number of existing MyBromley account holders who had forgotten passwords or the answers to security questions was far above any reasonable expectations. Clearing these enquiries took longer than desired but incoming contact is now back to pre-switch levels.

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Business Rates

As at the period end the in-year collection rate was 97.21%, representing cash of £87.76m, and was an increase of 1.75% 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 due to the pandemic. Secondly, collection was aided by the introduction of the Government's support packages for business i.e., the Covid Additional Relief Fund (CARF) scheme. This relief was awarded to businesses meeting the eligibility criteria and was credited to their Business Rates account.

In Year collection

	31/03/2023	31/03/2022	Variance
In Year	£m	£m	£m
Net collectable debt	£90.27	£75.11	£15.16
Amount collected	-£87.76	-£71.70	-£16.05
Debt remaining	£2.52	£3.41	
Collection Rate	97.21%	95.47%	1.75%

The all-year's collection rate for the period was 93.10%, which is an increase of 2.48% on the previous year. As stated above, this is partly due to the CARF awards but also due to the increased recovery activity.

All Years collection

	31/03/2023	31/03/2022	Variance
All Years	£m	£m	£m
Net collectable debt	£88.57	£80.10	£8.47
Amount collected	-£82.47	-£72.59	-£9.87
Debt remaining	£6.11	£7.51	
Collection Rate	93.10%	90.62%	2.48%

Just like we did for Council Tax, Liberata introduced a number of initiatives to increase the speed and frequency of our contact with debtors to help maximise collection levels. These included increasing the frequency of issuing Reminders and Final notices to non-payers and pro-actively calling businesses which had received the above notices.

Software is now also being utilised to help identify businesses falsely claiming Small Business Rate Relief.

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We also have a further planned enhancement which will help with recovery which is 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 was required by Central Government to pay 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 30th November 2022, over 75,000 residents had received a payment.

Homes for Ukraine Support Scheme

Working with the Council we have created a platform to manage the delivery of payments in respect of the Homes for Ukraine scheme. As at the end of March 2023, over 160 sponsors had received payments for hosting Ukrainian families.

Cashiers

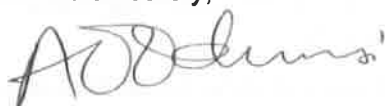
During the year Liberata collected £3.75m which covered 9,446 transactions and included amounts taken via the kiosks, post and central income. This shows a decrease from 2022 of £2.55m which has continued the largely downward trend seen in this area as residents continue to demonstrate a preference for online methods of payment.

Pensions and Payroll

The Pension Team achieved an average of 96.55% service level compliance from 1st April 2022 to 31st March 2023. The Payroll Team also continued to provide a valued service with an average accuracy rate of 99.96% across the Council's Corporate, Schools and Pensions payrolls. During the last 12 months Liberata have been working with LBB and their third-party partner (Namos) to prepare for migrating Payroll from Zellis Resource Link to Oracle with a go live date of 1 April 2023.

I conclude by reassuring you that Liberata remains firmly committed to delivering an outstanding service to the London Borough of Bromley and its citizens.

Yours sincerely,



Bola Odunsi
Regional Director (London & The Southeast)

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The key elements of the Revenues Service includes (2022/23 figures):

- **£254.8 million** – Annual amount of Council Tax raised.
- **£98.5 million** – Annual amount of Business Rates raised.
- **£13.9 million** – Annual payment of Council Tax Support
- **£77.0 million** - Annual payment of Housing Benefit
- **£76.9 million** – Gross payment of staff salaries (through the LBB payroll service, including schools, excluding Academies) for the period from 1st April 2022 to 31st March 2023
- **£32.0 million** – Payment of Pensions from 1st April 2022 to 31st March 2023
- **£3.75 million** – 1st April 2022 to 31st March 2023 revenue on 9,446 transactions, this includes Kiosk
- (514 Loomis cash collections during the year to 31st March 2023)

Council Tax Data:

In year collection performance by Liberata is shown below:

Best Value PI's	Actual 12/13	Actual 13/14	Actual 14/15	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Actual 19/20	Actual 20/21	Actual 21/22	Actual 01/04/22 to 31/03/23
BV9: CTAX Collected	97.76%	97.50%	97.70%	97.79%	97.93%	98.04%	98.00%	97.86%	96.51%	96.82%	97.12%

Actual 31 March 2023 – 97.12%

The amount of collectable debt raised for the year 2022/23 was **£254.8m** in respect of **142,203** properties.

140 Cheque refunds and **9,214 BACs** refunds totalling **£3,192,018.14** have been issued from 1st April 2022 to 31st March 2023.

The following Council Tax recovery notices were issued:

	31/03/17	31/03/18	31/03/19	31/03/20	31/03/21	31/03/22	Actual 01/04/22 to 31/03/23
Reminders	55,553	78,657	63,387	57,196	54,201	63,769	52,036
Summonses	14,052	10,755	9,375	9,561	0	21,132	12,421
Liability Orders	10,338	9,115	8,105	8,606	0	10,010	10,065
14 day letters – Enforcement Agent warning	8,24794	8,647	10,074	9,129	0	10,518	9,491

The 2021/22 debt carried forward at the 1st April 2022 was £7,903,573.86

Council Tax - Summoned Debt	
Summonses / costs	£803,527.46
Arrangement	£764,189.40
Bailiff /14 DAY	£3,690,437.95
Attachment	£2,643.94
Bankruptcy	£0.00
Liability	£378,117.82
Un-summmonsed Debt	
Finals	£612,866.02
Un-summmonsed	£1,651,791.27
Total	£7,903,573.86

The breakdown analysis of the total 2021/22 debt outstanding at the 1st April 2022 of £7,903,573.86 is shown above.

The balance of the total 2021/22 debt outstanding as at the 31st March 23 is £4,859,928.76 a reduction of £3,043,825.10.

Council Tax Arrears Breakdown as at 31st March 2023

ct6223a	Arrears B/F 31.03.2022	Arrears carried forward	Net reduction	Actual % collection
1997	£61.37	£0.00	£61.37	
1998	111.92	£0.00	£111.92	
2000	£2,371.06	£1,923.05	£448.01	
2001	£6,262.16	£5,134.12	£1,128.04	
2002	£14,238.00	£12,841.32	£1,396.68	
2003	£24,490.82	£21,944.79	£2,546.03	
2004	£28,871.70	£25,542.24	£3,329.46	
2005	£44,877.79	£42,233.44	£2,644.35	
2006	£67,423.17	£64,109.66	£3,313.51	
2007	£96,419.11	£90,337.70	£6,081.41	
2008	£115,752.48	£111,380.16	£4,372.32	
TOTAL	£400,879.58	£375,446.48	£25,433.10	6.34%
2009	£143,235.61	£132,984.37	£10,251.24	7.16%
2010	£174,315.90	£165,396.94	£8,918.96	5.12%
2011	£229,663.44	£213,104.82	£16,558.62	7.21%
2012	£307,619.88	£289,607.07	£18,012.81	5.86%
2013	£473,883.47	£441,887.34	£31,996.13	6.75%
2014	£611,823.64	£568,939.76	£42,883.88	7.01%
2015	£883,524.41	£748,167.43	£135,356.98	15.32%
2016	£1,054,464.36	£968,040.81	£86,423.55	8.20%
2017	£1,412,207.20	£1,290,782.76	£121,424.44	8.60%
2018	£2,020,585.30	£1,814,145.48	£206,439.82	10.22%
2019	£2,983,979.80	£2,529,254.70	£454,725.10	15.24%
2020	£4,435,201.47	£3,398,599.56	£1,036,601.91	23.37%
2021	£7,903,753.86	£4,859,928.76	£3,043,825.10	38.51%
TOTAL	£15,131,384.06	£12,936,357.52	£2,195,026.54	14.51%

Business Rates Data:

In year collection performance by Liberata is shown below:

Best Value PI's	Actual 12/13	Actual 13/14	Actual 14/15	Actual 15/16	Actual 16/17	Actual 17/18	Actual 18/19	Actual 19/20	Actual 20/21	Actual 21/22	Actual 01/04/22 to 31/03/23
BV10: Rates Collected	98.72%	98.70%	98.80%	99.05%	98.87%	98.53%	98.53%	98.03%	91.89%	95.47%	97.21%

The amount of collectable debt raised for the year 2022/23 is **£98.5 million** in respect of 7,428 properties.

There have been 885 refunds actioned from the 1st April 2022 to the 31st March 2023 amounting to **£6,490,857.62** in respect of vacation and rateable value reductions.

The following recovery notices were issued -

	31/3/17	31/3/18	31/03/19	31/03/20	31/03/21	31/03/22	Actual 01/04/2 to 31/03/23
Reminders Issued	4,288	3,525	3,245	3,447	1,803	5,350	4,198
Final Notices Issued	1,960	1,985	1,312	2,201	0	2,874	2,496
Summonses Issued	1,123	768	601	429	0	612	1,020
Liability Orders	525	522	550	438	0	584	900
Accounts passed to Enforcement Agent	184	159	203	369	0	545	1,015

The **2021/22** debt carried forward at 1st April 2022 was **£3,470,176.63**

NNDR recovery stage	Amount
Un-summoned	£143,668.13
Arrangement	£442,507.63
Enforcement Agent	£823,801.20
Final	£492,119.57
Liability	£342,404.11
Reminders	£252,922.07
Summoned	£972,753.92
Total	£3,470,176.63

Movement in arrears for reporting period –

Arrears total 2001 - 2021/22 as at 01/04/22 **£7,082,776.09**

Arrears total 2001 - 2021/22 as at 31/03/23 **£3,173,748.35**

Reduction in Overall arrears £3,909,027.74

Business Rates Arrears breakdown as at 31st March 2023

Appendix 2

	Arrears B/F 31.03.2022	Arrears carried forward	Net reduction	Actual % collection
2001	137.94	137.94	0.00	
2008	1,143.35	1,143.35	0.00	0.00%
2009	938.03	938.03	0.00	0.00%
2010	6,732.24	0.00	-6,732.24	-100.00%
2011	6,183.11	1,576.41	-4,606.70	-74.50%
2012	29,929.11	10,879.38	-19,049.73	-63.65%
2013	39,431.86	17,513.98	-21,917.88	-55.58%
2014	63,264.40	26,518.72	-36,745.68	-58.08%
2015	66,997.40	26,246.67	-40,750.73	-60.82%
2016	138,003.99	86,821.81	-51,182.18	-37.09%
2017	359,509.81	211,717.60	-147,792.21	-41.11%
2018	468,082.05	360,513.57	-107,568.48	-22.98%
2019	1,028,854.35	647,969.19	-380,885.16	-37.02%
2020	1,466,391.82	622,057.55	-844,334.27	-57.58%
2021	3,407,176.63	1,159,714.15	2,247,462.48	-65.96%
	7,082,776.09	3,173,748.35	3,909,027.74	

Backdated revaluations and the removal of discounts and exemptions can result in a backdated increase in arrears

Cashiers Data

The cashiering service dealt with the following transactions in the period 1st April 2022 to 31st March 2023:

Civic Centre Total	Transactions including Kiosk
£3,749,659.47	9,446

Payroll Data:

The average number of payments made each month/annually is shown below:

	Monthly	Annually
Non-Teaching/Teaching	2,734	32,812
Pensions	5,522	66,264

Appendix 2

Complaints Data:

[illegible]