

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

Date: 3rd June 2024

Our Ref: BO/DK

Dear Claudine,

As we approach the July 2024 Executive, Resources & Contracts PDS meeting where we consider and review the performance of the Revenues Service, I'm taking this opportunity to write to you with Liberata's assessment of the performance of this critical, high profile service that we provide to London Borough of Bromley (LBB) and its customers.

Liberata's Business Continuity plans remain in place and now the majority of employees are working on a hybrid basis where they work one or two days in the office with the remainder from home.

This summary covers performance for the period: 1st April 2023 to 31st March 2024.

Council Tax

The in-year collection for the period was 96.94% which is equivalent to £249.16m cash collected. The collection rate was 0.18% lower than the previous year. The economic challenges faced by many residents has made debt recovery far more difficult in the last year.

In Year collection

	31/03/2024	31/03/2023	Variance
In Year	£m	£m	£m
Net collectable debt	£257.03	£241.06	£15.97
Amount collected	-£249.16	-£234.12	£15.04
Debt remaining	£7.87	£6.94	
Collection rate	96.94%	97.12%	0.18%

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

The all-years collection figure achieved was 96.18% which is 0.71% lower when compared to the previous year.

All Years collection

	31/03/2024	31/03/2023	Variance
All Years	£m	£m	£m
Net collectable debt	£262.56	£246.47	£16.10
Amount collected	-£252.53	-£238.80	£13.73
Debt remaining	£10.03	£7.67	
Collection rate	96.18%	96.89%	0.71%

To try and maximise Council Tax recovery, we continue to utilise all recovery options available to the team. The introduction of a dedicated high-end debt recovery team should provide increased collection for arrears cases, which may in turn assist with improving the in-year performance.

Another measure we are taking to further aid debt recovery, is that we are introducing a team which will focus on trying to intervene on customers who have received a final notice. This will mean that we ensure that the customer still lives at the address and that we are billing the correct person, and where appropriate that we can make sensible payment arrangements with those who may be struggling and to assist with sign-posting to relevant support services.

We will also be introducing a propensity-to-pay review so that we can tailor our approach to recovery, based on customer circumstances. An outbound dialling service will also be brought on-line in the coming months to assist with chasing debts across all years.

We have continued to see an increase in the number of residents signing up for an online MyBromley Account for access online services. During the year, nearly 16,000 residents registered for an account bringing the total number of accounts held to nearly 140,000. This growth reflects both the increasing popularity and preference of our 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 were just under 200,000 electronic interactions during the year.

There are now 44,000 customers receiving electronic bills. Whilst there were still some customers who needed assistance during annual billing, this was down to a normal level of enquiries, and we did not experience the issues that we faced last year.

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Business Rates

As at the period end, the in-year collection rate was 97.11%, representing cash of £80.57m. This was a decrease of 0.10% compared to the same period last year. This decrease was affected by the challenges faced by small businesses, the increases in the fuel charges and other costs as well as the absence of any form of government grants to business like we had during covid and in the immediate post-covid years.

In Year collection

	31/03/2024	31/03/2023	Variance
In Year	£m	£m	£m
Net collectable debt	£82.97	£90.27	£7.30
Amount collected	-£80.57	-£87.76	£7.18
Debt remaining	£2.40	£2.52	
Collection rate	97.11%	97.21%	0.10%

The all-year's collection rate for the period was 94.16%, which is an improvement by 1.06% on the previous year.

All Years collection

	31/03/2024	31/03/2023	Variance
All Years	£m	£m	£m
Net collectable debt	£86.35	£88.57	£2.23
Amount collected	-£81.30	-£82.47	£1.16
Debt remaining	£5.04	£6.11	
Collection rate	94.16%	93.10%	1.06%

To assist with maximising collection the Liberata Team meet regularly with the Council's Revenues Client Team to review the top debtors and ensure that appropriate and timely action is taken on all accounts.

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Homes for Ukraine Support Scheme

Liberata continue to work closely with the Council to deliver this support scheme and ensure sponsors are paid promptly when taking on new guests. The original software has had to be adapted on multiple occasions as the rules are changed and the scheme extends beyond its initial timescales.

Cashiers

Payments totalling £3.04m were received during the year which covered 9,446 transactions. These payments were received in the post or were taken via the kiosks. The amount received was lower by £710k or 18.9%, when compared to the previous year. This has been an ongoing trend over the last few years as residents have continued moving towards using online methods of payment.

Pensions and Payroll

The Pension Team achieved an average of 96.30% service level compliance over the year to 31st March 2024.

After twelve months of data cleansing the database, the Corporate staff and Pensioners were migrated to the new HRP solution with the first Payroll processed in April 2023. This was not only high volume of data but also consisted of complex terms and conditions so after the first Payroll went live there were some "snagging" issues, but the Council, their migration partner and Liberata worked in partnership to resolve these and continue to address and implement further improvements.

During this time BACS files were all processed on time and any adjustments to pay were arranged by the Faster Payment process ensuring Staff or Pensioners were not ever in a position of hardship.

The Payroll Team also continued to provide a valued service with an average accuracy rate of 99.94% across the Council's Corporate, Schools and Pension.

I trust you find that the above has been informative and comprehensively demonstrates 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 (2023/24 figures):

- **£254.8 million** – Annual amount of Council Tax raised.
- **£90 million** – Annual amount of Business Rates raised.
- **£13.9 million** – Annual payment of Council Tax Support
- **£75.8 million** - Annual payment of Housing Benefit
- **£84.1 million** – Gross payment of staff salaries (through the LBB payroll service, including schools, excluding Academies) for the period from 1st April 2023 to 31st March 2024
- **£35.1 million** – Payment of Pensions from 1st April 2023 to 31st March 2024
- **£3.04 million** – 1st April 2023 to 31st March 2024 revenue on 9,328 transactions, this includes Kiosk
- (453 Loomis cash collections during the year to 31st March 2024)

Council Tax Data:

In year collection performance by Liberata is shown below:

Best Value PI's	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 22/23	Actual 23/24
BV9:CTAX Collected	97.50%	97.70%	97.79%	97.93%	98.04%	98.00%	97.86%	96.51%	96.82%	97.12%	96.94%

Appendix 2

Actual 31 March 2024 – 96.94%

The amount of collectable debt raised for the year 2023/24 was **£254.8m** in respect of **142,950** properties.

34 Cheque refunds and **7418 BACs** refunds totalling **£2,890,340.84** have been issued from 1st April 2023 to 31st March 2024.

The following Council Tax recovery notices were issued:

	31/03/14	31/03/15	31/03/16	31/03/17	31/03/18	31/03/19	31/03/20	31/03/21	31/03/22	31/03/23	31/03/24
Reminders	56,256	54,745	52,125	55,553	78,657	63,387	57,196	54,201	63,769	52,036	30,822
Summonses	19,267	13,158	9,543	14,052	10,755	9,375	9,561	0	21,132	12,421	13,957
Liability Orders	9,999	8,645	8,337	10,338	9,115	8,105	8,606	0	10,010	10,065	12,410
14 day letters – Enforcement Agent warning	15,816	10,103	12,214	8,24794	8,647	10,074	9,129	0	10,518	9,491	11,725

The 2022/23 debt carried forward at the 1st April 2023 was £7,361,027.70

Council Tax - Summoned Debt	
Summonses / costs	£620,126.98
Arrangement	£483,844.76
Bailiff /14 DAY	£3,547,476.01
Attachment	£3,670.90
Bankruptcy	£0.00
Liability	£751,506.33
Un-summonsed Debt	
Finals	£293,050.35
Un-summonsed	£1,661,352.37
Total	£7,361,027.70

The breakdown analysis of the total 2022/23 debt outstanding at the 1st April 2023 of £7,361,027.70 is shown above.

The balance of the total 2022/23 debt outstanding as at the 31st March 2024 is £4,825,772.93 a reduction of £2,535,254.14.

Council Tax Arrears Breakdown as at 31st March 2024

ct6223a	Arrears B/F 31.03.2023	Arrears carried forward	Net reduction	Actual % collection
2000	£1,923.05	£2,671.35	-£748.30	
2001	£5,134.12	£4,853.75	£280.37	
2002	£12,841.32	£12,187.24	£654.08	
2003	£21,944.79	£21,112.02	£832.77	
2004	£25,542.24	£24,394.10	£1,148.14	
2005	£42,233.44	£38,414.53	£3,818.91	
2006	£64,109.66	£60,718.41	£3,391.25	
2007	£90,337.70	£86,419.95	£3,917.75	
2008	£111,380.16	£103,507.38	£7,872.78	
TOTAL	£375,446.48	£354,278.73	£21,167.75	5.64%
2009	£132,984.37	£125,151.28	£7,833.09	5.89%
2010	£165,396.94	£154,982.69	£10,414.25	6.30%
2011	£213,104.82	£198,357.83	£14,746.99	6.92%
2012	£289,607.07	£268,247.81	£21,359.26	7.38%
2013	£441,887.34	£417,853.93	£24,033.41	5.44%
2014	£568,939.76	£529,003.28	£39,936.48	7.02%
2015	£748,167.43	£690,570.35	£57,597.08	7.70%
2016	£968,040.81	£896,375.19	£71,665.62	7.40%
2017	£1,290,782.76	£1,191,025.31	£99,757.45	7.73%
2018	£1,814,145.48	£1,649,361.55	£164,783.93	9.08%
2019	£2,529,254.70	£2,257,750.45	£271,504.25	10.73%
2020	£3,398,599.56	£2,905,729.98	£492,869.58	14.50%
2021	£4,859,928.76	£3,979,431.06	£880,497.70	18.12%
2022	£7,361,027.07	£4,825,772.93	£2,535,254.14	34.44%
TOTAL	£25,157,313.35	£20,443,892.37	£4,713,420.98	18.74%

Business Rates Data:

In year collection performance by Liberata is shown below:

Best Value PI's	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 22/23	Actual 23/24
BV10:Rates Collected	98.70%	98.80%	99.05%	98.87%	98.53%	98.53%	98.03%	91.89%	95.47%	97.21%	97.11%

The amount of collectable debt raised for the year 2023/24 is **£90 million** in respect of 7,399 properties.

There have been **759** refunds actioned from the 1st April 2023 to the 31st March 2024 amounting to **£5,234,183.07** in respect of vacation and rateable value reductions.

The following recovery notices were issued -

	31/03/14	31/03/15	31/3/16	31/3/17	31/3/18	31/03/19	31/03/20	31/03/21	31/03/22	31/03/22	31/03/24
Reminders Issued	3,545	4,445	4,263	4,288	3,525	3,245	3,447	1,803	5,350	4,198	4,582
Final Notices Issued	2,472	2,353	1,560	1,960	1,985	1,312	2,201	0	2,874	2,496	2,835
Summonses Issued	1,091	1,053	535	1,123	768	601	429	0	612	1,020	1,176
Liability Orders	771	734	411	525	522	550	438	0	584	900	1,006
Accounts passed to Enforcement Agent	650	444	283	184	159	203	369	0	545	1,015	995

The **2022/23** debt carried forward at 1st April 2023 was **£5,701,573.91**

Movement in arrears for reporting period –

Arrears total 2001 - 2022/23 as at **01/04/23** **£5,701,573.91**

Arrears total 2001 - 2022/23 as at **31/03/24** **£3,186,193.52**

Reduction in Overall arrears **£2,515,380.39**

Business Rates Arrears breakdown as at **31st March 2024**

	Arrears B/F 31.03.2023	Arrears C/F	Net Reduction
2008	1,143.35	1,143.35	0.00
2009	938.03	938.03	0.00
2010	0.00	569.71	-569.71
2011	1,576.41	1,536.91	39.50
2012	10,879.38	5,417.33	5,462.05
2013	17,513.98	10,282.62	7,231.36
2014	26,518.72	15,457.08	11,061.64
2015	26,246.67	22,028.57	4,218.10
2016	86,821.81	75,337.46	11,484.35
2017	211,717.60	159,400.26	5,2317.34
2018	360,513.57	234,591.42	125,922.15
2019	647,969.19	457,083.61	190,885.58
2020	622,057.55	402,779.03	219,278.52
2021	115,9714.15	665,787.05	493,927.10
2022	2,527,963.50	1,133,841.09	1,394,122.41

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 2023 to 31st March 2024:

Civic Centre Total	Transactions including Kiosk
£3,041,503.20	9,328

Payroll Data:

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

	Monthly	Annually
Non-Teaching/Teaching	2,701	32,417
Pensions	5,606	67,267

Single Person Discount Comparison 2022/23 & 2023/24

