



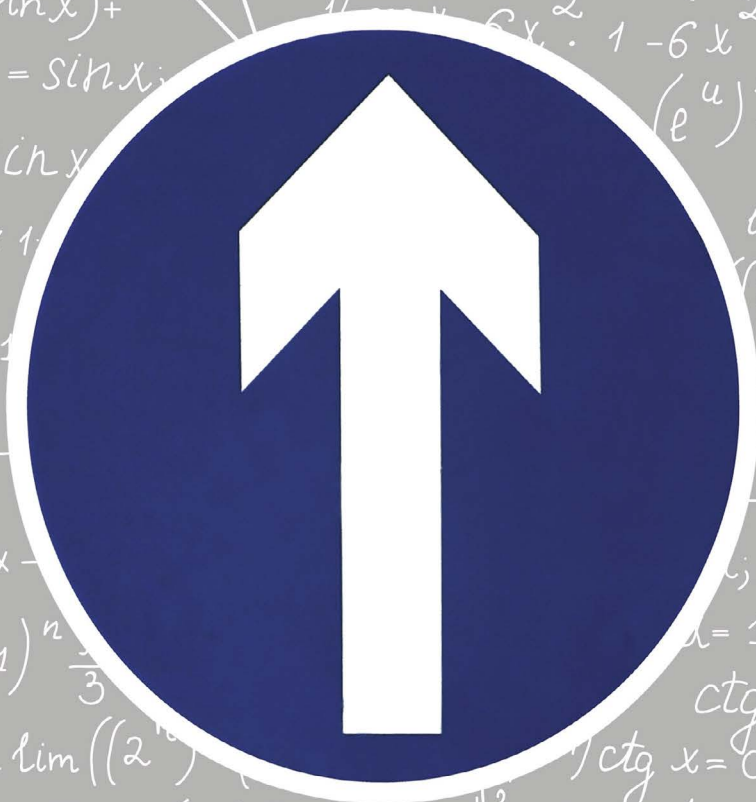
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Sheriff Officers • Collections • Investigations

Keeping you informed

ONE STANDARD FOR ALL

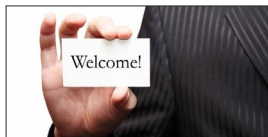
The Common Financial Statement



One way

Also in this issue:

- CFS: a brief guide.
- Fathom Caseflow: Swifter. Proven. Trusted.
- A new regulator takes position.
- Business technology update.



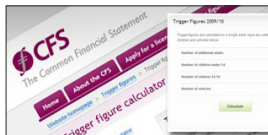
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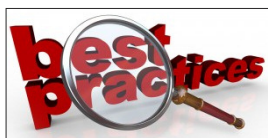
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Expect continued
improvements

A new regulator, new law and a new improved workflow system.



David Walker
Managing Partner,
Walker Love

Welcome to this edition of our briefing for our Scottish Local Authority clients.

With contributions from both of the speakers at the last Local Authority Forum held in May 2014, Pamela Kellock-Shetty from the AiB and Deborah Cox, Fathom, as well as the key discussion points aired during the workshop sessions, I do hope you will find the publication to be both useful and informative.

Due to the discussion surrounding the Common Financial Statement we plan to feature a session hosted by Money Advice Scotland (MAS) on the CFS and how it will work in practice at the next Forum. Dates and venue information will follow in due course.

To provide you with some further background on the CFS we have included a special feature inside, CFS: A brief guide. If you have any immediate questions please do let us know and we will pass them on to MAS and will aim to ensure that questions, concerns and any points of clarification you may have are included in the next session's talks. We also intend to send the points and concerns that were raised during the first workshop discussion session to Pamela as she requested (the AiB are currently drafting the secondary legislation and are actively seeking input – if you have any further points you wish to make, you can email Pamela direct).

Turning to more domestic matters, following the establishment of the new Financial Conduct Authority, which assumed responsibility for regulating the UK Credit Industry,

including all aspects of regulated debt collection, on the 1st April 2014, we have applied for our licence and have already received interim permission. Although Local Authority debt collection does not fall under the FCA's remit, there is reason to believe that in the not too distant future it may well do so. If this does become the case and the FCA's scope does extend to Local Authorities / Sheriff Officers collection, then it will not be an issue for us as we will already be compliant with this more challenging regulatory regime.



Alongside the migration to the new regulator (which involved a significant amount of procedural change!), we have also undertaken a complete refresh of all our compliance policies and implemented additional TCF training for all of our staff. We are also in the process of implementing a new caseflow management system which will provide you with a more efficient workflow, improved targeting and collections performance and an all round more seamless experience for your customers. More on this inside.

If you have any comments on any of the issues raised in this edition and/or suggestions for future LA Forum topics drop me a line at the address below – and please DO take the opportunity to return our online client satisfaction survey to us. We do value your feedback as it helps us to shape our future service delivery to you and how we assess our people's performance. Thanks in anticipation of your response!

E: david.walker@walkerlove.com

Following on from the session hosted by Claire Orr, AiB, at the last Forum (and covered in LA Briefing Issue 2: Bankruptcy and Debt Advice fit for the 21st Century), Pamela Kellock-Shetty, AiB, joined us at May's Forum to share the current thinking and conclusions that have been reached so far in the creation of the secondary legislation.

The Bankruptcy Law Reform consultation proposed a single financial tool to ensure consistency in assessment of debtors' income and expenditure. The responses to the consultation found widespread support for this proposal and a provision relating to the single tool for financial assessment for advisers in the private, public and third sectors to use throughout Scotland is contained within the Bankruptcy and Debt Advice Act 2014 – the bill received Royal Assent on 29th April 2014.

There are two main tools currently operating: the Common Financial Statement (CFS) and the StepChange tool.

The Accountant in Bankruptcy set up a Common Financial Tool Working Group (CFTWG) to consider the two existing tools, and to consider if there was any merit and particular advantages in developing a Scottish-specific tool. The CFTWG was made up of banks, insolvency practitioners, and credit unions, as well as the AiB and Money Advice agencies.



A comparison of the two main tools was undertaken using a sample of 50 current cases. For each case, the funds ingathered over a 48 month repayment period were assessed. The findings highlighted only marginal differences in realisation between the tools and the practical pros and cons of each tool were also scrutinised. It was concluded that developing a Scottish specific tool would offer no real advantages over the two existing solutions which were already available.

The CFTWG's final recommendation was for CFS to become the single assessment tool in Scotland on the basis of sustainability and wide use and support for this tool across the money advice sector.

What is the Common Financial Statement?

The Common Financial Statement (CFS) was first published by the British Bankers' Association (BBA) and the Money Advice Trust (MAT) in 2002. It continues to be managed by the Money Advice Trust (MAT). It is a standard budget format which helps creditors, advisers, and people with debt get a clearer picture of an individual's or household's financial situation.



The main purpose of the CFS is to facilitate a discussion between the adviser and the debtor in order to develop a sustainable repayment plan which not only gets the best return for creditors but also provides the debtor with the best opportunity for financial (and in number of cases lifestyle) rehabilitation – and to break the cycle of debt once and for all.

Contained within the CFS are 4 categories of trigger figures for: Telecomms, Travel, Housekeeping and Other e.g. household repairs and maintenance. Trigger figures represent levels of expenditure among households in the bottom quintile of the income distribution in the UK and are calculated based on research from the UK Government's Living Costs and Food Survey.

Fixed expenditure categories such as rent and mortgage payments do not have a trigger figure as spending on these items varies widely from household to household.

The CFS trigger figures are reviewed annually and published in April. Interim changes to the figures may



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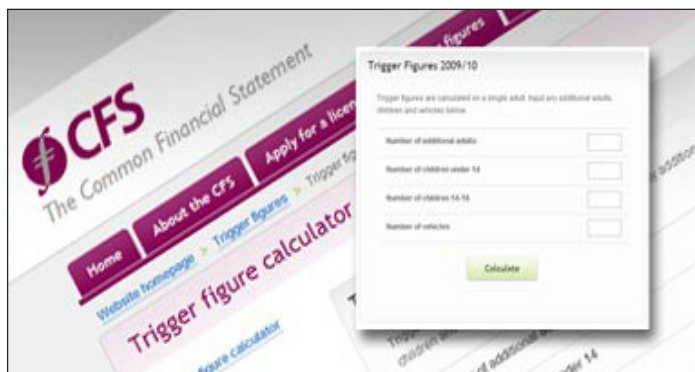
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be made if there is a significant increase within any expenditure category. Trigger figures should not be disclosed to anyone without a CFS licence, nor should they be disclosed to the general public, or used as financial or debt repayment targets. If trigger figures are exceeded by debtors reasons have to be provided.

A CFS licence must be obtained by all those who provide money advice to debtors before they can use the CFS tool. The licence is available free of charge on application to the Money Advice Trust.



Why was the CFS selected?

During the analysis, it was found that trigger figures were breached more by those using the StepChange budget guidelines than those debtors who engaged with the CFS tool. Other reasons included:

- 1) Financial rehabilitation – the CFS tool allows debtors to set money aside for unexpected events.
- 2) Clarity for creditors – the British Banker's Association (BBA), Finance and Leasing Association (FLA) and major utility companies already recognise this tool as an industry standard.
- 3) It's fairer to debtors – the CFS is overseen by a sub-group consisting of representatives from the BBA, FLA, Building Society Association, Advice UK and Citizen's Advice. Any changes to the CFS trigger figures are approved by the sub-group. (AiB is now a member).
- 4) The CFS structure and uniformity encourages a consistent response from creditors and reduces queries.
- 5) The majority of money advice services currently using the CFS and therefore are already familiar with the rules and the software.
- 6) The consultation received 25 responses in support of the CFS, and only 4 in support of the StepChange model.

What next?

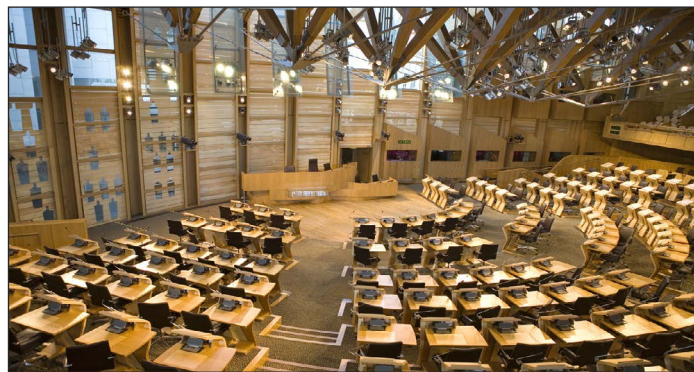
The Bankruptcy and Debt Advice (Scotland) Act 2014 gives Scottish Ministers power to specify a common financial tool and the secondary legislation which is currently being drafted will provide the detail of the CFS tool and how it will operate.

Money advisers will be required to use the CFS with clients to assess surplus income and the new regulations will require advisers to verify income and expenditure prior to entry into a statutory debt solution.

The AiB are currently considering how a provision for savings can be included in the regulations* and we will also develop guidance in addition to the Money Advice Trust CFS guidance, which will be specific to Scottish statutory debt solution (DAS). The trigger figures will be built in to the new AiB case management system. ****The AiB are keen to hear from all Scottish Local Authorities on how they think a savings provision could be included within an income and expenditure assessment.***

The Common Financial Tool Regulations will be introduced to Scottish Parliament later this year and will be commenced by April 2015. The AiB has a representation on CFS Client Support Steering Group (CSSG) which will enable us to monitor progress on the current discussions which are taking place at a UK level on a single income and expenditure statement (based on CFS format, principles and trigger figures). The new single tool will improve the CFS including revising categories and allowing for savings provision. For instance it is likely to include revised income and expenditure categories including spending on telecoms (overall), savings provisions and further help and support on future money management and education.

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See next page for Delegates Q and A.
For more on the CFS see our special feature on p6-8.



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Delegates questions for Pamela Kellock-Shetty

How will the CFS verification process work?

The verification process is critical to the credibility of the CFS and money advisers will be required by the Act and secondary legislation to undertake a robust and thorough assessment of a debtor's income and expenditure patterns and to sign a statement which verifies the submission. The AiB will undertake some auditing of how the CFS is being used by money advisers in Scotland when the new provision is commenced.

Will Money Advisers impose expenditure limits on debtors?

The CFS facilitates a discussion between a money adviser and the debtor. The trigger figures are provided as guidance as to what is reasonable to spend in certain categories.

Will the CFS be mandatory – will it be for all debts?

It will only be for statutory debt solutions in Scotland. For people entering into statutory debt solutions in

Scotland, they will be required to have their income and expenditure assessed using the common financial tool and will be required to disclose all debts.

Can anyone apply for a licence?

Applicants must be carrying out certain functions and meet criteria as devised by the Money Advice Trust (MAT) and they must apply to MAT.

Who gets access to the CFS software & trigger figures?

Only those who have a licence. The general public will not have access to trigger figure information.

It would be very useful for debt collectors, like Walker Love, to have access to the trigger figures, especially as we regularly negotiate repayment plans with debtors which are based on national standards. Will the trigger figure formula be shared with us?

Probably not. The only way debt collectors will have access to this information is if they apply and are successful in their application to MAT.

Common Financial Statement - LA Forum Workshop No. 1

Implications and issues relating to the proposed introduction of the CFS



Delegates thoughts, suggestions and initial reactions.

I intend to send the points and concerns raised by delegates to Pamela as she requested - the AiB are currently drafting the secondary legislation and are actively seeking input – but if you have any further points you wish to make, you can email Pamela direct (*her email address is on p4*).

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Dorothy Lowe

Partner, Business Development
Walker Love

When assessing a debtor's income and expenditure patterns, Council Tax should be viewed as a priority debt, alongside rent, mortgage, utility payments etc.

Concerns were also expressed in relation to the allowances which may be made in the CFS and CFS+ for savings, within an income and expenditure assessment. Delegates were keen to find out how savings will be calculated, how will savings be monitored and what assurances will be on offer that savings are not just being used to camouflage other expenditure?

Financial awareness and education is essential to breaking the cycle of debt. However, the first rule of saving is to pay down your debts first before you save. What kind of message are we sending to future generations if their parents are encouraged to save before they pay down their debts?

A general register of all individuals in the DAS and using the CFS should be created by the AiB. This register should contain clients' case histories and should be accessible by Local Authorities.

All delegates agreed that more detail is required on the CFS and more practical insights are required on how it will operate and the new provisions that could be included within the tool. It was suggested that Walker Love should arrange for a session from Money Advice Scotland at the next Forum, and if the secondary legislation was advanced enough another update session from the AiB.

Consistency in verification will be key to the tools credibility and engendering trust on all sides – debtors, creditors, money advisers, regulators and legislators.

There were significant concerns expressed as to the current proposal by the AiB to conduct spot checks on individual debtor's CFS repayment and rehabilitation plans and progress made. The delegates felt that a more robust and rolling audit and review programme should be developed and findings made available to creditors, money advisers and the like.

Savings should be built into DAS and they should only be accessible to a debtor in an emergency situation, or to pay off a lump sum of debt.



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The Common Financial Statement (CFS) was born out of a commitment from its sponsors to create a uniform approach to how financial statements are prepared and to encourage consistent responses from creditors.

This should mean that when someone is faced with a difficult financial situation, a fair resolution can be found without undue delay.

At Walker Love's next Local Authority Forum we plan to have a session from Money Advice Scotland on the CFS and how it will work in practice. Dates and venue information will follow in due course.

Ahead of the session, we have detailed below some of

the typical questions that have been put to the Money Advice Trust about the CFS and the best practice guide for creditors and advisers which MAT has published. For more on this and further Q&As on the CFS visit:

www.cfs.moneyadvicetrust.org

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What is the CFS?

It features a detailed budgeting format to assist with the preparation of repayment offers that are designed to be realistic, sustainable and stand the test of time. It is underpinned by a commitment from supporting creditors to accept offers made using this budgeting format providing the underlying principle is met. The CFS principle is that offers are made by independent money advisers, based on expenditure within trigger figures following guidelines. A true partnership approach to dealing with over-indebtedness the CFS improves communication and transparency between creditors, 3rd party organisations negotiating on behalf of clients and the debtor.

What are trigger figures?

The trigger figures represent pre-agreed levels for certain areas of discretionary household expenditure. The trigger figures help identify levels of monthly expenditure deemed reasonable when completing the CFS. Advisers do not need to explain the financial statement to creditors unless the trigger figures are exceeded.

What if the household receives council tax or housing benefit?

The simplest way to deal with these benefits is to include the actual amount that the client is entitled to under 'Benefits', regardless of whether they physically receive this benefit income. Under expenditure the total amount of rent and Council Tax should be listed (this would be the amount due if Housing Benefit or Council Tax Rebate was not in payment).

What should be considered if a client exceeds the trigger figures?

Some clients may exceed trigger figure amounts due to their household expenditure being affected by circumstances that are outwith their control. This could be due for example, to poor health, higher travelling distances to work or special dietary needs. In each case an explanation should be provided for the additional expenses incurred by the client in the notes accompanying the financial statement summary sheet.



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What if the CFS shows a deficit because the client's expenditure exceeds their income?

If the client's monthly outgoings are more than they receive in income, the following should be considered before submitting a deficit financial statement: (1) explore all the avenues for maximising the client's income; (2) discuss ways of reducing expenditure with the client where possible. The trigger figures can be used as a guide to review the client's spending; (3) if the client has a valid reason for exceeding trigger figures then this should be explained in the notes accompanying the financial statement summary sheet and any letter(s) sent.

Creditors will vary in how they deal with financial statements that show a deficit. Explanation notes should cover reasons for the deficit budget and what is being done to address the deficit. The explanation should include the likely timescales involved as a deficit budget is not likely to be sustainable in the long term.

Does all income and expenditure need to be verified?

All reasonable steps should be taken to verify a client's income and regular outgoings when preparing the CFS. The OFT Debt Management Guidance section 2.28 states that income must be verified by appropriate means and reasonable steps should be taken to verify regular outgoings.

How should Disability Living Allowance (DLA) or Attendance Allowance (AA) income be treated in the CFS?

DLA or AA paid to a client should again be included in the budget under 'Benefits'. It is important to recognise that this money is paid to the client to cover any specific needs relating to their disability.

Some clients may choose to use some of their disability benefit to repay debts. For most clients this money will be used for specific disability related costs and should be recorded in their expenditure. Disability related costs should be listed under 'Adult care costs' where applicable. Costs relating to mobility needs should be included under 'Travel'. If DLA is paid to a child, the same principles apply as above though costs should be shown under 'Childcare costs'. As this expenditure category can also be used for child minder fees, nurseries etc, total childcare expenditure may be appear higher than average.

Does a client have to include their partner's income in the budget?

A financial statement can be prepared based on the client's sole income even if they have a partner. The budget should show the client's contribution to the household expenses. This should be a fair amount of the actual household expenditure based on the client's income.

What e-learning tools are available for creditors?

There is a free online course which provides a complete introduction to the Common Financial Statement (CFS). Visit <http://www.cfs.moneyadvicetrust.org/> and the CFS Q&A and click the Training tab. The course is suitable for any member of staff involved in processing repayment offers from customers in debt. It is designed to be used either as a stand-alone introduction for staff who are new to using CFS or as a recap/refresher for experienced staff. The course consists of 4 modules and a quiz, which will take approximately one hour to complete:

- Introduction to the CFS – This module outlines the principles and approach that underpin the CFS.
- Using the CFS – This module covers the CFS budgeting format and trigger spending figures.
- Offers and working with advice agencies – This module looks at how CFS is used in the debt advice process and the role of the creditor and adviser good practice checklists.
- Getting Help – This section provides an overview of CFS resources & useful advice tools that build on CFS.



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Common Financial Statement – Creditor good practice checklist

Ensure any communications use plain language, and are positive and sympathetic in manner.

If the customer's payments are not sufficient to prevent a default from being applied to the account, you should not state that the offer has been rejected/declined in any communication(s).

You should not include references to repayment amounts different to those offered by the customer, based on CFS, in communications. You should explain to the customer, in plain language, that while some statutory notices have to include references to contractual repayment amounts, they should just keep paying in line with their offer.

You should clearly state the expected date and frequency of the payments due and, if applicable, how the customer can change the payment date.

If the customer is making their payments directly to you, ensure all payment options are explained, with any preferred methods of payment highlighted.

You should inform the customer of when you will contact them for regular reviews of their financial situation and whether a change in their circumstances may warrant an earlier review of their finances.

You should clearly communicate how interest and charges will be treated on the customer's account.

You should provide clear information about the ways in which the customer or their adviser can contact you.

You should provide customers with information in plain language, about the actions that could lead to a breakdown in the payment arrangement and the consequences of a breakdown.

Common Financial Statement - Adviser good practice checklist

Check that you are using the latest version of the CFS. Using older versions risks using the wrong format and outdated trigger figures. This could lead to offers not being accepted because they are not CFS compliant.

If expenditure exceeds the trigger figures, then this needs to be discussed in more detail with the client and should be reduced where appropriate. If this is not possible and there is a good reason for exceeding a trigger figure, a brief explanation must be provided in the notes section of the CFS summary sheet and the accompanying letter.

You must take reasonable steps to verify a client's income and regular outgoings prior to submitting an offer of repayment.

The client should not delay in making payments by waiting for creditor responses. Advise your client to make the first payment where possible at the same time as submitting their offer.

When submitting an offer to creditors, make sure that the letter contains details of the first payment date, the payment frequency and the proposed method of payment. A brief explanation should be provided if this will be different to the contractual payment date.

Ensure that the accompanying information submitted with the offer briefly outlines the reasons for the client's financial difficulties and any relevant special circumstances, as this will help creditors understand the client's position and why the offer is being made.

If token payments are proposed, you should liaise with the client about likely timescales and inform the creditor about how long token payments may last. You should also agree with the client either a cycle of regular reviews or when the next review will take place.

Ensure that letters and other communications to creditors include your current contact details, together with details of how and when creditors can get in touch with you.



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Substantial increases in throughput, double digit increases in turnover, recovery administration costs halved, lower system administration costs once installed – sound too good to be true? Where Fathom's Caseflow debt management system is concerned, this is just the beginning of the benefit curve organisations enjoy when they adopt Caseflow from Fathom.



Deborah Cox
Managing Director,
Fathom
Management Solutions

Fathom has been providing innovative software systems to the credit services industry for over 25 years. Fathom has an established track record of working with both large and small organisations in Central and Local Government, debt collection agencies, bailiffs/sheriff officers, financial institutions and insurance companies to improve their collections performance and their recovery operation.

Fathom's Caseflow system is an established product with an established user base – it's tried, tested and trusted and the benefits to both debt collection agencies and the end creditors are well defined. The Caseflow system is fully configurable and customisable to the end user's specific requirements. The system is also completely scalable and works as well in small two/three man operations to debt collection operations employing over 500 collectors.

Fathom's software engineers have first-hand experience of local authority debt collection and the processes and procedures involved. In other words, they understand the requirements of local authorities and of those who have been engaged to provide debt recovery advice and services to local authorities.

Why did Walker Love choose Fathom?

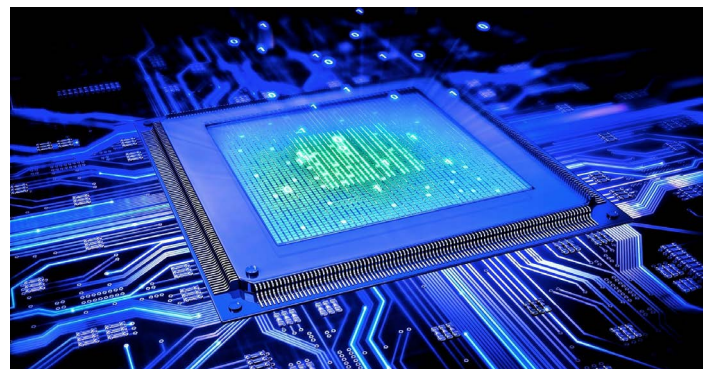
During a rigorous 18 month selection process, we mapped out all of Walker Love's requirements and configured the Fathom Caseflow solution to their Local Authority clients' specific needs – and potential future needs.

The solution is highly configurable which enabled workflows to be programmed to Walker Love's specific client priorities and approach to debt collection, both at an individual debt level and at a corporate level.

One of the biggest challenges we faced during implementation were the Scottish nuances of Council Tax and a significant amount of time was spent configuring workflows, strategies, linked debts, and priorities for old and new debts per individual Local Authority.

Caseflow is a feature rich packaged software solution which integrates with other best of breed products, including word, outlook, excel and 3rd party direct debit software which enables a seamless experience for the user thus improving efficiency of how cases are managed. On a practical level, a good example of this is the amount of time a debtor spends talking to a Walker Love debt adviser on a call will reduce, which will result in lower telephone call charges for the debtor.

As Caseflow streamlines the processes it provides better management information at all levels – this will provide Walker Love's clients with improved reporting and with further insights on developing new approaches and debt recovery strategies.



Caseflow – what's under the hood?

It's a comprehensive receivables and case management system which is used by consumer/retail and commercial/business to business companies and organisations.

The key benefit of Caseflow is that it is the only system which is required to manage the entire account lifecycle. From credit control and account management, to managing early arrears and collections, through to tracing, litigation and the enforcement stages.

As Caseflow is feature rich and highly functional, implementation requires configuration rather than



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programming (which keeps implementation and ongoing management and development costs down).

Caseflow is essentially a database of information which provides full visibility of what is happening in every case at any time. As you would expect with a good database, there is PROCESS behind everything!

For instance, the automated decisioning functionality presents only those items which need action today. The segmentation process for council tax, NDR, sundry debts, tracing, gives the user control over how things are done and into which workstream cases are allocated. This can be set up automatically or semi-automatically i.e. Caseflow can do the work automatically or prompt the collector.

Full visibility of liabilities

The core Caseflow solution already has the ability to packet accounts so that accounts can be worked separately or as one. However, due to the different scenarios with different debt types, multiple parties and Walker Love's requirement to have different workflows for each client, significant time and testing has been spent getting the packeting right for the collection of council tax, NDR and other Local Authority debts.

Accounts can be packeted by Type, Name, Address or PIN Number and the packeting of accounts is triggered at book-on. For example, for council tax, the current year, then last year's and then the previous year's debts can be prioritised into a packet and payments allocated and prioritised according to the Local Authorities requirements.

One instalment plan can be created across all debts in the packet and payment allocation based on rules e.g. current year's debt is paid first or payments can be pro-rated across all the debts in the packet.

Accounts can be added to the packet whenever required and information can be shared and updated across all the debts in the packet - activity at account level and/or packet level is available in management information.

User definable key processes: Importing

Users work with minimal data and no programming is required. Users define their own import templates and data can either be loaded manually or automatically. Once uploaded, Caseflow can be configured to automatically allocate both new and updates to

existing cases, to the specific work streams dependent on pre-defined criteria.

User definable key processes: Workflows

Fathom recognises that not all areas of the business can be serviced by only one workflow strategy and one work pool, that's why it has been made straightforward to create and change strategies and work pools.

Other workflow benefits include: automated decisioning, sophisticated lettering which can be context sensitive or based on language ability to handle bulk cases without human intervention, and the system can be tailored to include user defined pre-requisites and exceptions.

For instance, if a debt is of minimal value the system will not put it down a charge for payment route; if all debts in the packet are below a minimum value, Caseflow will aggregate the debts which will enable the user to take a holistic decision.



User defineable key processes - Segmentation

Segmentation works in conjunction with the workflow and creates "work pools" in Caseflow. This gives the user control over how the work is done. Segmentation is "triggered" automatically by many processes e.g. data import, management intervention and workflow step via the review process.

Once created, pools can be sorted, they can be worked in parallel by different teams, including co-location teams and Walker Love can match the skills and expertise of its debt collectors to the relevant work pools. Pools can also be downloaded to the dialler, thereby further improving the efficiency of the whole operation.



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Users definable key processes: Reporting

Fathom provide a significant number of reporting options and delegates were asked to discuss the following options and any additional requirements during the workshop discussion:

- Monthly debt allocation / Stair Step performance
- Monthly inventory : -
 - Payment Plans, Earnings Arrestments, Bank Arrestments, Attachments & Misc. diligences
 - Pends
 - Income Support
 - Goneaway – Trace

- Paid in Full
- Irrecoverable – sub categorised with reason codes
- Monthly lettering and enforcement activity
- CFP payment yield analysis
- Projected payment plan income
- Projected Earnings Arrestment Income

Fathom's "best-of-breed" approach equips users with leading industry standard tools. Cashflow forecasting is fundamental to performance - Caseflow accurately predicts amortisation of payment plans.

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Fathom implementation and roll-out



Walker Love will provide each of our Local Authority clients with a full briefing on the benefits and the improvements that can be expected at our regular operational meetings and an implementation plan will be developed for the Fathom roll out. We expect to begin a roll-out in the next couple of months and intend to adopt a phased implementation approach.



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A brief demonstration of Fathom Caseflow and how it works was provided by Chris Bell, Revenue Collections Partner, Walker Love, at the Forum.

Key highlights of the demonstration and key benefits mentioned for Local Authorities included:

- **Overview of the simple tab based screen layout and intuitive navigation.**
- **The ability to update Fathom software with the new CFS income and expenditure assessment.**
- **Packeting of debts – when invoice was issued, what stage each debt is at, when in the process the individual debts were collected.**
- **Creating an instalment plan for all debts in the packet then allocating it to a DAS workflow.**

- **Giving priority to different council tax bands.**
- **Overview of payment methods, setting up instalment plans and embedding 3rd party software for direct debit payments.**
- **Storing incoming and outgoing documents, including email correspondence on an individual debtors account.**
- **Legal tasks – if any CFP or sequestrations have been enacted at individual debtor level.**
- **Other debts e.g. in different jurisdictions.**
- **Links to CFP details at individual case level.**
- **Payments taken at regional offices are updated on the system in real time.**
- **Management information: improved reporting on in-year collections which will accelerate the process enabling more money to be collected.**
- **Improved analysis across different regions and different debt types.**
- **Improved analysis of the effectiveness of strategies and recovery approaches – this will help establish clearer KPIs and benchmark performance indicators across local authority areas.**
- **Improved strategies: quicker identification of what works and what doesn't.**



Citation and Diligence



Revenue Collection & Enforcement



Professional Investigations



Debt Recovery



International Services

Management Reporting - LA Forum Workshop No. 2

Fathom Caseflow reporting package – what do Local Authorities require?



Delegates thoughts, suggestions and ideas for MI reports.

Thanks for all your contributions on the day. We'll be factoring these suggestions and a few others we've had since the session into our reporting package menu which we'll discuss with you at our Operational meetings in the Autumn.



James Walker

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At book-on: month on month report on changes in collection rates.

Measuring differences between recurring arrears and current years debts.

How many cases are ongoing and how many are new accounts?

Drill down reports on individual cases to examine the sustainability of repayment plans.

Effectiveness of lettering strategies.

Debt collection strategy effectiveness – clear criteria, targets and metrics.

How often will MI dashboard be refreshed – this will help with in year collections and payments made at the end of the month (the dashboard will be refreshed every 24 hours)

Sequestration statistics – which cases were successful, dismissed, failed arrangements etc. Trends in area and across all areas.

What are the default rates? How often are arrangements broken and what are the year on year trends for different debt types.

Monitoring workflows to pool for potential bankruptcy cases.

Total debt passed by the Local Authority, how much has been paid in arrangements, how much remains outstanding (and what is the probability of return, based on propensity to pay scores?).

Increased transparency on diligence – what CFPs are being served? Clear audit trail available in MI.

Special reports on historic cases.

Business Technology: Expect continued improvements



At the recent Local Authority Forum, Chris Bell provided a brief update on developments and business technology projects, which are at various stages of design, testing and implementation at Walker Love.



Chris Bell

Partner,
Revenues & Collections
Walker Love

The Fathom Caseflow system, which replaces our IBM i5 series technology platform will be rolled out to clients in the Autumn of 2014. We are currently undertaking user testing and robust assessments of all workflows and strategies in order to get it ready for a phased roll-out.

We have made further investments to our contact centre technologies, Noble Platform – leading edge blended dialer and our SMS/IVM contact services – partnered with Voicesage/Yakara as we work to refine and improve our telecoms recovery strategies.

As more and more payment channels become available, we have continued to add to the menu of options available to debtors. Recent developments include: paperless direct debits, mobile payment app (both apple and android), web enabled and interactive voice recognition hotline.



We are acutely aware of the range of online information and technology tools we have made available to you and we are currently developing a client portal which will enable you to access all of the tools and information from one area on the Walker Love website e.g. websphere, online client MI dashboard. Each of our clients will have their own bespoke portal page. We are also currently improving how users can navigate around websphere and find the information they require. More news to follow on all these developments at our next Operational meeting.

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34 Sheriff Officers and offices in 10 cities and towns across Scotland

Offices in: Aberdeen, Dumbarton, Edinburgh, Glasgow, Hamilton, Hawick, Inverness, Kilmarnock, Kirkcaldy and Paisley

Walker Love (www.walkerlove.com) one of Scotland's leading Sheriff Officers, Messengers-at-Arms and debt recovery firms provides a range of services to businesses, public bodies and not-for-profit organisations.
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