

REPORT TO: BEST VALUE SUB COMMITTEE – 20 JANUARY 2003
REPORT ON: FINANCE DEPARTMENT SALES LEDGER SECTION BEST VALUE REPORT
REPORT BY: CHIEF EXECUTIVE
REPORT NO: 731-2002

1 PURPOSE OF REPORT

This report is the result of a Best Value Review of the Finance Department Sales Ledger Section.

2 RECOMMENDATIONS

It is recommended that the Committee:-

- 2.1 Agrees that the Finance Department Sales Ledger Section continues to collect Sales Ledger Debt (S.13 Option 3) applying recently implemented revised collection procedures. It would also be proposed to outsource, after 45 days, appropriate debts below the £100 de minimus limit for legal action.
- 2.2 Approves the continuous improvement proposals per S.13, namely:
 - i continue to monitor the outcomes of the revised collection procedures, as documented in Appendix C;
 - ii set a target for the most recent debt that is under 30 days old as well as targets for the balance of debt that is 30-59 days, 60-89 days and more than 90 days old with a view to achieving these targets by 31 March 2003. The targets being 51%, 12%, 3% and 34% respectively;
 - iii set a target for outstanding debt at the end of each month so that the balance of debt not under payment plan or passed for legal action is 100% under 30 days, 25% under 60 days and no debts in those categories beyond 90 days;
 - iv set a target for the amount collected during 2002/03 at 86% of the debt invoiced during that year;
 - v continue to review the criteria determining the debt to be written off;
 - vi continue to provide departments and external client with a monthly aged analysis of debts;
 - vii provide Sales Ledger systems training to departments and also provide internal training to Sales Ledger staff on systems and process improvements;
 - viii review monthly Trading Statements and cost allocations to the Sales Ledger Section with a view to reducing costs;
 - ix investigate enhancements to manual procedures whereby, in appropriate circumstances, Sales Ledger debtors can be matched against Purchase Ledger creditors and other departmental payments with a view to offset of debt;
 - x progress the development of alternative customer payment methods such as direct debits, internet and other electronic payment methods;
 - xi participate in and provide support to progress further development of the transfer of internal transactions electronically including the production of invoices, thereby eliminating manual invoice procedures;

- xii review the nature of departmental debts during 2002/03 with a view to making prepayment a prerequisite, where appropriate; and
- xiii reissue the customer survey annually to determine improvements in the level of customer satisfaction.

3 FINANCIAL IMPLICATIONS

The debt billed for collection in 2001/2002 amounted to £48m and the review accounts for 3% of the Finance Department's Revenue Budget at a budget cost examined of £303,000.

4 LOCAL AGENDA 21 IMPLICATIONS

None.

5 EQUAL OPPORTUNITIES IMPLICATIONS

None.

6 DEFINITION OF SERVICE REVIEWED

6.1 The Sales Ledger Section is responsible for the billing, collection and debt recovery of all miscellaneous invoices raised by Dundee City Council and on behalf of Tayside Joint Police Board.

6.2 The principal responsibilities of the Section are detailed as follows:

- Daily centralised production and dispatch of invoices and credit notes
- Prompt processing of payments received
- Reconciliation of ledger entries
- Integrity of clients' accounts
- Daily production and dispatch of final notices and notices of legal action
- Recovery action by telephone and letter
- Referrals to Legal Section for court action
- Operating a 'help desk' facility for system users
- Answering debtors' enquiries by telephone and letter
- Provision of management information to clients

6.3 The staffing establishment within the Sales Ledger Section currently consists of 12 staff made up as follows:

Team Leader

One Sales Ledger Controller - AP5-PO4

Teams

<u>Post</u>	<u>Grade</u>	<u>Accounts/</u>	
		<u>Administration Team</u>	<u>Debt Recovery Team</u>
Administrative Assistants	AP2	1	1
Clerical Assistants (incl one p/t temp)	GS1/3	4	5

7 JUSTIFICATION FOR REVIEWING THIS SERVICE

The Sales Ledger service has been identified for review because of:

- The importance of the efficient recovery of outstanding debt due to the City Council and Tayside Joint Police Board

- The impact collection of debt has on the cash flow of the City Council and Tayside Joint Police Board
- Client Departments and Tayside Joint Police Board need to be reassured that they are getting a high quality value for money service

8 REVIEW METHODOLOGY

8.1 The Review Team was made up of the following members:

Team Leader	S Swann, Team Leader, Personnel and Management Services
Departmental Lead Officer	J McDougall, Financial Services Manager
Finance Department Members	P Croal, Sales Ledger Controller G Cameron, Administrative Assistant H Lorimer, Administrative Assistant J Moir, Accountant, Central Support Team

8.2 Having established critical success factors by means of consultation, the review team compared the Council's current performance by an inter authority comparison as well as market testing and option appraisal prior to determining the recommendations detailed in this report.

The inter authority comparison was limited in scale due to the Institute of Public Finance Benchmarking Club on debtors being abandoned due to lack of support from other authorities.

9 CRITICAL SUCCESS FACTORS

9.1 Stakeholders

The following customers were identified:

- All Council Departments
- External Client - Tayside Joint Police Board

9.2 Consultation

All customers were invited to complete a questionnaire ranking various factors and commenting on the Sales Ledger Section's performance against these. A copy of the questionnaire and the results are attached as Appendix A.

9.3 Critical Success Factors

As a result of the consultation process, the following Critical Success Factors were determined in order of importance:

- 1 Prompt collection of debt
- 2 Comprehensive, accurate management information
- 3 Minimising bad debt
- 4 Knowledgeable, helpful staff
- 5 Service provided at acceptable cost

10 PERFORMANCE REVIEW

10.1 Based on the current results the Critical Success Factors (CSF), Performance Indicators (PI) and current performance are shown below.

	<u>CSF</u>		<u>PI</u>	<u>Current Performance</u>
1	Prompt Collection of Debt	-	% of the outstanding balance that is under 30 days old at the year ended 31.3.2002	50.90%
		-	% of the outstanding balance that	12.11%

is between 30-59 days old at the year ended 31.3.2002

- % of the outstanding balance that is between 60-89 days old at the year ended 31.3.2002 2.85%

	<u>CSF</u>	<u>PI</u>	<u>Current Performance</u>	
		- % of the outstanding debt over 90 days old at 31.3.2002		34.13%
		- amount collected during the year to 31.3.2002 as a % of the debt invoiced during that year		see Appendix B
2	Comprehensive accurate management information	- % of customers satisfied that management information is comprehensive and accurate		81%
3	Minimising bad debt	- Debt written off as a % of total debt outstanding at year end	2001/02	5.17%
4	Knowledgeable, helpful staff	- % of customers satisfied that staff are knowledgeable and helpful		100%
5	Service provided at acceptable cost	- Total cost per invoice produced	See Appendix B	
		Salary cost per invoice produced	See Appendix B	

It is important to note that the cost Performance Indicators specified relate to the Central Sales Ledger function within the Finance Department only.

- 10.2 An improved understanding of the Sales Ledger system is required by client departmental staff in order to increase proficiency and accuracy thereby reducing the time taken on enquiries.
- 10.2.1 The Sales Ledger Section requires regular updating on systems and process improvements in order to retain the high level of client satisfaction.
- 10.3 The internal costs charged to the Sales Ledger Section require to be subject to review for any potential savings. A breakdown of costs is contained in the Audit File.
- 10.4 The criteria adopted in assessing the debts to be written off requires to be continually reviewed. The City Council had the lowest percentage of bad debt write-offs of the 6 authorities compared prior to 2001/02. This impacted on the level of total collectable debt.
- 10.5 The percentage customer satisfaction rating for management information produced for customers amounted to 81% and further endeavours will be required to increase this satisfaction level.
- 10.6 Dundee City Council creditors are paid promptly. Among certain of these creditors are those that have Sales Ledger accounts that are substantially overdue. Enhancements to systems require to be investigated to match debtors to creditors with a view to the offset of debt in appropriate circumstances.
- 10.7 Recovery action on small debts accounts for a disproportionate amount of the section's time. The de minimus level of individual debt for legal action has been set at £100. Concentrating efforts on collecting current and medium term debt provides higher returns.

- 10.8 The further development of the electronic transfer of data is required. This will impact on the number of interdepartmental invoices processed manually by the Sales Ledger Section.

11 RESULTS OF COMPARISONS

a External Comparisons

Three external debt collection agencies were requested to submit details of their debt recovery services along with indicative costs for the collection of current year and older invoices. It was apparent that the external agencies were not geared up to provide the entire service provided by the Sales Ledger Section, which includes the issue of interdepartmental and external invoices along with the administrative follow-up required. The service external agencies sought to provide was related to the collection of outstanding debt.

The submissions made by the external agencies did not therefore provide a comparison of cost with the Sales Ledger Accounts and Administration Section but related to the Debt Recovery aspect of the Sales Ledger Team. The outsourcing of the debt recovery function would substantially increase the cost of the service compared to the current in-house service.

Details of the submissions by the external collection agencies and cost comparisons are included in the Audit File.

b Local Government Comparisons

The Council applied to join the Institute of Public Finance's Debtors Benchmarking Club, however, due to the lack of sufficient local authority participants the proposal to set up a club was not considered viable and therefore abandoned. In view of this a questionnaire seeking comparative information was sent to 13 local authorities. Replies were received in whole or in part from 5 of these local authorities. Details of the comparative information are included in the Audit File.

The services provided by local authority Sales Ledger Sections vary between authorities. It is therefore difficult to make direct comparisons, particularly cost comparisons. Insofar as comparative information was available this is included in Appendix B.

A number of points arise on examining the statistics reported, namely

i Prompt collection of debt

Of the 5 authorities providing the relevant information, Dundee City Council had the lowest percentage of debt outstanding under 30 days at 31 March 2000. This has subsequently increased to 50.9% at 31 March 2002.

As regards the debt outstanding that is over 90 days old, the City Council was second highest out of the 5 reporting authorities with 39.67% of the debt outstanding at 31 March 2000. This has subsequently reduced to 34.14% at 31 March 2002. The average percentage for debt outstanding that is over 90 days old was 31.84%.

It should, however, be appreciated that the City Council's Debt Recovery Section will have entered into payment arrangements for a substantial portion of the debt. The City Council is not alone in making such arrangements.

With a figure of 96% the City Council had the second highest percentage for income collected in 2001/02 as a percentage of income due from Debtors for 2001/02.

ii Minimising bad debt

A review of outstanding debt is carried out at the year end to determine the appropriate level of bad debt provisions and bad debts to be written off.

The City Council had the lowest level of bad debt write offs for the years 1999/2000 and 2000/01 at 1.78% and 1.11% compared to the average of reporting authorities of 4.72%.

The percentage of City Council debts written off in 2001/02 rose to 5.17% after reviewing the criteria. Whilst the City Council had low levels of bad debt write offs in 1999/2000 and 2000/2001, adequate provisions are made each year against which the relevant bad debts are written off.

The adequacy of the bad debt provisions forms part of the external audit exercise.

iii Total cost per invoice produced

A summary of the total cost per invoice produced and the salary cost per invoice for the 6 reporting authorities is contained in Appendix B. This shows that Dundee City Council has the fourth highest cost per invoice produced out of the 6 reporting authorities in 1999/2000.

Whilst the Dundee City Council costs reduced by 8% in 2000/01 there was a subsequent increase of 27% in 2001/02 due to the employment of a temporary clerical assistant, an increase in Central Service recharges, Central Office recharge and the revised treatment of capital charges.

It is extremely difficult to ascertain a true comparison of cost as each authority calculates this differently. This is particularly so in regard to the costs allocated by way of central charges which includes among others, charges for Legal, Information Technology and Personnel services.

In 1999/2000 the City Council was fourth highest out of 6 in terms of salary cost per invoice with the highest cost being nearly double that of Dundee (197.79%) and the lowest just over one third of Dundee's cost (35.4%). The average cost was just under 10% below that of Dundee. In 2000/01 the Dundee City Council cost reduced by 1% against 1999/2000, however, there was an increase of 12% over 2000/01 reflecting increments, pay award and the employment of a temporary part time clerical assistant. The variation in costs reflects the variable nature of the service provided by Sales Ledger sections.

The City Council Sales Ledger Section carries out a full range of Sales Ledger tasks, namely the issue of invoices, payment collection and allocation of payments as well as debt recovery.

There are authorities that operate a devolved Sales Ledger service whereby part of the process is carried out by individual departments. This can be described as internal outsourcing. External outsourcing is applied by several authorities, particularly in relation to debt recovery. Outsourcing both internally and externally adds to the variable nature of the cost of operating the Sales Ledger function.

Authorities A and B, per Appendix B, showed the two lowest costs per invoice. Subsequent discussions with these authorities confirmed the differing nature of Sales Ledger Section workloads and the consequent variation in staff costs and overheads. Details regarding the foregoing are contained in the Audit file.

12 **OPTIONS APPRAISAL**

Following the Performance Review and comparisons made, the following options were considered:

Option 1

Maintain the Status Quo

The retention of the current Sales Ledger service delivery which included the improvements to collection procedures implemented on 1 December 2000.

Details of the revised procedures are contained in Appendix C and entail an acceleration in the collection process and earlier remit for legal action where required.

Option 2

Outsource the Sales Ledger Function

It was not considered a practical or financially viable option to outsource the Sales Ledger function as external agencies were not geared up to provide the entire service as currently provided. This includes the issue of interdepartmental and external invoices, along with the relevant administration work required, as well as the collection of debt. The external agencies were principally interested in the part of the service that related to collection of outstanding debt.

Details of the cost of external debt collection are contained in the Audit File.

Option 3

Status Quo with Service Improvements including an element of Outsourcing Debt Recovery

The current Sales Ledger service has a high client satisfaction rating, however, the requirement for service improvements has been acknowledged by the implementation of revised collection procedures. A process map of these procedures is included in Appendix C. The principal improvement entails the issue of the final notices (D2) being brought forward from 28 days to 21 days thus accelerating implementation of the remaining processes. The more formal and speedier implementation of procedures will ensure an earlier remit for legal action where required. Copies of action letters are included in Appendix C.

It would be proposed to outsource, after 45 days, appropriate small debts below the de minimus level of £100 for legal action. This would enable the Debt Recovery Team to concentrate on the collection of current and medium term debt. The further improvement proposals as detailed in S.13 under Continuous Improvement Proposals would be implemented if approved.

Summary of Option Appraisals

The review concludes that Option 3 provides best value to Dundee City Council, in both financial and qualitative terms.

13 CONTINUOUS IMPROVEMENT PROPOSALS

The following continuous improvement proposals have been identified and related to the Critical Success Factors where appropriate:

13.1 a Prompt Collection of Debt

Continue to monitor the outcomes of the revised collection procedures as documented in Appendix C.

A target of 51% will be set for the balance of debt that is under 30 days old. It is a positive aim to have the most recent debt as a higher percentage of the total debt outstanding.

Set targets of 12%, 3% and 34% for the balance of debt outstanding, that is 30-59 days, 60-89 days and over 90 days old, respectively, with a view to achieving these by 31 March 2003.

A target of 86% will be set for the percentage of debt collected against the debt invoiced during the year with a view to achieving this by 31 March 2003.

Set a target for outstanding debt at the end of each month so that the balance of debt not under payment plan or passed for legal action is 100% under 30 days, 25% under 60 days and no debts in those categories beyond 90 days.

Responsibility for attaining these targets will rest with the Sales Ledger Controller.

b Minimising Bad Debt

Continue to review the criteria to determine the debt to be written off which will be undertaken by the Financial Services Manager in conjunction with the Director of Finance. A higher level of future write offs may ensue, which will reduce the balance of older debt outstanding and ensure that this balance consists of debt that is realistically collectable.

c Comprehensive Accurate Management Information

Continuing to provide accurate and timeous management information will be a priority. After discussing the requirements of customers, the view was it would be beneficial to provide them with a monthly aged analysis of debts against each category of debt. The Sales Ledger Controller is now providing this to customers.

d Knowledgeable and Helpful Staff

The Sales Ledger Section has developed systems training and will maintain current departmental training throughout 2002/03.

Internal training of Sales Ledger Section staff will take place regularly to update staff on systems and process improvements.

e Cost of the Service

The methods of allocating costs against the Sales Ledger Section will be reviewed by the Sales Ledger Controller and a Monthly Trading Statement implemented. All cost centres will be examined with a view to reducing the cost of the Sales Ledger Section.

13.2 Other Issues

a Further investigation will be undertaken to current manual procedures whereby in appropriate circumstances Sales Ledger debtors can be matched against Purchase Ledger creditors and other departmental payments with a view to the offset of debt.

b The Sales Ledger Controller will participate in the development of alternative payment methods, such as progressing payment of debts by Direct Debit, Internet and other electronic payment methods.

c The Sales Ledger Controller will participate in and provide support to the Finance Department Information Technology Working Group and relevant departments to further develop the transfer of internal sales invoices electronically, thereby reducing manual procedures.

d A review will be carried out by the Sales Ledger Controller during 2002/03 of the nature of departmental debts with a view to making pre payment a prerequisite where appropriate.

e The customer survey will be reissued annually to determine the reaction of customers to service and management information improvements.

14 **CONSULTATION**

Departments' external users and the Director of Finance were consulted, as appropriate, throughout the course of this review.

15 **BACKGROUND PAPERS**

Best Value Submission to the Secretary of State for Scotland December 1997. Policy and Resources Committee – 11 December 1997.

CHIEF EXECUTIVE

17 JANUARY 2003

JMcD/LAB
16-Jan-03
Reports/731-2002

BEST VALUE REVIEW QUESTIONNAIRE

Critical Success Factors

To help us to ensure that we focus our attention on the elements of our service that are most important to you, please rank the following factors, with 1 being the most important and 5 being the least important.

Factor	Ranking
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Sales Ledger collection and debt recovery services provided within a prompt timescale	<input type="checkbox"/>
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Services provided at an acceptable cost	<input type="checkbox"/>
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Comprehensive and accurate information provided	<input type="checkbox"/>
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Bad debts are minimised	<input type="checkbox"/>
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The Sales Ledger team is knowledgeable and helpful to my Department	<input type="checkbox"/>
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Please add and rank any other factors that are important to you

_____	<input type="checkbox"/>
-------	--------------------------

_____	<input type="checkbox"/>
-------	--------------------------

Your Views on the Services

Please tick the appropriate box for each question

	Agree Strongly	Agree	Disagree	Disagree Strongly	No Basis for Comment
1 Finance Dept Sales Ledger Section provide the following services in an acceptable timescale					
i Issue of invoices and credit notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ii Processing of payments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iii Issue of final notices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iv Pursuance of outstanding debts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Sales Ledger Section provides services at an acceptable cost.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Sales Ledger Section -					
i Provide adequate training where requested	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ii Has helpful and knowledgeable staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iii Provide clear and practical advice	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iv Provide comprehensive and accurate management information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Staff understand issues faced by my Department	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please add any comments or suggestions you wish to make in respect of the range or quality of services provided by the Sales Ledger Section

(Optional) Name _____ **Designation** _____

We are interested in your views, whether you wish to remain anonymous or not, but it will help us if we can relate your responses in this questionnaire to the work we have done for you. We may also wish to contact you for clarification or more details of any ideas or concerns you raise.

Thank you for completing the questionnaire.

Please return it to Pat Croal, Sales Ledger Controller, Finance Department, Floor 5, Tayside House

DCC - SALES LEDGER - BEST VALUE REVIEW QUESTIONNAIRE

SUMMARY OF ANSWERS:

1	Finance Dept Sales Ledger Section provide the following services in an acceptable timescale:	Questionnaires Returned Correctly	Agree Strongly	Agree	Disagree	Disagree Strongly
	a Issue of invoices and credit notes	12	41.7%	58.3%	0%	0%
	b Processing of payments	11	45.5%	54.5%	0%	0%
	c Issue of final notices	10	20.0%	70.0%	10.0%	0%
	d Pursuance of outstanding debts	9	11.1%	55.6%	33.3%	0%
2	Sales Ledger Section provide services at an acceptable cost	8	12.5%	62.5%	25.0%	0%
3	Sales Ledger Section -					
	a Provide adequate training where requested	12	33.3%	58.3%	8.3%	0%
	b Has helpful and knowledgeable staff	13	38.5%	61.5%	0%	0%
	c Provide clear and practical advice	13	30.8%	69.2%	0%	0%
	d Provide comprehensive and accurate Management Information	11	18.2%	63.6%	9.1%	9.1%
4	Staff understand issues faced by my department	13	23.1%	53.8%	23.1%	0%

DCC – SALES LEDGER – BEST VALUE REVIEW QUESTIONNAIRE

SUMMARY OF ANSWERS:

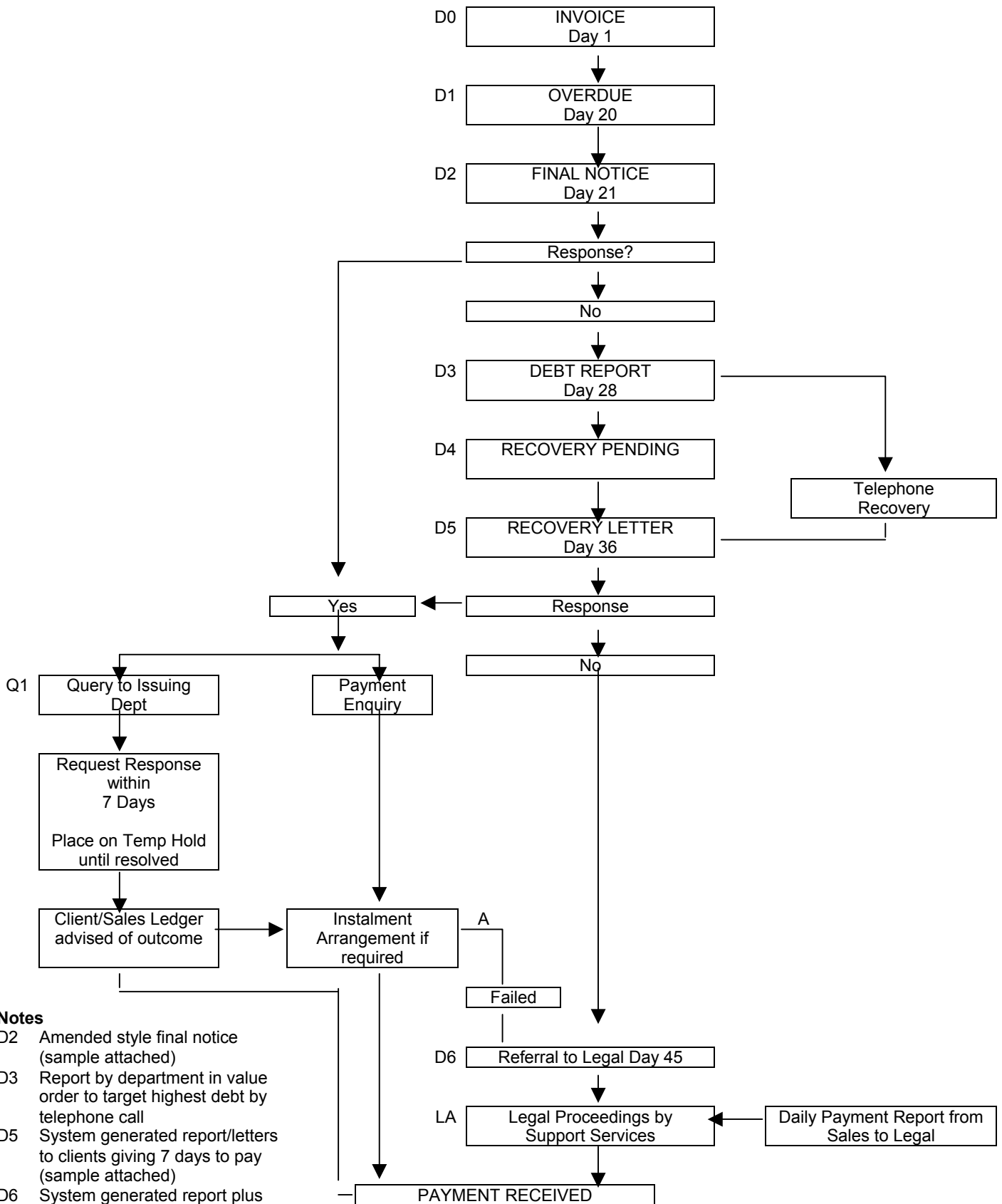
		<u>Customer Returns</u>	Points Allocated over Rankings:					TOTALS
			5	4	3	2	1	
			1	2	3	4	5	
Critical Success Factors:								
1	Sales Ledger collection and debt recovery services provided within a prompt timescale	10	50% 25	20% 8	10% 3	20% 8	0% 0	<u>44</u>
2	Comprehensive and accurate information provided	10	20% 10	30% 12	40% 12	10% 2	0% 0	<u>36</u>
3	Bad debts are minimised	10	10% 5	40% 16	0% 0	10% 2	40% 4	<u>27</u>
4	The Sales Ledger team is knowledgeable and helpful to my department	10	20% 10	0% 0	20% 6	30% 6	30% 3	<u>25</u>
5	Services provided at an acceptable cost	10	0% 0	10% 4	40% 12	20% 4	30% 3	<u>23</u>

LOCAL GOVERNMENT COMPARISONS

<u>Success Factors</u>	<u>Performance Indicators</u>	<u>Dundee</u>				<u>Other Local Authorities (1999/00)</u>					
		<u>Target</u>	<u>Performance</u>			<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>Average</u>
			<u>01/02</u>	<u>00/01</u>	<u>99/00</u>						
Prompt collection of debt	- % of the outstanding balance that is under 30 days old at the year end	51.0%	50.9%	44.51%	26.92%	37.91%	52.44%	-	54.70%	41.16%	42.63%
	- % of the outstanding balance that is 30-59 days old at the year end	12.0%	12.11%	17.85%	20.26%	6.08%	16.76%	-	20.29%	36.87%	20.05%
	- % of the outstanding balance that is 60-89 days old at the year end	3.0%	2.85%	2.16%	13.15%	2.07%	4.22%	-	4.51%	3.45%	5.48%
	- % of the outstanding balance that is over 90 days old at year end	34.0%	34.13%	35.48%	39.67%	53.94%	26.58%	-	20.50%	18.52%	31.84%
	- amount collected as a % of debt due at 31.3 and value of debt invoiced during year	N/A	78.09%	73.36%	76.71%	75.74%	83.76%	82.86%	87.23%	85.20%	81.92%
	- % of income collected	86%	-	-	-	-	-	-	89.30%	85.70%	87.50%
Minimising bad debt	- Debt written off as % of total debt outstanding at year end		5.17%	1.11%	1.78%	10.01%	5.01%	4.76%	3.60%	3.15%	4.72%
Comprehensive, accurate management information	- % of customers satisfied that management information is comprehensive and accurate		-	-	81.00%	-	-	-	-	-	-
Knowledgeable, helpful staff	- % of customers satisfied that staff are knowledgeable and helpful		-	-	100.00%	-	-	-	-	-	-
Cost	- Total cost per invoice produced – 1999/00 as a % of DCC cost		117%	92%	100.00%	60.26%	60.00%	139.23%		99.23%	127.27%
	- Salary cost per invoice produced – 1999/00 as a % of DCC cost		111%	99%	100.00%	58.85%	35.40%	107.08%	197.79%	46.02%	90.86%

SALES LEDGER

CHART OF RECOVERY ACTION FROM 1 DECEMBER 2000



Notes

- D2 Amended style final notice (sample attached)
- D3 Report by department in value order to target highest debt by telephone call
- D5 System generated report/letters to clients giving 7 days to pay (sample attached)
- D6 System generated report plus documentation prepared and passed to Legal Section
- LA Cases at Legal Section

INVOICE
 VAT Registration No.
 663 7758 89



FINANCE DEPARTMENT
 FLOOR 5
 TAYSIDE HOUSE
 CRICHTON STREET
 DUNDEE

MISS MARPLE
 17 DETECTIVE CLOSE
 DUNDEE

CUSTOMER NUMBER 01234567
 INVOICE NUMBER SFN0012345
 INVOICE DATE 25DEC01
 (TAX POINT)

If you have any enquiries, please contact FINANCE CONTACT

Telephone 01382 434600

no	Description	Value	VAT Code and Value	Total
31	CHARGE FOR WORK CARRIED OUT BY SCIENTIFIC SERVICES ON CHRISTMAS DAY 1901 AT 00:45 AM !!!!!!!!!	£70.00 EX	£0.00	£70.00
32	CHARGE FOR OTHER WORKS	£37.20 ST	£6.51	£43.71
1:				£0.00

TOTAL NOW DUE FOR PAYMENT

113.71

Girobank
 Girobank PC Books, Merchants, GR 00A
 Reference

SFN0012345

Credit account number

284 7655

Amount due (standard fee payable at PO counter)

£ 113.71

Amount due (standard fee payable at PO counter)

£ 113.71

By transfer from Finance & Accounts 010 000 000 000 000

138	208	80
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Bank Giro Credit
 The Royal Bank of Scotland PLC
 Chief Office, Dundee
 Dundee City Council
 Collection Account

£ 113.71

CHEQUE NOT ACCEPTABLE AT PO COUNTER

Date

25 DEC 01

Stamp and initials

MISS MARPLE
 17 DETECTIVE CLOSE
 DUNDEE

CASH

CHEQUE

Stamp Code Number

84-76-55

£

Please do not write or mark below this line and do not fold this counterfoil.

SFN00123450 & 4802847655 012345673 74 X



DUNDEE CITY COUNCIL
FINANCE DEPARTMENT
28 CRICHTON STREET
DUNDEE
DD3 3RF

FINAL NOTICE
VAT Registration No.
663 7758 89

Date : 25DEC01

DEPT. FINANCE DEPARTMENT
CUST. NO 01234567
INV. NO. SFN0012345
INV. DATE 25DEC01
(TAX POINT)

MISS MARPLE
17 DETECTIVE CLOSE
DUNDEE

If you have any enquiries, please contact the Finance Department Sales team on Telephone 01382 434000

Sl	Description	Value	VAT Code and Value	Total
1	CHARGE FOR WORK CARRIED OUT BY SCIENTIFIC SERVICES ON CRISTMAS EVE 1901	£70.00 EX	£0.00	£70.00
2	CHARGE FOR OTHER WORKS	£37.20 ST	£6.51	£43.71
				£0.00

TOTAL NOW OVERDUE FOR PAYMENT £113.71
ULL PAYMENT MUST BE MADE WITHIN 7 DAYS TO AVOID LEGAL ACTION
IF YOU HAVE PAID WITHIN THE LAST 7 DAYS PLEASE IGNORE THIS NOTICE



Girobank plc Boctie Mercedes GfR 0AA
Finance
138
208
80

Trans Cash

SFNO012345
Credit account number
284 7655

Cashier's Stamp and initials

MISS MARPLE
17 DETECTIVE CLOSE
DUNDEE

Signature

Stamp and initials
MISS MARPLE
17 DETECTIVE CLOSE
DUNDEE



By transfer from
Alliance & Leicester Giro acc. no.

Amount due
£ 113.71

CHEQUE NOT ACCEPTABLE AT PO COUNTER

Date

The Royal Bank Of Scotland PLC
Dundee City Council
Collection Account

Sorting Code Number
84-76-55

CASH
CHECKUE

Stamp and initials

MISS MARPLE
17 DETECTIVE CLOSE
DUNDEE

Signature

Stamp and initials

MISS MARPLE
17 DETECTIVE CLOSE
DUNDEE

SFNO0123450 & 4802847655 012345673 74 X

Please do not write or mark below this line and do not fold this document!



Finance
David K Dorward - Director of Finance
Floor 4, 28 Crichton Street
Dundee DD1 3RF

If calling please ask for
Sales Ledger Section
(01382) 434000

Date: 25DEC01

MISS MARPLE
17 DETECTIVE CLOSE
DUNDEE

NOTICE OF LEGAL ACTION

CUSTOMER REFERENCE: 01234567
DEPARTMENT: FINANCE DEPARTMENT
INVOICE NO: SFN0012345
OUTSTANDING AMOUNT: 113.71

Further to previous correspondence, unless you pay the above amount in full within seven days of this letter I will proceed with legal action for recovery.

Please note this will incur you extra costs and may affect your credit rating.

Yours sincerely

David K Dorward
Director of Finance