



Debt
Recovery

New Debt Recovery Solution in Lexis® Visualfiles™
helps Bury Council's Legal Department Exceed
50% Recovery Rate

Lexis® Visualfiles™

Bury Council Debt Recovery Case Study

Industry: Legal | Product: Lexis® Visualfiles™

Bury Council consists of six towns including Bury, Prestwich, Radcliffe, Ramsbottom, Tottington and Whitefield.

The legal services department based in Bury, focusses on three core areas including land and property, social services and litigation. A longstanding user of Lexis® Visualfiles™, the legal workflow and case management system; the legal department at the Council has created a new debt management solution within the platform to facilitate more efficient debt recovery.

"The return on investment on the Visualfiles platform is truly remarkable. We have plans to automate many other business processes too, in our effort to continuously make efficiency gains."

Andy Carlile, Practice Manager of the Legal Department at Bury Council, talks to LexisNexis® Enterprise Solutions about the rationale behind this approach and the benefits it is delivering.



Enterprise Solutions



What was the legal department's requirement for a debt management system?

Andy Carlile: With staff numbers reducing and the number of outstanding invoices received from the Customer Accounts department consistently growing, effective debt recovery has been a challenge for us. We received the outstanding invoices from the Customer Accounts department along with the available evidence. The legal department then manually investigated all the instructions – to ensure that the invoices were indeed outstanding, gathered the supporting evidence and ultimately pursued the cases until the debt was recovered. The onus was on the legal department to prove that the individuals/organisations indeed owed the Council the money. This made every case fairly long-drawn and time consuming. It wasn't good use of lawyer time, skills and expertise.

To minimise the legal department's time on low level debt recovery, we decided to outsource the collection of debt, with the outsourcing company taking a percentage cut on the money recovered. On evaluation, we found that the recovery rate was extremely low at 15 – 18 percent, which is negligible given that individual debts can range from between less than a £100 to £1 million. These debts are wide ranging too and can include anything from an individual not paying rent or damaging street furniture through to an organisation not paying for hiring a party hall.

We changed our approach to debt recovery. Rather than undertaking the onerous task of providing evidence of outstanding debt on all matters that we received, we put the burden on the individuals and organisations in question to prove their innocence – except in cases where the debts were disputed. This reduced pressure on the legal department

and duplication of activity, especially as there is already clear proof that the individuals and organisations are in breach. At the same time, we recognised that automation of debt management was the only way to effectively and efficiently improve our recovery rate.

"It allows us to identify which of the cases merit lawyer involvement based on their complexity and amount"



Reduces pressure on the legal department and duplication of activity



Reduces manual effort and lawyer time



Efficient and Effective



Automate other business processes to continuously make efficiency gains



Please describe how the debt management solution in Visualfiles works.

Andy Carlile: We have integrated our financial system with Visualfiles. The financial system off loads the outstanding invoices into an output folder, from which Visualfiles imports the information and automatically initiates the related debt management processes – from opening the individual cases, scheduling the matters, creating letters based on the various timescales and ultimately, bulk issuing all the current debts to the County Courts Bulk Centre (CCBC).

By way of an example of how efficient and effective the new solution is, we recently received 70 instructions from the Customer Accounts department in the Council. Manually, it would have taken a few hours to simply open these cases in Visualfiles. With this new solution, we put the instructions into a table format, and with the click of a mouse, 70 cases opened in Visualfiles with initial letters produced for dissemination – all in about 10 minutes. We are now looking to further automate this process with an overnight import and action script.

Today, we run daily reports on the cases that are open. It allows us to identify which of the cases merit lawyer involvement based on their complexity and amount; and those that can be resolved via the automated process.

Has this solution improved the department's debt collection success rate?

Andy Carlile: Our debt recovery has improved substantially. For example, the 70 instructions mentioned above totalled £74,000 and on the back of two automated letters generated by the debt management system, within three months we recovered £40,000.

We have substantially reduced manual effort and lawyer time is being rightfully spent on cases that genuinely require legal attention, especially when cases are issued to the Courts.

Previously, debt recovery was largely a manual process, and we received new instructions from the Council in bulk, typically four to five times a year. Today, due to our new automated system, we receive instructions on a daily basis. This means that we receive the invoices as soon as they become overdue. Consequently, debt recovery is an ongoing process and is much quicker.

"We have substantially reduced manual effort, and lawyer time is being rightfully spent on cases that require legal attention"

- ✓ Visualfiles allows the user to constantly finetune and make incremental changes to their processes
- ✓ The return investment on the Visualfiles Platform is remarkable
- ✓ Visualfiles is tailored to your way of working - no other third party solution can deliver this
- ✓ With the click of a mouse, atleast 70 cases can open in 10 minutes
- ✓ Improves your debt recovery
- ✓ Allows the development of new, niche development solutions within the case management system quickly.



Why did you choose to create a solution within Lexis Visualfiles for debt management? Would implementation of a third-party solution have been an easier option?

Andy Carlile: This is one of the most exceptional benefits of the Visualfiles platform – it allows the development of new, niche solutions within the overall case management system quickly. This debt management solution, from start to finish, has taken 14 consultancy days; and is tailored to our way of working. No third-party solution could have delivered this.

Visualfiles allows us to constantly fine tune and make incremental changes to our processes, sometimes even on a daily basis, to support the legal department's changing business requirements – without assistance from LexisNexis. It's that simple. For instance, I don't have a technical background, but over time, I've learnt to customise Visualfiles to the organisation's needs.

The return on investment on the Visualfiles platform is truly remarkable. We have plans to automate many other business processes too, in our effort to continuously make efficiency gains.

“Visualfiles allows us to constantly fine tune and make incremental changes to our processes, sometimes even on a daily basis”



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For more information

To find out more about Visualfiles and to discuss your company's specific business requirements, please visit:

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