

North and Mid Wales

– Working together for big returns

This is a case study of the savings made in single person discount claims by a consortium of local authorities in the North and Mid Wales area.



This case study provides an overview of a large project commissioned by a consortium of local authorities in the North and Mid Wales area. The project used external organisations to verify single person discount claims and returned £1million saving for all members of the consortium, based on a project outlay of £145,000. Underpinning the work is the Unique Property Reference Number from each of the local authorities' address datasets, providing linkages to other datasets.

Background to the project, the organisations and who was involved

The North and Mid Wales Revenues Practitioners group consists of revenues managers from local authorities within North and Mid Wales. The Group meets regularly to discuss all aspects of revenue collection. This includes latest legislation; direct debit issues; subsidies and so on. The Group is keen to work together for the benefit of all residents.

The authorities involved include:

- Wrexham County Borough Council
- Flintshire County Council
- Denbighshire County Council
- Conwy County Borough Council
- Gwynedd Council
- Isle of Anglesey Council
- Ceredigion County Council
- Powys County Council

The problems

Local authorities offer a single person discount to residents living alone. This gives a discount on the amount they are required to pay for their council tax. The arrangement relies on the resident truthfully claiming single person discount and the council has to assume by law that this is correct. Wrexham alone have approximately 20,000 residents claiming single person discounts.

Local authorities regularly audit their single person discount numbers. To do this, the authority sends a letter to the resident asking them to reconfirm that they are still eligible for the discount. Further cross matching can be also be carried out with other records including revenues and benefits records and other details such as the register of electors. The issue is that this is very resource intensive for the authority. Resources are required to administer the letters; manage the responses back from residents and also manage the questions which arise from residents, plus also the time taken to cross reference with other data sources.

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The resources required to audit the process are even more critical when it is considered that the team at Wrexham have lost three members of staff in recent years and so now have only eight staff managing 58,000 accounts.

In total there were 135,000 single person discounts across the whole of the eight authorities to be reviewed.

The solution

Wrexham were due to repeat a regular audit of their single person discount records. The Head of Finance was aware of the resource issues associated with this project. They therefore explored whether any external agencies could carry out the work on their behalf. At the same time, the Head of Finance suggested to the other members of the consortium that they work together to gain better economies of scale of carrying out the work as one joint project across all eight organisations.

The consortium went through a formal tender process and interviewed several potential organisations. The successful organisation worked with a second organisation to manage the process for sending out letters to residents; managing the queries which came back from residents and also managed cross matching of records with key external credit referencing data to provide verification for the results.

Importantly, to enable the successful external organisation to carry out the work, they required consistent address data for the entire geographical area, irrespective of council boundaries. Six of the eight authorities provided their local land and property gazetteer complete with Unique Property Reference Number (UPRN) which made the linking of all datasets much easier, and quicker.

Outcomes and impact

In total, 135,000 claimants in North and Mid Wales were checked through this project. There is a great deal of change which occurs in any case with single person discount due to people divorcing; students and other transient residents which in turn makes calculation of actual numbers more difficult.

Nevertheless it has been possible to calculate, based on additional revenue, that in total the project has saved £1million and cost approximately £145,000 between all eight local authorities in the consortium. This has been achieved without any extra pressure on existing staffs. Ultimately, this has helped towards making the savings that all councils were required to achieve.

The average return on the overall investment made by the eight authorities is in the region of 7:1, however the ratio is much higher for some of the authorities.

Key lessons from the project

The project has produced some excellent savings and has avoided any further pressure on staff, however there were a few key lessons learned, should the project be repeated again.

- 1 working within a consortium has major benefits. Members were able to secure economies of scale, provide mutual support with one tender document and one contract for all eight authorities. This also included translation of all documents being done by one council instead of eight.
- 2 success was due to the fact that the authorities had worked together on previous projects, they clearly saw that there could be benefits from the project and were supported by senior management.



- 3 that we now have a tender document drawn up by all eight authorities which can be used again and this should be a pattern for all other contracts eg Bailiffs, computer Systems etc.
- 4 a further key piece of advice is to not be afraid of using private organisations to work with you on such projects.

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