

# A Single Person Discount review adds £342,000 to Durham City Council's coffers



Removing unjustified SPDs helps maximise the council's annual income

Durham County Council has around a quarter of a million Council Tax properties, with about a third eligible for Single Person Discount (SPD). The council applies a rigorous checking process when a resident makes a claim for SPD, to ensure the 25% discount is granted appropriately. Naturally, people's circumstances change over time; but not everyone remembers to tell the council if they're no longer entitled to SPD.

Although there are no statutory requirements to review SPDs, councils constantly look for ways to maximise their income, in order to offset budget cuts and protect the public purse. For these reasons, Durham County Council carries out an SPD review every couple of years. It had worked with a third-party provider on a previous review, and decided to take the same approach again.

**"At the time, we were going through a restructure affecting teams including Council Tax and Benefits,"** explains Cate Blackburn, Assessment and Awards Manager. **"So we knew it would be difficult to find enough people internally to do the extra work."**

## Benefits

- ▶ **Efficient detection and removal of incorrect SPD claims by targeting high-risk accounts**
- ▶ **Additional revenue of £342,000 generated by removing 1,438 SPDs, 3.15% of the total**
- ▶ **Risk-and-reward commercial model – no financial risk to the council**
- ▶ **End-to-end management of the SPD review by Civica, ensuring no additional burden or follow-up work for council teams.**



Efficient detection and removal of incorrect SPD claims



Additional revenue generated by removing SPDs



End-to-end management of the SPD review by Civica

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**Cate Blackburn**, Assessment and Awards Manager, Durham County Council

## Experienced SPD specialists, ready to step in

Durham County Council turned to Civica to carry out the SPD review. Because Civica was already supporting Durham on Council Tax, a full procurement exercise wasn't needed, which helped the project get underway sooner.



**"Our experience had shown us the Civica's people were capable,"** says Cate. **"And Civica's risk-and-reward-based offer was very reasonable. In fact, I doubt we could have done the work in house at the same cost, even if we'd had the resources available."**

Civica's OnDemand team provides public sector organisations with experienced staff who can help deliver front-line services to meet short- or long-term requirements. **"Civica OnDemand has an SPD team all set up and ready to go, staffed by former revenue officers,"** says Cate. **"That boosted our confidence that they knew exactly what they were doing."**

## No extra work for the council

Durham County Council considered that SPD was likely to be justified for residents who were also receiving another benefit. It therefore asked Civica OnDemand to focus on the 45,678 Council Tax accounts that were receiving SPD but no other benefits.

Following an initial review, Civica judged that almost 40,000 of those accounts were still eligible for the discount. That left 6,018 high-risk accounts to be reviewed more closely.

Civica OnDemand sent letters to those account-holders, asking them to reply confirming they were still eligible for SPD. If there was still no response after a reminder was sent, the resident's SPD was removed. Civica OnDemand then sent a letter to inform the resident, and a revised Council Tax demand was issued.

The team also followed up SPD eligibility claims that weren't supported by information from other sources, such as credit checking agencies; and dealt with any issues by following Durham's own processes.

Everything was handled by the Civica OnDemand team working from its secure, ISO 27001- and PSN-compliant premises. Incoming letters, emails and phone calls went straight to the team via dedicated contact channels, leaving the council's revenue officers free to focus on their day-to-day work. Secure remote access enabled the Civica team to update Durham's revenue systems directly.

**"Civica updated the Council Tax accounts correctly, giving us a new baseline of accurate data,"** says Cate. **"Because their staff are so experienced, there was no follow-up work for us to do. That's something that sets Civica apart from other providers."**

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## Making £342,000 worth of difference

The SPD review project ran for 14 weeks, and led to the removal of 1,438 SPDs — 3.15% of the total awarded in Durham. **"Civica OnDemand did a professional, thorough job. We're not aware of any SPDs being wrongly removed"** says Cate, adding:

**"The SPD review was a worthwhile exercise: we generated income of £342,000 after payment of Civica's fees. That's great news for the council, given that we're subject to more funding cuts every year."**