

# Southwark transforms collections with a single view of debt

An overview of each individual's debts and circumstances drives a more customer-centric approach to collections

## Towards a holistic view of debt

Southwark Council aims to create a borough that's focused on improving residents' lives and wellbeing.

This objective drives its operations and services, including debt collection — a service that Southwark has transformed over the past decade by placing the emphasis on customer engagement.

Until 2011 the collections function was outsourced; now the work is handled by Southwark's own Income Operations Team. Initially the team dealt only with the compliance aspect of collections; today it includes certificated enforcement agents who collect council tax and business rates arrears.

# 60%

automated debt repayment

"We built our own team and processes to get away from a siloed approach to collections that treats each debt in isolation," says Charlotte Acutt, Operations Manager, Income. That was a key consideration, as it's not unusual for Southwark customers to have more than one debt — for example, around a third of those with rent arrears also have at least one other debt.

"We wanted to identify customers with multiple debts, and link their debts together to gain a holistic view of their situation," says Charlotte.

## One system to manage multiple debt types

Southwark chose CivicaCollect as the best-fit solution to support its Income Operations Team. "We felt confident as the majority of commercial enforcement agents were using it," says Charlotte. "And the fact that it's a cloud solution made onboarding easier with minimal burden on our IT team."

## Outcomes

- Enables customer-centric approach to recovery with a single view of debt
- Reduces cost through increased customer engagement before resorting to enforcement
- Creates personalised payment plans in line with each customer's ability to pay
- Automates collection of around 60% of debt, releasing team members to focus on harder-to-recover debt.

"Having a clear picture of each person's overall circumstances lets us take a more customer-centric approach to collections. CivicaCollect is instrumental in helping us do that."

Charlotte Acutt, Operations Manager, Income, Southwark Council



## Consolidating information from multiple systems in CivicaCollect supports development of personalised payment plans that take account of each customer's circumstances.

The council initially used Civica's solution for enforcement cases only, which in a typical year can exceed 20,000. They soon realised, however, that the solution could help them realise their goal of having a single view of each customer's debt.

Charlotte and her team collaborated with Civica to adapt the solution — including taking account of specific fees and regulations — to provide this capability.

"As well as using CivicaCollect to manage enforcement cases, we now bill and collect housing benefit overpayments and former tenant arrears cases through the system," says Charlotte. And if other council teams can't recover sundry debt, her team takes over those cases and progresses them through Civica's solution, automating what were previously manual processes.

**"CivicaCollect automates around 60% of our debt repayment, which frees up team members to tackle the other 40% that require review and engagement," she says.**

### Insight for personalised payment plans

In addition to helping the council bring together an individual's debts, CivicaCollect allows information to be pooled from other council systems.

Another system may hold an up-to-date mobile number, for example; or may reveal that someone has changed their address.

"This is a big help, as we have quite a transient population," says Lois Anderson, Revenues Team Leader at Southwark. "Having the right contact information helps us act faster and make collections more successfully."

Information from other systems can also reveal circumstances that may affect a customer's ability to pay, such as a vulnerability. "With all this information in one system, we can profile customers with problem debt," says Lois. "Instead of going straight down the enforcement route, we can look at developing an affordable, personalised payment plan covering all of the debts handled by our team."

### An award-winning transformation

Since transforming its approach, Southwark is making collections at the same rate as before, but with fewer enforcement agent visits.

As well as saving costs for the council, this also cuts costs for customers, as it means fewer fees are added to their outstanding debts.

The work of Southwark Council's Income Operations Team has been recognised by three awards:

- **Revenues Team of the Year** at the IRRV Performance Awards, 2019
- **Excellence in Innovation** (Collection) at the IRRV Performance Awards, 2019
- **Public Sector Team of the Year** at the Credit Strategy Awards, 2020

**"**The awards we've won reflect the work we've done to innovate collections using CivicaCollect. It's the backbone of our team and our approach, and has been core to our transformation."**"**

Charlotte Acutt, Operations Manager, Income, Southwark Council

