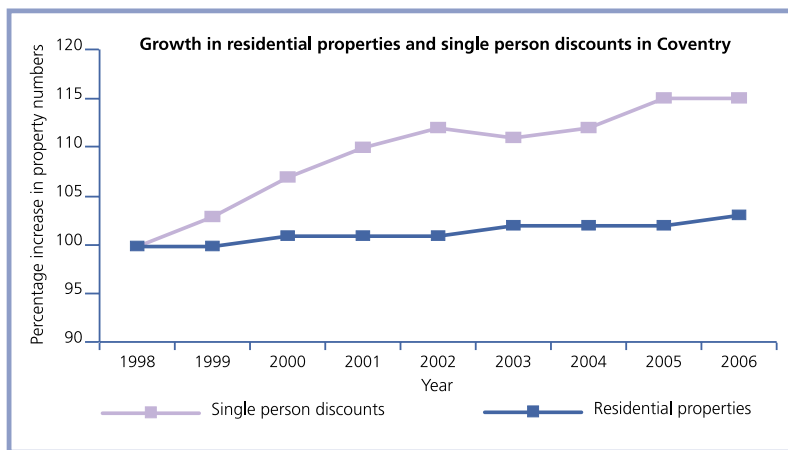


Coventry City Council increases council tax revenue by over £500,000

Coventry is the UK's 12th largest city with a population of 300,848. The 2001 census indicated that 38,312 citizens in Coventry lived alone, whilst recent Council data showed that some 46,096 properties in the city were benefiting from a council tax single person discount (SPD). Furthermore, the number of SPDs had increased by 15% over the previous 8 years, yet in the same period the number of dwellings had increased by just 3%. In broad terms this suggested a downward trend in population, yet The Office for National Statistics population estimates suggested that Coventry's population is in fact relatively stable.



There were two potential explanations for these discrepancies: either there had been a significant increase in the people living alone, or the figures highlighted inaccuracies within SPD claims being made.

The need for change

The former method of reviewing SPDs at Coventry City Council involved issuing a generic discount review form to all properties in receipt of a council tax discount, including SPD, student discount and carers.

The Council acknowledged that there were limitations with this review process, namely:

- The review accepted the word of the claimant without any possibility of checking the entitlement
- The requirement to write to all discount recipients was deemed a costly administrative burden
- Effectiveness in identifying any incorrectly or fraudulently claimed SPD was extremely limited as it relied on the honesty of the citizen
- As a consequence of writing to all discount claimants, elderly and vulnerable people were at risk of needlessly losing their discounts if they did not return the forms
- As discounts were cancelled on a rolling basis back to 1 April, it impacted on the tax base calculation and ability to collect the additional charge

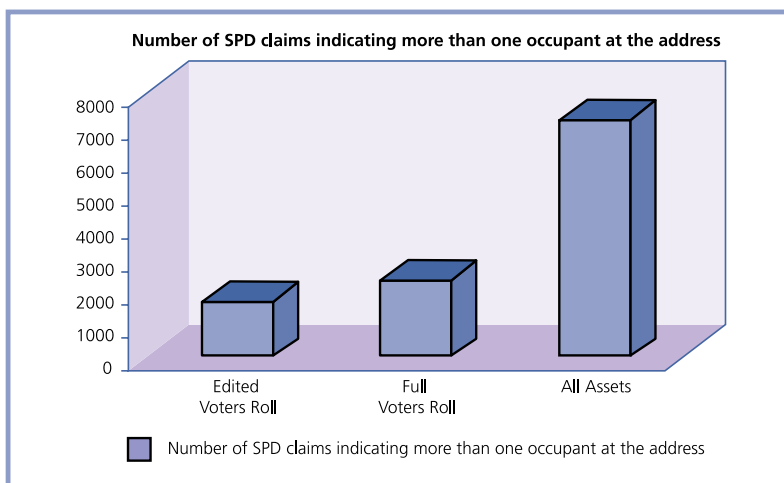
The Council calculated that if 1% of the current claimants were found to be incorrect, it would equate to almost £100,000 in lost revenue. They were therefore keen to understand why the discrepancies had occurred at the same time as improve the current process.

Solution

Coventry City Council utilised Experian's Residency Checker solution – currently in use by in excess of 50 local authorities throughout the UK – to assist with the management and audit of their SPD claims.

The Council simply supplied Experian with a file of addresses of discount claimants, which were cross checked against Experian's extensive databases, to return an indication of the number of residents at each address. In cases where fraud was suspected, Residency Checker provided details of the individuals living at the address, which then allowed the Council to investigate further.

Key to the success of the Residency Checker solution is the breadth of data it accesses. A range of up to date data sources is used in combination to create a picture of the residency make-up, at any given point in time, of each address submitting a claim for discount.



Recent analysis proves that Experian's combined data sources offer significant uplift over the use of one data source in isolation. In comparative tests, Experian's Residency Checker identified more than three times as many invalid SPD claims than a similar exercise using Voters Roll only.

Outcome

This exercise was a resounding success. To date Coventry City Council has been able to increase their council tax revenues by £500,000 as a result of over 7% of households either withdrawing the discount or the Council cancelling the claim. Furthermore, over 70% of SPD claims were verified without the need for contact with citizens. The Council were able to fulfil their obligations to central government, without the need to contact vulnerable groups in receipt of the discount, at the same time as increase the amount of council tax collected.

"We have a responsibility to ensure discounts are only provided to citizens entitled to receive them. By identifying over 2,000 invalid claims, this has increased council tax revenue by more than £500,000 and has sent a clear message that fraud is not acceptable. This exercise has been a fantastic success for Coventry City Council and the increase in revenue will be ploughed back into front line services to the benefit of the community."

Councillor Tony O'Neill, Cabinet Member (Finance, Procurement and Value for Money)

To find out more

For further information on Residency Checker, please contact your Experian Account Manager or the dedicated public sector Customer Service Team on 0115 901 6026 selecting option 2.