

How Middlesbrough Council Rapidly Increased Council Tax Collection Rates

Councils across the UK are facing a council tax deficit. In the face of mounting pressure MBC implemented Voicescape's Collections solution, automating inefficient and ineffective manual process and transforming its council tax recovery performance.



In 2020, Middlesbrough Council, like many local authorities, was faced with a whole host of challenges – one of the most important being Council Tax arrears. The coronavirus pandemic also led to the temporary closure of the court system, which had a negative impact on the council's debt recovery process.

Using Voicescape Collections, Middlesbrough Council was able to drastically increase collection rates and recover an additional £146,000 in just three months.

The challenge

As the COVID-19 pandemic continued to devastate the economy, the number of residents falling into Council Tax arrears rocketed. Even when the courts finally reopened in a virtual capacity, Middlesbrough Council could only issue 3,000 liability orders – a massive 79% decrease compared to 2019.

If that wasn't enough, Council Tax collection rates continued to fall year-on-year for Middlesbrough Council, despite the introduction of the 'Stop the Knock' campaign. In 2020, its collection rates dropped by 19.04% for payers of working age and 2.94% for those of pension age (compared to 2013).

At this point, Middlesbrough Council knew that something had to be done – and fast – in order to increase engagement with residents, improve collection rates and ultimately prevent future escalations. Their previous method of manually calling residents was clearly no longer fit for purpose, proving costly, inefficient and resource-intensive.

The solution

Middlesbrough Council was introduced to Voicescape by Thirteen Housing Group in May 2020. The council initially piloted Voicescape Collections for six months from November 2020 to April 2021 to test the practicality of a technology that has been tried and tested in the social housing sector.

The pilot was conducted across three areas: council tax, housing benefit overpayments, and housing benefit or council tax reduction.

How it works

Voicescape Collections is an ethical, effective means of helping local authorities improve collection rates and prevent future escalations by facilitating communication at the earliest opportunity. It works by automating the expensive and laborious tasks required to achieve contact with

residents, including sending letters and text messages and making outbound calls.

By changing inefficient manual interventions into productive inbound calls, Middlesbrough Council now has more time to engage with its residents and have high-quality, proactive and preventative conversations. This helps residents get their finances back on track and drive more successful outcomes, all while reducing the demand on other service areas – particularly mental health and wellbeing.

The result

It's safe to say that the pilot has formed a large part of Middlesbrough Council's recovery process. Over a period of just three months, they collected a total income of £146,054.91 in outstanding payments from 1,209 residents as a result of a Voicescape call. This equates to an average of £121 per resident. It would take one revenue operator approximately 433 hours to achieve the same result using a manual outbound calling process.

In the same three-month period, 1,209 proactive conversations were conducted by a single officer to support residents with their payment arrangements and any other welfare needs. Engagement rates increased by a huge 60%.

60%

Engagement
rates increased



“Before Voicescape, you’d find us going through our records, manually calling them one by one – maybe speaking to five people a day, if that,” said Lewis Scott, Team Leader at Middlesbrough Council. “We’ve been really impressed with how well the service has dealt with the conversations.”

Lewis Scott | Team Leader at MBC

Automating the numerous manual tasks typically associated with outbound calling has allowed the team at Middlesbrough Council to spend more time engaging with residents who require direct contact to identify their unique and often complex needs. Shifting the nature of individual interactions has also improved the wellbeing and satisfaction of both staff and residents.

One of their residents even offered this feedback: “Thanks for contacting me this way, I really appreciate it as I always forget to pay my Council Tax and don’t want to set up a Direct Debit or Standing Order. Please can you contact me this way every month as a reminder for me to pay.”

Due to the success of the pilot, Middlesbrough Council plans to roll out Voicescape Collections to its 64,801 Council Tax-paying resident population, as well as other service areas. The council has signed a three-year partnership agreement, and we can’t wait to see what the future holds.

Get in touch

Have a question about our range of solutions? Just ask.

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