

Welsh Water case study

Debt collection without
disconnection



About Dwr Cymru Welsh Water

Dwr Cymru Welsh Water is the sixth largest of the 23 regulated water companies in England and Wales with 1.2 million household customers and over 110,000 business customers. Since 2001 Thames Water has managed customer services on behalf of Welsh Water.

Business challenge

In 1999 the UK government introduced a water disconnection ban, preventing companies from cutting off supply to customers in arrears. This has made commercial life significantly more difficult for all water companies.

After the ban, the in-house system that had been used by Severn Trent to manage debt recovery was simply not equipped to deal with the new layers of administration required in the collections procedure.

Welsh Water decided to introduce a comprehensive new debt recovery and revenue management system. Its major requirement was to automate as many routine activities as possible – and also to ensure that customers could be segmented so that different approaches could be adopted.

The solution

The Tallyman system was chosen to collect debt on 'unmeasured debt' – customers without water meters who are billed in advance, the majority of Welsh Water's customers.

The benefits

- Collection rates significantly increased
- Debt collection costs now well below the industry average of £3.59 in 2005-2006
- Has significantly increased the productivity of the collections team
- Customers segmented into a variety of different categories to enable the most effective course of action to be taken
- Has significantly enhanced the range of customer payment arrangements Welsh Water can offer – there are now a whole variety of letters and forms available to cater for and respond to individual customer requirements