

Severn Trent Water case study

Reducing collection
costs by £1.18 per
customer



About Severn Trent Water

Severn Trent Water (www.stwater.co.uk) is one of the UK's largest water and sewerage companies, supplying nearly two billion litres of water a day to over three million households and businesses.

"Tallyman more than fulfilled our specifications, both for functionality and scalability. Furthermore it could be rolled out quickly – and at a favourable price."

"By using Tallyman effectively, organisations can achieve significant financial and customer service benefits. Cash flow will improve as late payments are reduced."

Business challenge

In 1999, the UK government introduced a water disconnection ban preventing water companies from cutting off supply to customers in arrears.

Like all other water companies in the UK, Severn Trent Water had relied on the threat of disconnection to persuade customers to settle their debts. The water disconnection ban forced Severn Trent Water to examine the way it collected payments from customers in arrears and the decision was made to introduce a comprehensive new debt recovery and management system.

The solution

After a rigorous tender process the Tallyman Debt Management solution was selected. The Tallyman team worked with Severn Trent to customise the system and to ensure that it was integrated with the company's existing billing system, with the project going live in December 2001 – on time, on spec and on budget.

The benefits

- Collection rates significantly increased – to 98%
- Debt collection costs reduced dramatically to £1.64 per customer compared with an industry average of £2.82
- Severn Trent was so impressed with Tallyman that it established a new division to sell Tallyman systems to other utility companies