

REPORT TO: Executive Board

DATE: 19 September 2019

REPORTING OFFICER: Operational Director, Finance

PORTFOLIO: Resources

SUBJECT: Waiver of Procurement Standing Orders –
Enforcement Agent Services - Council Tax and
Business Rates

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To request a Waiver of Procurement Standing Orders, to comply with Standing Order 1.14.4 due to the aggregate value of the requested waiver being in excess of £100,000

2.0 RECOMMENDED: That Executive Board approve a waiver to the value of £300,000 to cover a two year period from 5th September 2019 to 4th September 2021 for the provision of Enforcement Agents Services, under the existing arrangements with Jacobs Ltd. and Rossendales Ltd.

3.0 BACKGROUND

3.1 The Revenues & Financial Management Division is responsible for the collection of council tax and business rates. For those who do not pay or fail to engage, there is a process to issue accounts to an Enforcement Agent (Bailiff) to secure money owed to the Council.

3.2 Current contracts for bailiff services expire on 4th September 2019. Currently two formal service level agreements exist for this service and this encompasses the collection of all council tax & business rates income where the Council cannot collect it directly from the debtors.

3.3 Not procuring external partners would leave the authority with no means of collecting around £1.6m of income over the 2 year contract period from unpaid local taxation, which would impact adversely on the Council's budget.

3.4 The existing Enforcement Agent contracts are provided by Jacobs Ltd. and Rossendales Ltd. and are due to expire on 4th September 2019. It is proposed that the new arrangements will be for a 2 year period commencing 5th September 2019.

- 3.5 To ensure continuity it is proposed that the services of Jacobs Ltd and Rossendales Ltd will be retained. The services provided by both companies are satisfactory and very few complaints concerning their actions are received.
- 3.6 There are no costs incurred by the Council for using Enforcement Agents services. Fees are charged to the debtor in accordance with the Taking Control of Goods (Fees) Regulations 2014. If a debtor pays the fees, they are retained by the Enforcement Agents.
- 3.7 If an Enforcement Agent fails to collect the debt there are no fees passed onto the Council. The level of fees is shown below, it should be noted over the period of the existing contract no cases have been passed to the Sale stage of the process :

Stage of process:	Fixed Fee:	% extra you will pay for debts over £1500.00:
Writing to you about your debt (called compliance)	£75.00	None
Visiting your home (called enforcement)	£235.00	7.5%
Taking and selling your belongings (called 'sale')	£110.00	7.5%

- 3.8 During 2018/19 a total of 3,955 new cases were passed to Enforcement Agents with a total value of £2.7m. The collection rate on this was 29.4% with a total value of £0.8m collected on behalf of the Council. This compares satisfactorily to authorities within the AGMA region, being the 7th highest collection rate from 16 authorities.
- 3.9 Based on previous expenditure it is anticipated that the annual value of the contract is likely to be in the region of £151,000, therefore making the aggregate value of a 2 year contract in the order of £300,000.

4.0 POLICY IMPLICATIONS

- 4.1 The method of procurement complies with the Councils Procurement Standing Orders 2.4 – Contracts for Social and other specific services that qualify for the Light Touch Regime , schedule 3 of the Public Contract Regulations 2015, with a value threshold of £615,278.00.

5.0 FINANCIAL IMPLICATIONS

5.1 The above contracts will enable the continued collection of money owed to the Council. There are no costs incurred by the Council.

6.0 IMPLICATIONS FOR THE COUNCILS PRIORITIES

6.1 Not appointing Enforcement Agents could affect all priorities due to reduced revenue.

6.2 Children and Young People in Halton

As per 6.1

6.3 Employment, Learning and Skills in Halton

As per 6.1

6.4 A Healthy Halton

As per 6.1

6.5 A Safer Halton

As per 6.1

6.6 Halton's Urban Renewal

As per 6.1

7.0 RISK ANALYSIS

7.1 The risks of renewing the contracts with both suppliers are minimal. Both companies are registered with the Civil Enforcement Association (CIVEA) and the Council maintains a good working relationship with them.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

9.1 None.