

# Chichester District Council

Corporate Governance and Audit Committee

26/11/2020

## Corporate Enforcement Agent Contracts

### 1. Contacts

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### 2. Recommendation

- 2.1 **The Committee notes the Council have awarded new contracts to two Enforcement Agents (bailiffs) who collect unpaid debts on behalf of the Revenues and Benefits and Parking Services teams.**
- 2.2 **That Officers provide an update on these contracts to committee within two years from the beginning of the new contracts.**

### 3. Background

- 3.1 The Council uses Enforcement Agents to collect unpaid debts in relation to Penalty Charge Notices, Council Tax, Non-Domestic Rates and BID Levy debts. Whereas most customers pay, a small number of debtors do not and therefore it is important to have Enforcement Agents in place.
- 3.2 The Council carries out debt collection in line with the Council's Corporate Debt Recovery policy. Enforcement Agents are only utilised where all other collection options have been exhausted.
- 3.3 Enforcement Agents work in line with The Taking Control of Goods Regulations 2013. There is no cost to the Council for the use of their services. Warrants are obtained for debts which remain unpaid; Enforcement Agents collect debts and where possible, return monies in full to the Council. Additional fees collected by the Enforcement Agents are strictly in line with the scale of charges as stipulated in regulations.
- 3.4 The use of Enforcement Agents ensures that the Council maintains a fair, consistent and thorough approach to debt collection which demonstrates that it is not acceptable to avoid payment, while also identifying debtors who are unable to or need help to clear a debt.
- 3.5 The Council's previous Enforcement Agent contract was in place from 2015 – 2018 and was extended for two further years, to March 31<sup>st</sup> 2020.

- 3.6 In response to Covid 19, the Council ceased all debt collection from 20<sup>th</sup> March to 18<sup>th</sup> June 2020. This decision reflected the approach taken by neighbouring local authorities and at a national level.
- 3.7 A full procurement exercise was carried out jointly with Arun District Council and with the agreement of the Director of Corporate Services, the support of the Council's Procurement Officer and Legal Services. Officers received 6 submissions and thoroughly evaluated these in February 2020. The first evaluation was inconclusive where tenders scored equally and the decision was made to carry out a second evaluation. Following the second successful evaluation standstill ended on 28<sup>th</sup> September without any challenges.
- 3.8 Two Enforcement Agents were appointed in September and contracts for each company, Jacobs and Marstons Group Ltd, are being finalised by Legal Services. The contracts will be for the period from April 2020 – March 2023, with the option to extend by two years.
- 3.9 The Council has an in depth specification to ensure the companies meet a high standard of service. The contracts are robust and managed by Officers to monitor activities and performance.

#### **4. Outcomes to be Achieved**

- 4.1 To ensure that the Council has two Enforcement Agents successfully collecting unpaid debts in line with regulations and that the contracts in place are robust and closely monitored.
- 4.2 To ensure that the Council continue to closely monitor the performance of Enforcement Agents and working with them to promote the best performance in line with the regulations and council debt recovery policy.
- 4.3 That the Council collects all debts consistently and fairly, using resources carefully and differentiating between debtors who can and cannot pay.
- 4.4 All action taken by Enforcement Agents is recorded and available to view by the Council.

#### **4 Corporate Enforcement Agent Contract**

- 5.1 The Council has a responsibility to ensure that those who can pay, do and to identify those who cannot pay.
- 5.2 Without Enforcement Agents, the Council's income across different service areas will be affected.
- 5.3 Contracts are being sent to Marston Group Ltd and Jacobs in November 2020 by the Legal Services Team and Officers will re-engage with contract management processes with Agents, reviewing performance and service requirements.

#### **5 Alternatives Considered**

- 6.1 Not having Enforcement Agents has been considered, however, this would mean that debts were uncollectable which would affect income. The use of Enforcement Agents when all other options have been exhausted also encourages debtors to pay earlier to avoid further action which improves collection at earlier stages of the statutory processes. The Council's Agency Agreement with West Sussex County Council for the provision of a Parking Civil Enforcement service requires the authority to have

contracts in place with a minimum of two Enforcement Agents for debt recovery.

## 6 Resource and Legal Implications

- 8.1 There are no costs to the Council for the use of Enforcement Agents, costs are covered through the debt collection.
- 8.2 Enforcement agents work in line with The Taking Control of Goods Regulations 2013 and associated regulations. Legislation was updated in light of Covid 19 where there was a period of time where attendance or entry to properties was suspended.

## 7 Consultation

- 7.1 This decision does not require consultation, however a full procurement process has been undertaken and the authority has worked closely with Arun District Council who has also been renewing their contract with Enforcement Agents.

## 8 Community Impact and Corporate Risks

- 9.1 Enforcement Agents have comprehensive policies to identify and assist vulnerable debtors, in line with the regulations, and information is shared between the Council and debt collection staff.
- 9.2 The contracts will be monitored and measures put in place should an Enforcement Agent underperform. The Council purposely appoints two Enforcement Agents in order that performance can be benchmarked which encourages higher collection rates. Cases can also be allocated based on performance if deemed necessary.
- 9.3 It is ensured that customers are aware of the action the Council can take if debts are not paid and the Council signpost to support services and offer advice, within the statutory processes undertaken.

## 9 Other Implications

Are there any implications for the following?		
	Yes	No
<b>Crime and Disorder</b>		✓
<b>Biodiversity and Climate Change Mitigation</b>		✓
<b>Human Rights and Equality Impact</b>		✓
<b>Safeguarding and Early Help</b>		✓
<b>General Data Protection Regulations (GDPR)</b>		✓
<b>Health and Wellbeing</b>		✓

## 10 Appendices

- 12.1 None

## 11 Background Papers

- 11.1 None