

## MUNICIPAL YEAR 2019/2020 REPORT NO.

### REPORT TO:

Executive Director of  
Resources/Executive Director of Place

### REPORT OF:

Geoff Waterton - Head of Service,  
Income  
Dave Morris – Head of Service  
Parking

<b>Agenda - Part:</b>	<b>Item:</b>
<b>Subject:</b> Concessionary services agreement award for the provision of Enforcement Agent services	
<b>Wards: All</b>	
<b>Cabinet Member consulted:</b> N/A	

### 1. EXECUTIVE SUMMARY

This report seeks approval to award the Council concessionary services agreement for enforcement agent services for council tax, business rate, parking enforcement and other corporate debt. The recommended suppliers are:

- Newlyn PLC (Council tax and Parking)
- Marston Holdings (Parking only)
- Phoenix Commercial Collections (Parking only)

The recommendation follows a competitive tender exercise using the Rotherham Framework agreement and evaluated by staff from the council tax, parking and procurement teams. The agreement is for the period of initial one year with the option to extend at the sole discretion of Enfield Council for a further 3 years, on a year by year basis. It is envisaged the Agreement will commence on 1<sup>st</sup> June 2019.

### 2. RECOMMENDATIONS

To enter into a concessionary agreement with Newlyn PLC, Marston Holdings and Phoenix Commercial Collections for a maximum period of four (4) years, including possible extensions, for the provision of enforcement agent services.

### 3. BACKGROUND

The tender of the concessionary agreement was undertaken as the previous contract was due to expire. The tender was carried out as a concessionary agreement as the Council expected to pay no commission to the enforcement

agent companies for their services as the enforcement agent companies retain payments for the statutory enforcement agent fees raised to pay for their work collecting the debts. These are currently:

- compliance stage - £75.00
- enforcement stage - £235
- sale or disposal stage - £110

Payments collected over and above these costs are then made to the Council.

Enforcement agent services have come under increasing scrutiny nationally as public sector debt increases. Enfield is introducing increased safeguards for vulnerable and low-income residents to limit the impact of additional fees but enforcement agent collection remains a cost effective statutory debt collection function used for council tax, business rate and parking enforcement.

Following approval to go put to the market to procure the service and a due diligence check on existing frameworks, on 13<sup>th</sup> April 2019, an Invitation to Further Competition (“ITFC”) was issued under the Framework Agreement established by Rotherham Metropolitan Borough Council known as RMBC 16-046 Enforcement and Debt Collection Service Framework, as detailed within the OJEU notice (ref: 2016/5 – 202-365931) <http://ted.europa.eu/TED/notice/udl?uri=TED:NOTICE:365931-2016:TEXT:EN:HTML>

For this exercise, council tax and business rates enforcement was tendered as ‘Lot 1’ and parking enforcement tendered as ‘Lot 2’. The tender is for one company to be tendered for lot 1 and three enforcement agent companies to be appointed for Lot 2 with no guarantee of the volumes of work to be referred.

The tender was conducted as a concessionary service procedure. Four companies submitted bids for Lot 1. Four companies submitted bids for Lot 2. All companies submitted tenders based on the Councils specification. Officers from Revenues and Benefits, and Parking evaluated the bids in accordance with pre-determined quality criteria. Detailed outcomes of the tender evaluation is provided in Part 2 report.

The term of the concessionary agreement will initially be for one year with the option to extend for further three years on a year by year basis at the sole discretion of the Council.

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

The concessionary service procedure using the Rotherham framework agreement was considered the best approach to obtaining enforcement services

#### **5. REASONS FOR RECOMMENDATIONS**

Newlyn PLC, Marston Holdings and Phoenix Commercial Collections tenders were judged to best meet the Council's criteria.

## **6 COMMENTS OF THE DIRECTOR OF FINANCE RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

### **6.1 Financial Implications**

The award of this bailiff contract is on a "nil commission basis". As such there will be no financial implications to the Council. Any costs raised by the bailiffs are recoverable directly from the debtor, at a nil cost to the Council.

### **6.2 Legal Implications**

The services were procured in accordance with the Council's Constitution, in particular the Contract Procedure Rules. A contract in a form approved by legal services will be required with each of the successful providers.

## **7. KEY RISKS**

The report recommends action to mitigate the risk of increased personal indebtedness and council arrears

## **8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

### **8.1 Good homes in well-connected neighbourhoods**

Good debt management and excellent collection services help fund, maintain and improve housing facilities generally and increase the amount of affordable housing available. Rent collection funds Housing Revenue Account infrastructure work to maintain and improve housing stock.

### **8.2 Sustain strong and healthy communities**

Debt, benefit and other related problems can adversely affect the health and well-being of our community. Co-ordinated, targeted advice can make a real difference to residents and help sustain tenancies.

### **8.3 Build our local economy to create a thriving place**

Council tax and business rate collection provides funding to help the local economy. Helping support local business to pay council debts electronically and purchase services easily will help the local economy.

## **9. EQUALITIES IMPACT IMPLICATIONS**

**9.1** Debt can impact on the most vulnerable in society. Excellent support and advice work can make a big difference to the health and well-being of elderly, low income families, the disabled and customers with mental health issues.

**10. PERFORMANCE AND DATA IMPLICATIONS**

**10.1** In year collection performance for 2018/19 for council tax and business rate was 95.7% and 99% respectively

**11. HEALTH AND SAFETY IMPLICATIONS**

11.1 N/A

**12. HR IMPLICATIONS**

12.1 N/A.

**13. PUBLIC HEALTH IMPLICATIONS**

**13.1** There is an opportunity for co-ordinated debt, benefit and other advice can join with 'Health in all Policies' to take advantage of opportunities to improve resident health generally e.g. smoking, diet exercise advice etc

Background Papers

None