

<b>Cabinet Meeting</b>	<b>Agenda Item: 7</b>
<b>Meeting Date</b>	15 March 2017
<b>Report Title</b>	Extension of the Bailiff Services Contract
<b>Cabinet Member</b>	Cllr Dewar-Whalley, Cabinet Member for Finance and Performance
<b>SMT Lead</b>	Dave Thomas, Head of Commissioning & Customer Contact
<b>Head of Service</b>	Dave Thomas, Head of Commissioning & Customer Contact
<b>Lead Officer</b>	Jeff Kitson, Parking Services Manager
<b>Key Decision</b>	Yes
<b>Classification</b>	Open
<b>Forward Plan</b>	Reference number:
<b>Recommendations</b>	1. That the Cabinet agrees to an extension to the external bailiff services contracts relating to the recovery of unpaid Penalty Charge Notices and the collection of unpaid Council Tax and Non-Domestic Rates for a further two years to 14 May 2019.

## **1. Purpose of Report and Executive Summary**

- 1.1 To consider the proposal to extend the bailiff services contracts relating to the recovery of unpaid Penalty Charge Notices and the collection of unpaid Council Tax and Non-Domestic Rates for a further two years to 14 May 2019.
- 1.2 The contracts were originally procured through a framework and the three partner authorities have a separate contract with the provider. The terms of the contract state that a two year extension to the original three year term is permitted if the Council is satisfied with the contractor performance. Both Maidstone BC and Tunbridge Wells BC have confirmed their intention to invoke the extension.

## **2. Background**

- 2.1 The external bailiff services are managed in partnership between Swale Borough Council, Maidstone Borough Council and Tunbridge Wells Borough Council. The contracts are due to expire on 14 May 2017.
- 2.2 The three year contracts with each service provider allow for an extension under section 2 of the agreements by written consent of the Parties involved for a further period of two years.
- 2.3 The contracts provide access to a pool of approved bailiffs under a framework agreement. The services provided since the start of the framework agreement have been to a good standard and are considered to continue to be value for money for each of the Councils partnered under the agreement.

- 2.4 Further to the initial letting of these contracts, an internal bailiff service was introduced in June 2016. However the services provided through the external bailiff contracts will continue to be necessary over the next two years whilst the in-house team builds its capacity and expertise. In two years' time, a view can be taken as to whether or not the in-house team is in a position to provide all bailiff services in future.
- 2.5 The use of external bailiff agents under the framework agreement varies between services. Unpaid Council Tax and Non-Domestic Rates projected income recovered through external bailiffs is estimated to be £900,000 in 2016/17, with £50,000 being recovered through the Mid Kent Services (MKS) in-house bailiff team. Parking Services relies mainly on the MKS in-house bailiff team recovering an estimated £30,000 in 2016/17 with only around £7,000 being recovered through the external bailiff framework.
- 2.6 Bailiff agents recover their costs through statutory charges with no operational costs being passed to the Council.

### **3. Proposal**

- 3.1 That the Cabinet agrees to an extension to the external bailiff services contracts relating to the recovery of unpaid Penalty Charge Notices and the collection of unpaid Council Tax and Non-Domestic Rates under the current terms and conditions as provided under section 2 of the agreements for a further two years to 14 May 2019.

### **4. Alternative action and why not recommended**

- 4.1 To allow the bailiff services framework agreements to expire on 14 May 2017 will impact on the recovery rates of unpaid Penalty Charge Notices and the collection of unpaid Council Tax and Non-Domestic Rates as the in-house recovery services are not yet in a position to deal with all warrants for recovery.

### **5. Consultation Undertaken or Proposed**

- 5.1 Consultation with each service area has taken place to ensure that service levels are maintained.

### **6. Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	Debt recovery supports the achievement of corporate priorities, including "A council to be proud of" and supports our values of fairness and integrity.
Financial, Resource and Property	There are no financial implications. The contracts provide for an extension under section 2 of the agreements.
Legal and Statutory	A two year extension to the contract arrangements with each service provider will require legal support to draft the agreements.

	Services under this agreement support the Council in its statutory obligations.
Crime and Disorder	No implications.
Sustainability	This contract considers sustainability implications as part of contract conditions.
Health and Wellbeing	No specific health and wellbeing implications.
Risk Management and Health and Safety	Risk levels remain unchanged.
Equality and Diversity	This contract will comply with the Equalities Act as part of contract conditions.
Social Value	As this contract was originally tendered and awarded before Swale's Social Value requirements were part of our procurement processes, these were not reflected at the time.
Commissioning and Procurement	Consultation has taken place with the Commissioning and Procurement Team to ensure that Swale's formal procedures have been followed in respect of proposing a contract extension.

## **7. Appendices**

7.1 None.

## **8. Background Papers**

8.1 None.