

**Written statement of a non-key officer decision**  
**Chief finance officer**

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| <b>Title</b>           | <b>Debt enforcement contract award</b>  |
| Decision maker         | Chief finance officer   |
| Date of decision       | 14 November 2019  |
| Report exemption class | Open  |
| Purpose                | <p>To approve the award of the debtor enforcement contracts following a procurement exercise. The contract award is to replace the existing contracts on their expiry.</p> <p>Herefordshire council bills approximately 85,000 dwellings for council tax and approximately 8,000 businesses for business rates. When payment is overdue the council is committed to using the most effective debt recovery methods available whilst ensuring that all debtors, taxpayers and ratepayers are treated fairly, appropriate support is identified, debtor circumstances are taken into consideration and any action that is taken is fair and open.</p> <p>The continued use of debt enforcement agency services, following the exhaustion of all other debt collection opportunities and where considered appropriate, is recommended to ensure the council continues to effectively collect monies owed. This is because the council has both a legal duty and a responsibility to its citizens to ensure that income due is paid.</p> <p>The total amount of overdue debt sent to the council's current enforcement agent in the last twelve months was 2,983 council tax cases with an overdue balance of £2.0m and 91 business rates cases with an overdue balance of £0.4m. In addition 1,242 traffic management enforcement warrants with unpaid debt from Penalty Charge Notices totalling approximately £0.1m.</p> <p>The council uses debt enforcement agencies to collect overdue debtor balances in line with the council's debt recovery policy (<a href="http://councillors.herefordshire.gov.uk/documents/s50035301/Appx%20A%20Debt%20Recovery%20Policy.pdf">http://councillors.herefordshire.gov.uk/documents/s50035301/Appx%20A%20Debt%20Recovery%20Policy.pdf</a> ).</p> <p>A competitive re-procurement exercise has been completed via a YPO framework agreement (Agency Enforcement) to determine the award of a contract to provide the debt recovery enforcement service at a nil cost to the council. Enforcement Agent fees or charges are to be paid by the debtor and are to be levied in accordance with the Taking Control of Goods (Fees) Regulations 2014.</p> |

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| Decision  | <b>That:<br/>Contracts for the supply of Enforcement Agency Services (Traffic Management Warrant &amp; Revenues and Benefits) for a period of up to five years from 1<sup>st</sup> February 2020 be awarded to Bristow and Sutor (revenues and benefits) and Jacobs (traffic management warrants).</b>  |
| Reason for the decision   | As set out in the report. Documents relating to this decision are available at<br><a href="http://councillors.herefordshire.gov.uk/mglIssueHistoryHome.aspx?IId=50031521">http://councillors.herefordshire.gov.uk/mglIssueHistoryHome.aspx?IId=50031521</a>   |
| Consultation  |   |
| Options considered  | <ol style="list-style-type: none"> <li>1. To not award the debt enforcement contract. This is not recommended as it would mean that debt recovery action could not be completed on overdue balances meaning that collection rates are likely to fall and the writing off of sums due may increase. This would have a direct impact on the council's overall budget and create an inequality between those debtors that pay and those that do not. Councils can utilise court powers to recover income and to not do so would effectively render the council powerless to collect overdue debt.</li> <li>2. Another alternative could be for the council to pursue and recover debt using its own resources without contracting a third party. This is not recommended due to the cost of carrying out such activities associated with debt collection, including the ability to recover monies from debtors living outside the county.</li> </ol> |
| Declarations of interest  |   |
| Call-in expiry date (decisions are not subject to call-in where special urgency provisions apply) | 20 November 2019  |

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| Officer: .....                           | Date 14 November 2019 |
| Chief finance officer (Andrew Lovegrove) |                       |