



Report to

Cabinet Member (Finance, Procurement and Value for Money) 3rd October 2007

Report of

Director of Finance and Legal Services

Title

Midlands Bailiff Partnership

1. Purpose of the Report

The purpose of this report is to:

- 1.1 Advise on the Midland Bailiff Partnership for bailiff services for Council Tax and Business Rates.
- 1.2 Update on the outcome of the tender process
- 1.4 To make recommendations on the supplier of the service.

2. Recommendations

The Cabinet Member is recommended to approve:

- 2.1 The contents of the report.
- 2.2 The outcome of the tender process and confirm Bristow and Sutor as the successful company.

3. Information/Background

- 3.1 In 2003, Council Tax and Business Rates bailiff services were externalised and at that time we did not go through a formal tendering process but operated under service level agreements and code of practices.
- 3.3 In late 2006, we were approached by Dudley Council to see if we would be interested in joining with them Wolverhampton and Sandwell in a consortium to tender for bailiff services. The consortium became known as the Midlands Bailiff Partnership.
- 3.4 This was seen as an ideal opportunity to not only embrace shared services but also as a networking tool to work in a practical way with our neighbours to obtain best practice in enforcement issues.
- 3.5 Establishing the value of this contract was not straight forward, as it is not based on a cashable value. Bailiff companies fund the service they provide by adding statutory fees to the debtors account. The only additional costs (if required) are for the service of warrants, which in total is less than £10k per authority.
- 3.6 The contract value that the group decided to use was the total number of liability orders that may be passed by the group to the bailiff service for collection. This amounted to 27,018 cases per year of which Coventry's share was 8,194.

- 3.7 For information purposes the total value of the liability orders that Coventry sent to our bailiffs in 2006/07 for council tax and business rate was approximately £2.9m.
- 3.8 Our procurement section saw no problems in us joining this group, as it would ultimately save us time and money in having to go it alone with a tendering process.
- 3.9 Wolverhampton agreed to be the awarding authority on behalf of the Partnership taking responsibility for the procurement process as they had experience of partnership working and tendering for services under a partnership agreement. The entire group agreed terms of references; code of conduct, service requirements, costs and legal framework.
- 3.10 The Midland Bailiff Partnership is not an exclusive club we welcome other members. The work involved in setting up the contract was always seen as an opportunity to share with other authorities and as a result Walsall joined the group at the end of the process.

4. Proposal and other Options to be considered

- 4.1 A formal tendering process took place and an advert was placed in the Official Journal of the European Union on the 14th March 2007 inviting expressions of interest.
- 4.2 We received expressions of interest from Rossendales; Equita; Jacobs; Rosan Heims; Dukes; Rundle and Co; Swift Credit; CCES; Bristow and Sutor; Newlyn and Phillips.
- 4.3 The above group were short listed by means of a set of selection criteria agreed by the group. The outcome of this was that Rossendales; Equita and Bristow and Sutor were invited to tender for the provision of the bailiff service.
- 4.4 Tenders were received from all 3 companies and the group evaluated them and obtained references from other authorities that they worked for.
- 4.5 The outcome of this process is that Bristow and Sutor are the successful supplier and a report is to be presented to Wolverhampton's Cabinet member on the 8th October 2007 to appoint them officially from the 1st October 2007 on a 3- year contract with an option for a further 2 years.

5 Other specific implications

	Implications (See below)	No Implications
Best Value		√
Children and Young People		√
Climate Change and Sustainable Development		√
Comparable Benchmark Data		√
Corporate Parenting		√
Coventry Community Plan		√
Crime and Disorder		√
Equal Opportunities		√
Finance	√	

	Implications (See below)	No Implications
Health and Safety		√
Human Resources		√
Human Rights Act		√
Impact on Partner Organisations		√
Information and Communications Technology		√
Legal Implications	√	
Neighbourhood Management		√
Property Implications		√
Race Equality Scheme		√
Risk Management		√
Trade Union Consultation		√
Voluntary Sector – The Coventry Compact		√

5.1 Finance

The appointment of a bailiff service is crucial to maximising the collection of council tax and business rates.

5.2 Legal

Council Tax and Business Rates Administration and Enforcement regulations provide billing Authorities with the power to enforce payment of a liability order. Regulation 45 covers the area of distress and sale of goods of the debtor and requires that certificated bailiffs must take this action. You must have attempted to levy distress before you can take the more serious route of either committal to prison or bankruptcy.

The City Council is under a statutory duty to recover outstanding liability. If the Cabinet Member approves this proposal, the City Council will need to ensure that the proposed contract meets the City Council's requirements and is in compliance with all the statutory requirements.

	Yes	No
Key Decision		√
Scrutiny Consideration (if yes, which Scrutiny meeting and date)		√
Council Consideration (if yes, date of Council meeting)		√

Proper officer: Chris West, Director of Finance and Legal Services

Author: Sid Lewis Telephone 7683 2506
Local Tax Manager, Revenues and Benefits Services

Other contributors:

Kathy Rice, Head of Legal Services
Jayne Elrick, Senior Committee Officer, Democratic Services
Phil Baggott, F&LS
Jane Curry, Senior HR Advisor

Description of paper

Location

Midland Bailiff Partnership