

Procurement of contract for collection of traffic penalty debts

Date: 21 September 2021

Report of: Parking Manager, Communities Housing and Environment

Report to: Chief Officer Elections & Regulatory

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- The collection of debts relating to unpaid parking and bus lane penalties is regulated by Traffic Management Act 2004 and the Council can only use the specified method to legally recover the money.
- When a ticket is not paid the debt is registered as a warrant with the Courts and referred to enforcement agents (bailiffs) for recovery. The Council receives the face value of the ticket and there are no costs to us, the agent adds their fees to the amount paid by the debtor. The fees paid by the debtor are fixed in law.
- The council does not directly employ enforcement agents and this work has been contracted out since 2005. The current contract has expired so a new arrangement is needed.
- Enforcement agents recover about £300,000 per year for the Council, this is essential revenue which contributes to the Best Council ambition of being an efficient, enterprising and healthy organisation.
- There is a Dynamic Purchasing System (DPS) run by YPO which includes all the main enforcement agent companies. Using the YPO DPS allows the Council to run a competition without setting up our own procurement exercise which represents a considerable saving in administrative costs.
- This report is to seek authorisation for using the YPO Dynamic Purchasing System

Due to the income brought into the Council under this contract this is a Key Decision.

Recommendations

- a) To authorise the use of the YPO Dynamic Purchasing System 953 entitled Provision of Enforcement Agent Services for the procurement of a contract for the recovery of unpaid parking penalties.

Why is the proposal being put forward?

- 1 Enforcement agents recover about £300,000 per year directly. The knowledge that unpaid debts are recovered in this way also encourages a higher payment rate at earlier stages of the process. There are no alternative methods available for recovery of this money under the applicable legislation.

What impact will this proposal have?

Wards Affected:

Have ward members been consulted? Yes No

- 2 The use of enforcement agents for recovery of Council parking debts has been carried out since 2005 and no impact is anticipated from continuing.

What consultation and engagement has taken place?

- 3 No consultation has taken place. The use of enforcement agents is a key part of the administrative process and the advertising of a new contract is business as usual. There is no cost to the Council.

What are the resource implications?

- 4 There is no cost to the Council and our administrative systems are already set up to work in this way.

What are the legal implications?

- 5 The use of enforcement agents for recovery of parking debt is well established and there are no alternative methods available under Traffic Management Act. This is a Key Decision and was added to the list on 21 September, therefore is subject to call-in.

What are the key risks and how are they being managed?

- 6 The main risk would be that the chosen contractor fails to recover the debts efficiently leading to a shortfall in revenue. This will be managed by using performance data to choose the contractor and by closely managing the contract once it has been awarded.

Does this proposal support the council's 3 Key Pillars?

Inclusive Growth Health and Wellbeing Climate Emergency

- 7 It is a requirement that the contractor has an effective policy for dealing with vulnerable debtors and that recovery is reasonable given the circumstances of the debtor. The new breathing space provisions which suspend recovery action for people suffering financial hardship will be applied to this contract. There is minimal impact on the climate emergency although the contractor will have to evidence their environmental impact as part of the tender process.

Options, timescales and measuring success

a) What other options were considered?

8 No other options have been considered, as above there is no way of recovering this money without using enforcement agents. This is due to the strict processes set out in the Traffic Management Act 2004.

b) How will success be measured?

9 The key measure is the recovery rate for the warrants issued, it is also important to monitor any complaints and ensure that all recovery is done fairly.

c) What is the timetable for implementation?

10 The YPO suggests a 12 week timetable from the publication of the tender to the award of the contract.

Appendices

11 Equality Impact assessment.

Background papers

12 None