

## Extension of contract for the collection of traffic penalty debt

Date: 16 February 2024

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

### Brief summary

- The Council uses enforcement agents to collect unpaid traffic penalties. The legislation does not allow us to collect this money in any other way so the use of these agents is an essential part of the debt recovery process.
- The current contract with Marstons (Holdings) limited runs until 31.3.24 and there is an option to extend the contract for 2 further terms of 12 months each.
- Marstons have provided a satisfactory service and therefore it is appropriate to take up the option to extend.

### Recommendations

To approve the extension of the current contract with Marstons (Holdings) limited for the collection of traffic penalty debt.

### Why is the proposal being put forward?

- 1 The Council is responsible for enforcing parking and bus lane restrictions in Leeds and does so through the issue of Penalty Charge Notices. If a ticket is unpaid the legislation stipulates the recovery method. The ticket is registered as a debt with the Traffic Enforcement Court and they issue a warrant for the amount due. This warrant must be served by a Court certificated enforcement agent. As the Council does not directly employ enforcement agents we need to engage a contractor to carry out this work.
- 2 There is an existing contract for this work with Marstons (Holdings) limited which began 1<sup>st</sup> April 2022. It was awarded following a procurement exercise. Decision D 55055 refers. This contract has an option to extend for 2 further periods of 12 months each.
- 3 There are no charges to the Council for the use of enforcement agents as they collect their fees from the debtor. The fees are fixed, at £75 for initial recovery and £235 if a home visit is required, and these amounts are added to the warrant. There are no costs to the Council.
- 4 A review of current performance shows that the current supplier is performing well. The amount recovered has increased by 11% and the recovery rate has improved for both parking and bus

lane penalties. There have been no upheld complaints about the contractor or their employees since the latest contract started.

5 Therefore it is appropriate to extend the contract for a further 12 months.

### What impact will this proposal have?

**Wards Affected: N/A**

Have ward members been consulted?  Yes  No

6 This work has been undertaken on behalf of the Council since 2005 and Marstons are the current supplier so this is business as usual and no impact is anticipated.

### What consultation and engagement has taken place?

7 None.

### What are the resource implications?

8 The expected revenue is about £340,000 per year, this amount is already included in the parking services budget.

### What are the legal implications ?

9 This is a significant operational decision as it is a consequence of the key decision ref D54565 taken on 4/11/21 for the procurement of a contract for collection of traffic penalty debts. It is therefore not subject to call in.

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

10 The main risk is that the contractor performs poorly and does not recover the expected revenue. This risk is considered low as we have used the current contractor since 2005 and they have always performed well.

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

Inclusive Growth  Health and Wellbeing  Climate Emergency

11 The revenue is an essential part of the Council's budget.

### Options, timescales and measuring success

#### a) What other options were considered ?

There is no alternative method for recovering this money under the applicable legislation, we cannot pursue the sums through County Court judgements for example. The only other alternative would be to run another procurement exercise.

#### b) How will success be measured

The main measures are the revenue generated and the number of complaints. Evidence of good performance in both these areas has been established.

#### c) What is the timetable for implementation?

The contract extension will begin on 1<sup>st</sup> April 2024.

## **Background Papers**

[Council and democracy \(leeds.gov.uk\)](https://leeds.gov.uk)