

**To:** City Executive Board

**Date:** 23<sup>rd</sup> July 2008 **Item No:**

**Report of:** Strategic Procurement and Shared Services Manager

**Title of Report:** Award of Contract for the Supply of a Bailiff Service to Oxford City Council

**Summary and Recommendations**

**Purpose of report:** To grant project approval and delegated powers to award to the Executive Director of City Services for the supply of a Bailiff Service to Oxford City Council

**Key decision?** Yes

**Executive lead member:** Councillor Van Nooijen

**Report approved by:** Tim Sadler, Executive Director of City Services  
Paul Warters, Head of Customer Services

**Finance:** Andy Collett  
**Legal:** Lindsay Cane

**Policy Framework:** Oxford City Council Corporate Plan  
Be an effective and responsive organisation, providing value for money services.

**Recommendation(s):**  
That the City Executive Board agrees:

- 1) To grant project approval for the provision of a Bailiff Service to Oxford City Council
- 2) To delegate, to the Executive Director of City Services, the authority to award the contract for the provision of a Bailiff Service to Oxford City Council.
- 3) To the contract being for 3 years commencing on 31<sup>st</sup> July 2008 with an option to extend the contract by up to 2 years.

## **1 Background**

- 1.1 Oxford City Council currently employs Bristow and Sutor, a registered bailiff firm, to collect outstanding amounts of Council Tax and Business Rates. West Oxfordshire District Council and Cherwell District Council also use this contract.
- 1.2 The existing contract expires at the end of July 2008. The Procurement Team in, conjunction with the Council Tax Manager and West Oxfordshire District Council's Council Tax Manager is in the process of re-tendering this contract.
- 1.3 Cherwell District Council declined to be involved in the re-tender as they are currently reviewing their collection operation.
- 1.4 Last financial year Oxford City Council has issued 2968 cases for Council Tax which was worth £1,811,826. It has also issued 113 cases for Business Rates which was worth £461,507. It is for this reason that City Executive Board approval is sought for the project approval and award of this contract.

## **2 Tender Process**

- 2.1 As specified in 1.4, the value of the contract meant that an advertisement was placed in the Official Journal of the European Union, local press and on the Council's website.
- 2.2 The evaluation panel is made up of Officers from both Councils participating in the Contract with all parties contributing to the contents of the PQQ and the tender documents. These Officers are also marking the tenders and will agree on the award recommendation.
- 2.3 The evaluation panel have determined the relevant financial and technical evaluation criteria that will provide the most economically advantageous contract, with 40% of marks being awarded for the pricing offer and 60% of marks awarded for evidence of quality. Suppliers must demonstrate that they are technically and operationally competent and able to meet the specification.
- 2.4 The evaluation panel are due to make their award recommendation by the 4<sup>th</sup> July 2008.

## **3 Other Options**

- 3.1 The Constitution and Procurement Strategy advises that City Executive Board considers what other options are available before giving major project approval and awarding a contract over 100K. These are detailed below.
- 3.2 **Continue as we are**  
The current Bailiff Services contract is due to expire at the end of July. To remain compliant and ensure best practice in providing value for money the Council is obliged to make provision for a replacement contract.
- 3.3 **Set up an in-house Bailiff Team**  
There is no provision in the Customer Services budget to do this. Oxford City Council used to have an in-house bailiff team, however it proved to be

less efficient at collecting money. The use of external bailiffs has helped the Council to deliver improved collection rates in both Council Tax and NNDR. It is prudent to mention that, should any regulations drafted for the Tribunal Courts and Enforcement Act come into force during the duration of this contract (such as up front fees) a break clause inserted in the contract will allow Oxford City Council to have the option of setting up it's own in-house team, should it be deemed more economically advantageous to do so.

### 3.4 Use a contract set up by another organisation

There is no suitable contract that meets the needs of both Oxford and West Oxfordshire District Councils.

## Benefits of this contract

4.1 During the term of the last contract the bailiffs have provided good rates of collection, which otherwise the Council would struggle to achieve.

For Council Tax:

Average collection rate in all cases	39.8%
Average collection rate in closed cases	48.7%
Amount of cases paid in full	32.1%
Amount of cases paid within six months of receipt	17.1%

For NNDR:

Average collection rate in all cases	23.0%
Average collection rate in closed cases	32.0%
Amount of cases paid in full	31.0%
Amount of cases paid within six months of receipt	24.3%

4.2 Up to the start of the current year our current provider had collected £750,000 in Council Tax and £100,000 in NNDR. This service is provided at no cost to the Council.

## 5 Financial Implications

5.1 There are no financial implications to this contract.

## 6 Legal Implications

6.1 This contract has been tendered in accordance with the EU procurement regime. It therefore complies with both the Council's own procurement requirements and external regulation.

## 7 Staffing Implications

7.1 There are no staffing implications.

## 8 Risk

8.1 As mentioned in 3.3, by awarding this contract to an external bailiff company, the Council has identified that having it's own in-house team will mitigate against the risk of not achieving collection targets.

## **9 Other means of achieving this objective**

9.1 Other means of achieving this objective are explained in paragraph 3.

## **10. Recommendations**

The Board is recommended to: -

- 1) grant project approval for the provision of a Bailiff service to Oxford City Council;
- 2) delegate to the Executive Director, City Services, the authority to award the contract for the provision of a bailiff service to Oxford City Council;
- 3) the contract being for 3 years commencing on 31<sup>st</sup> July 2008 with an option to extend the contract by up to 2 years.

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**List of background papers: None**

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