

ITEM No ...2.....

REPORT TO: POLICY AND RESOURCES COMMITTEE – 26 JUNE 2017
REPORT ON: SUPPLY OF SHERIFF OFFICER SERVICES
REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES
REPORT NO: 226-2017

1.0 PURPOSE OF REPORT

1.1 To recommend the appointment of Sheriff Officers to deliver statutory documents and assist in the recovery process for Council Tax, Housing Benefit Overpayments, Former Tenant Arrears and Penalty Charge Notice debts.

2.0 RECOMMENDATIONS

2.1 The Committee is asked to approve the following:-

- a) Agree the outcome of the Tender Evaluation to procure Sheriff Officer Services.
- b) Agree the expenditure described in paragraph 3 for the commission costs of collection and the Act of Sederunt costs of delivering statutory documents.
- c) Agree the appointment of Scott & Co. as the winning bidder for the provision of Sheriff Officer Services for Dundee City Council for a three year period with the option for an extension of a further 2 x 1 years.

3.0 FINANCIAL IMPLICATIONS

It is estimated that the annual cost of serving statutory documents will be £240,000 which is recoverable from the debtor. The Council will pay commission of 3.5% on Council Tax Debts and 5% on other debts which will be offset against the additional income being recovered. The commission paid is dependent on the successful collection of the debt.

4.0 MAIN TEXT

4.1 The following factors have influenced the procurement of Sheriff Officer Services-

- a) Dundee City Council has, up until now, had a Service Level Agreement with Sheriff Officers for the service of a variety of statutory documents. The current Service Level Agreements terminate on 30 June 2017. It has therefore been necessary, to undertake a tendering exercise over recent months in order to determine the Council's debt collection services provider for Council Tax, Housing Benefit overpayments, Former Tenant Arrears and Penalty Charge Notices.
- b) The collection of amounts due for all the above debt types is undertaken by staff from the Council's Corporate Debt team using well established systems and procedures. Some debtors fail to engage with the Council despite various methods being used to make arrangements to pay sums due and once the Council's normal reminder and Summary Warrant process has been exhausted, it becomes necessary to put collection of the debt on a more formal footing.
- c) Dundee City Council has used the services of Sheriff Officers for a number of years to serve Statutory Documents in order to progress with diligence action to recover debts due. The Council now wishes to make use of Sheriff Officers for the collection of certain Council Tax debts, Housing Benefit Overpayments, Former Rent Arrears and Penalty Charge Notices to further increase its levels of collection.

The appointment of Sheriff Officers is therefore a critical part of the collection process. The use of Sheriff Officers will only be considered where all avenues of investigation have been exhausted by the Corporate Debt team.

- d) The debt collection services to be provided are the timeous, effective and accurate collection of Council Tax, for which summary warrants have been obtained and Housing Benefit Overpayments, Former Rent Arrears and Penalty Charge Notices, using effective diligence methods, which comply with the appropriate legislation and instructions from the Council in order to maximise collections.
- e) Other councils were consulted during the tendering process to identify how they use sheriff officers in their recovery process. The councils which were consulted, all use sheriff officers in collection of their debts. Dundee City Council has been unique in this respect in that, it has not, for the past 13 years used sheriff officers to collect arrears but merely to deliver statutory documents to instruct diligence action to recover debts.

4.2 An Invitation to Tender (ITT) document outlining the Council's debt collection service requirements for Council Tax, Housing Benefit Overpayments, Former Rent Arrears and Penalty Charge Notices was prepared during February/March 2017. A single stage open tender was advertised on the Public Contracts Scotland advertising portal which was open to all potential bidders.

Two tender submissions were returned by the due date of 8 May 2017. Only one submission was deemed to be a compliant bid and taken forward for evaluation.

4.3 The tender assigned weightings to requirements within specific criteria which were applied as 80% for "Quality" and 20% "Price". Supplier tender responses were evaluated by a Team established for this purpose.

4.4 Feedback from the qualitative evaluation phase was used to complete the Scottish Government provided "Tender Evaluation Matrix" and along with Price identified the winning bidder. For the provision of the supply of Sheriff Officer Services, the final scores were as follows:-

Ranking	Bidder	Quality Score	Price Score	Combined Score
1	Scott & Co	77.86	20	97.86

4.6 Scott & Co presently has an office situated on the periphery of Dundee city centre and are currently in advance negotiations to obtain a lease for the relocation of the office to city centre premises in Albert Square, Dundee.

Scott & Co will make no charge for incoming calls, offering free phone numbers which generate no income from their inbound calls. By offering a range of contact numbers they attempt to ensure maximum engagement with previously reluctant customers or those experiencing severe hardship.

Scott & Co will commit to Dundee City Council's Community Benefits Requirements and Fair Work Practices throughout the duration of the contact.

5.0 POLICY IMPLICATIONS

5.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues

6.0 CONSULTATIONS

The Council Management Team were consulted in the preparation of this report

7.0 BACKGROUND PAPERS

None.

Gregory Colgan
Executive Director of Corporate Services

Date 8 June 2017

