



Glasgow City Council

Contracts and Property Committee

Report by Director of Legal and Administration

Contact: Maureen Fitzpatrick Ext: 76406

Item 1

1st May 2025

**Response to questions raised at the Contracts and Property Committee on
20th March 2025**

Purpose of Report:

To provide a response to the question raised at the Contracts and Property Committee on 20th March 2025.

Recommendations:

It is recommended that the Committee notes the content of this report.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ☒ consulted: Yes ☐ No ☒

<p style="text-align: center;">Contracts and Property Committee</p> <p style="text-align: center;">1st May 2025</p> <p style="text-align: center;">Enquiries from Elected Members</p>	
Agenda Item 4	The Provision of Debt Management and Sheriff Officer Services – framework Agreement (Tender Reference: GCC005823CPU)
Question 1 Cllr Hoy	Cllr Hoy raised a question at the Committee around the process of Debt Management in line with Section 1.5 of the report which referred to the Council's Debt Management Policy. Gary Weir provided a response to give some detail around how the process works. Cllr Hoy accepted the response but advised they would be keen to have sight of the process in writing.
Question 2 Cllr Andrew	Cllr Andrew advised, in line with Cllr Hoy's query, that they were unclear on the debt management process and asked for some information around the process to be provided.
Response Q1&2	<p>Please see below information in relation to the process for Debt Management.</p> <p>The framework has been implemented to engage services of Debt Management Partners in the first instance. The expectation is that our partners will assist in managing and collecting outstanding debts through engagement and negotiation with our customers. If successful collection outcomes are not achieved the partners have the option of instructing a sheriff officer to take enforcement action.</p> <p>Before taking enforcement action, the partners are required to take pre-defined actions as set out in the tender scope of services. For example, the scope for Non-Domestic Rates includes the requirements noted below.</p> <p>In addition, the appointed framework supplier(s) are managed by appropriate managers from FS Customer and Business Services to ensure that the contract terms are delivered to the expected standards.</p> <p><i>On receipt of the file containing the cases the supplier will issue a letter to all customers within 7 days confirming that the council have successfully applied for a Summary Warrant and a 10% statutory addition has been added to the outstanding balance.</i></p> <p><i>Where it is not possible to obtain payment in full, the supplier agrees to secure payment arrangements that maximise collection in the year of billing while assisting customers to break the cycle of debt. Every effort should be made by the supplier to ensure customers with</i></p>

	<p><i>arrears years only are paying their current year NDR timeously during payment arrangement negotiations.</i></p> <p><i>The supplier must offer varied and flexible payment options that must include Direct Debit. Direct Debit should be the default method.</i></p> <p><i>The key principles of council's Corporate Debt Policy requires collection activity to be designed to assist in breaking the cycle of debt. The council therefore anticipates that suppliers will negotiate an affordable payment plan where all of the payment made is applied to reducing the customers overall indebtedness rather than being partly used to fund the cost of the payment transaction' or similar.</i></p> <p><i>The supplier will, as a minimum implement the following actions on all accounts that do not respond to the initial letter:</i></p> <ul style="list-style-type: none"> <i>– Follow – up by telephony, text, visit, email or a further letter within 14 days of receipt of the file</i> <i>– Ensure all customers not yet paid in full or not on arrangement are visited within 30 days of the receipt of the file</i> <i>– Check companies house to verify the company is still active. Where a Ltd company is no longer active, the supplier will notify the council to update NDR records</i> <i>– At any stage, if the supplier discovers that the person/company named on the warrant are not the occupier at the property, this information must be communicated to the council securely. Where no tenant is in place the supplier should confirm details of the current landlord and the end date of the last tenancy. A forwarding address for the last tenant should also be provided. Where a different tenant is in place the supplier should obtain proof of the new tenancy and supply this to the council. Such proof may be in the form of a signed landlord's/agent's statement or lease agreement. On receipt of the information, the council will investigate and advise the supplier of any remaining outstanding balance within 7 days.</i> <i>– Where the supplier has obtained or received information that could lead to enforcement action, the supplier will instruct diligence activity within 182 days of receipt of the file</i> <i>– Vehicle ownership should be determined prior to the instruction of an attachment order and checks carried out to ensure the vehicle is free of finance. The supplier will meet any costs associated with these checks</i> <i>– Where a query is placed with the council the count of days shall stop until that query is answered. The council will endeavour to answer that query within 7 days of receipt</i>
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	<i>however, where the supplier does not receive an answer, the supplier should make further contact with the council prior to proceeding with the recovery process.</i>
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