



# City of Newcastle

## REQUEST FOR QUOTE FOR CONTRACT N°: 2024/001T Debt Recovery Services

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**Submissions Close at 2:00pm on Tuesday 25 JULY 2023**

## PROVISION OF DEBT RECOVERY SERVICES

### CONTRACT No. 2024/001T

1. **PURPOSE:** The purpose of this Request for Quote (RFQ) is the provision of Debt Recovery Services to the City of Newcastle.
  2. **INVITATION:** Persons willing to fulfil the requirements of the proposed contract are invited to submit a quote to the Council by the deadline, **2:00pm on Tuesday 25 July 2023**. Responsibility for lodgement of completed RFQ documents by the deadline lies solely with the Consultant. RFQ lodgement information is provided in this document. Council is not bound to accept the lowest quote or any quote submitted.
  3. **INFORMATION:** All enquiries relating to this RFQ must be directed to the nominated Council representative, Michael Cherry, on telephone: (02) 4974 2310 or e-mail [mcherry@ncc.nsw.gov.au](mailto:mcherry@ncc.nsw.gov.au). Any verbal enquiries are to be confirmed in writing.
  4. **PRE-TENDER MEETING:** A pre-tender meeting will not be held.
  5. **CONSULTANTS TO NOTE:** In the preparation and submission of the quote and without limiting the Consultant's obligations, the Consultant shall:
    - submit a quote which includes all Schedules and any other declaration required completely filled in and signed, together with any other documents, information and details necessary to make the quote complete;
    - not submit a quote without a firm intention to proceed;
    - not engage in any form of collusive practice;
    - not directly or indirectly canvass support from an elected member or employee of Council at any time.
  6. **LODGEMENT METHOD:**

Complete quotes (i.e. containing all completed schedules, documents, information and details required) shall be considered **ONLY** if received by:

Submissions must be lodged in the electronic Tender Box at Vendor Panel by the time and date nominated. (Respondents will receive a Successful Submission Receipt upon completion.)
  7. **PRIVACY & PERSONAL INFORMATION PROTECTION NOTICE:** The City of Newcastle is committed to protecting your privacy. We take all reasonable steps to comply with relevant legislation and Council policy.
    - Purpose:** The purpose being for the assessment of quotes (in accordance with the Local Government Act 1993 and the Local Government (General) Regulations 2005).
    - Intended recipients:** Authorised Council staff
    - Supply:** The voluntary supply of information required for the quotation process.
    - Consequence of non-provision:** Failure to provide information could result in the non-acceptance of your quote.
    - Access:** The information will be stored at Council's Administration Centre in accordance with the requirements of the State Records Act 1998. Individuals can request access to Council's files if they wish to review their information.
  8. **CODE OF CONDUCT:** Consultants are advised that Newcastle City Council's Code of Conduct will apply to the successful Consultant. A copy of the Code is available at <http://www.newcastle.nsw.gov.au/Council/Our-Responsibilities/Code-of-Conduct>
- Consultants should also be aware that they must abide by Council's Statement of Business Ethics. (A copy is available at <https://www.newcastle.nsw.gov.au/Newcastle/media/Documents/Contracts/NCC313-Statement-of-Business-Ethics-1.pdf> )

# Invitation to Quote

9. **ASSESSMENT CRITERIA:** Council is not bound to accept the lowest quote or any quote submitted. Council, in its discretion, will accept the quote that it determines provides the most advantageous result. Quotes will be assessed on “conformity to the documentation” and “value for money” (the most cost effective offer determined by considering all price and non-price factors relevant to the proposed contract).
- Fees
  - Technology
  - Resources
  - Local Government Experience
  - Supplier Diversity
10. **CONDITIONS OF QUOTATION:** This Request for Quote is being issued under the conditions of the Local Government Procurement contract (LGP109-4) for Debt Recovery Services.
11. **CONTRACT AGREEMENT:** The successful consultant will be required to enter into a Customer Contract with Council, under the terms of LGP109-4 contract.



## **Service Specification**

### **Debt Recovery Services**

Contract No.: 2024/001T

# Service Specification (2024/001T)

## 1. Preliminaries

### 1.1 Definitions

The following definitions are in addition to those of the Local Government Procurement (LGP) Standing Offer Deed No. LGP109-4:

“City of Newcastle” or “Council” or “CN” means the Customer.

“Site” means an operational site/location of the Customer.

“Mercantile Agent” or “Service Provider” or “Consultant” means the Contractor.

### 1.2 Terms and Conditions

The Services provided under this Agreement shall be in accordance with Local Government Procurement (LGP) Standing Offer Deed No.: LGP109-4 and is subject to its *Standard Terms & Conditions for the Provision of Services*.

### 1.3 Contract Period

This Agreement shall be a for a period of twelve (12) months.

However, the Contract Term may be extended for one further period of up to 12 months. It is at the sole discretion of Council if an extension is granted. The Council’s Representative shall give prior written notice to the Mercantile Agent if an extension of the Contract Term has been granted.

## 2. Preamble

2.1 Council is seeking to utilise the services of a Mercantile Agent in respect of the collection of overdue debts. The majority of these debts will be overdue rates and charges. However, there will be occasions where legal action is necessary in respect of sundry debtor accounts and childcare fees.

2.2 The estimated annual volumes which may require Mercantile Agent services are as follows:

- Letter of Demand/Final Notice – 6,000
- Statement of Liquidated Claim – 300
- Judgement – 120
- Examination - 50
- Writ of Execution - 50
- Garnishee - 40

2.3 Council makes no guarantee as to the volumes of debt recovery services that will be required as part of this Agreement. The Mercantile Agent will only deal with debtors specifically referred to them by Council.

### 3. Services Required

- 3.1 The services of Mercantile Agent will be required on an as-needs basis. Council will nominate which overdue debts the Mercantile Agent is to process.
- 3.2 Council will provide to the Mercantile Agent details of the nominated defaulting ratepayers/debtors, electronically in MS Excel format.
- 3.3 The Mercantile Agent is required to adhere to the following legal protocol process:
  - a. Ratepayer/Debtor is sent a letter (Letter of Demand) on the Mercantile Agent's letter head advising that if payment is not received by seven days legal action may occur without further notice and that any legal costs incurred will become the ratepayer/debtors responsibility,
  - b. Issue Statement of Claim;
  - c. Issue a Pre-Judgement Letter indicating to the debtor that Judgement may be entered into after 7 days without further notice
  - d. Obtain Judgement;
  - e. Issue a Post Judgement Letter indicating to the debtor that Judgement has been awarded.
  - f. Escalation of legal process (ie. Writ of Execution, Examination, Garnishee etc.).
- 3.4 Provision of legal advice and legal representation relating to Debt Recovery matters and proceedings is also required.

(NB: At the same time as the Letter of Demand referenced in 3.3(a) above, Ratepayer/Debtors who have a debt below Council's determined threshold will be sent a letter (Final Notice) on the Mercantile Agent's letter head. This letter will advise that the debt is overdue and payment is expected within 7 days. No legal action will proceed on these accounts at this time.)
- 3.5 It is an essential requirement of this Agreement that the Mercantile Agent must receive Council approval before they escalate to the next level of the legal process.
- 3.6 Council requires that in the event that the ratepayer/debtor is not readily traced that adequate attempts be made by the Mercantile Agent to locate the debtor and enact the legal protocol process described above.
- 3.7 The Mercantile Agent is to electronically provide a daily status report in respect of each referral. This should include all changes in debtor status and details of actual and attempted communications with the debtor.
- 3.8 The Mercantile Agent must also provide an interactive website.
- 3.9 No commission shall be payable by Council relating to the recovery of either rates and charges or sundry debts.



## **RFQ Response Schedules**

### **Debt Recovery Services**

Contract No.: 2024/001T

I/we accept the requirements as per the RFQ

|   |  |
|---|--|
| <b>Name:</b>  |  |
| <b>Title:</b>                                       |  |
| <b>Signature of Agent's<br/>Authorised Officer:</b> |  |

## 1. Agent's contact details

|  |  |
|--|--|
| <b>Name of Mercantile Agent:</b>         |  |
| <b>Office Address:</b>                   |  |
| <b>Australian Business Number (ABN):</b> |  |
| <b>Primary contact person:</b>           |  |
| <b>Telephone:</b>                        |  |
| <b>Mobile telephone:</b>                 |  |
| <b>Email:</b>                            |  |
| <b>Date:</b>                             |  |



## 2. Tender Price

**Provide a price to undertake all the requirements, tasks and obligations as set out in the Service Specification. (Note: All pricing shall remain fixed for the period of the contract, not subject to rise & fall and be inclusive of GST.)**

|  |  |
|--|--|
| Issue Letters of Demand/Final Notice   |  |
| Any professional costs, filing and service fees relating to the following debts:   |  |
| Statement of Claim - 100 debts @ \$1,000 each, 100 debts @ \$2,500 each, 70 debts @ \$6,000 each and 30 debts @ \$12,000 each. |  |
| Judgment - 50 debts @ \$1,000 each, 50 debts @ \$2,500 each and 20 debts @ \$12,000 each                                       |  |
| Examination Order  |  |
| Garnishee Order  |  |
| Writ   |  |
| Wind-up action – 3 debts @ \$50,000  |  |
| Professional Costs (re defended matters) per hour  |  |
| Title/Company search   |  |
| Location search  |  |
| Professional Costs other matters   |  |

## 3. Methodology/Technology

**Provide details to demonstrate the understanding of the Service Specification. Detail the technology/systems and methodology to be employed to deliver the outcomes described in the Service Specification.**

| <b>4. Capability</b>   |  |
|--|--|
| <p><b>Company Summary</b><br/>State number of years your organisation has been in business</p>   |  |
| <p><b>Knowledge of and experience in the industry:</b><br/>Provide details of your organisation's relevant experience</p>  |  |
| <p><b>Staff resources</b><br/>Provide a management organisation chart and outline the staff numbers. Plus, indicate the personnel who will have prime responsibility and accountability for the performance of the Agreement. (Attach a resume/CV for key personnel)</p>                         |  |
| <p>Is your organisation a Local Business?<br/>(<u>Local Business</u> means a business that either has a branch office or head office physically located within the Newcastle Local Government Area, or the Local Government Areas of Lake Macquarie, Port Stephens, Cessnock or Maitland.)</p>   |  |
| <p>Is your organisation an Aboriginal-Owned Business?<br/>(<u>Aboriginal-Owned Business</u> means a business that is recognised/accredited by either the NSW Indigenous Chamber of Commerce or the First Australians Chamber of Commerce and Industry.)</p>                                      | <p>(If yes, please attach details or evidence of your organisation's accreditation.)</p> |
| <p>Is your organisation a Disability Employment Organisation?<br/>(<u>Disability Employment Organisation</u> (or Australian Disability Enterprise) means a business that is approved as a disability employment organisation under the <i>Public Works and Procurement Regulation 2019</i>.)</p> | <p>(If yes, please attach details or evidence of your organisation's accreditation.)</p> |

## 5. Past Performance and Current Work

### Previous and current work

Detail previous similar work related to the Service Specification

### References

Provide up to three (3) referees that City of Newcastle can contact regarding your ability to deliver the requirements of the Service Specification.

1. Client and contract details:  
Description of service:  
Period:
2. Client and contract details:  
Description of service:  
Period:
3. Client and contract details:  
Description of service:  
Period:

## 6. Additional Information

Detail any additional information that has not been requested above that may assist your response and/or assist the City of Newcastle meet its objectives under this proposed contract.