

These notes refer to the Local Government (Miscellaneous Provisions) Act (Northern Ireland) 2010 (c.7) which received Royal Assent on 26 March 2010

Local Government (Miscellaneous Provisions) Act (Northern Ireland) 2010

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Section 1: Functions to include power to enter contracts

This section clarifies the power of councils to enter into contracts for the provision of assets or services (or both) for the purpose of discharging any of their functions. Although this provision enables councils to enter into PPP/PFI type contracts, it is not restricted to such contracts. The section also enables councils to enter into separate or collateral contracts with the financiers, or insurers of or trustees for the financiers, of the contracts. This will give a third party, who provided finance to a contractor, “step-in” rights in the event that the contractor produces an unacceptably poor performance, becomes insolvent or is otherwise unable to honour the contract.