



## 2010 CHAPTER 7

### PART 1

#### CONTRACTS OF COUNCILS

##### *Certified contracts*

##### **Absence of relevant discharge terms**

7.—(1) Subsection (2) applies where—

- (a) the result of a determination or order made by a court on an application for judicial review or an audit review is that a certified contract does not have effect; and
- (b) there are no relevant discharge terms having effect between the district council and a person who is a party to the contract.

(2) That person shall be entitled to be paid by the district council such sums (if any) as that person would have been entitled to be paid by the district council if the contract—

- (a) had had effect until the time when the determination or order was made; but
- (b) had been terminated at that time by acceptance by that person of a repudiatory breach by the district council.

(3) For the purposes of this section the circumstances in which there are no relevant discharge terms having effect between the district council and a person who is a party to the contract include (as well as circumstances in which no such terms have been agreed) circumstances in which the result of a determination or order of a court, made (despite section 6(4)) on an application for judicial review or an audit review, is that such terms do not have effect.