

Open Report on behalf of Pete Moore, Executive Director Resources & Community Safety

Report to:	Audit Committee
Date:	31 January 2011
Subject:	Mouchel Contract Update

Summary:

This report provides the Committee with an update on the Mouchel contract and assurance on the contractual arrangements in place should Mouchel fail to deliver a contracted service.

Recommendation(s):

That the Committee note the contents of the report and identifies any further information it may require.

Background

Most of the Council's contracts will include a clause that allows the Council to maintain continuity of service in the event of contractor failure.

The Mouchel contract includes such a clause entitled "step in".

In the event of a catastrophic or sustained failure by Mouchel the clause allows the Council to take over delivery of the service on a temporary basis.

The Council can undertake delivery by using its own staff or through another contractor. The contract clause also provides for recharge to Mouchel of any expenses incurred.

Prior to any action on that basis the Council will have worked with Mouchel to ensure proper action is taken in relation to a service failure, which may also be subject to financial penalties linked to performance.

Conclusion

As part of the development of any new contract similar clauses are already included to protect the Council. The inclusion of such a clause in the Mouchel contract provides assurance on the continuity of service delivery.

Consultation

a) Policy Proofing Actions Required

Not Applicable

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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