

Novation of contracts procedure

The Operators Request for Novation of Contract form must be completed by the novator (the incumbent operator). The form asks for reasons for the request, the financial status of the novator, details of contract(s) to be novated, and the details of the novatee (the operator to whom the contract(s) is to be novated) and requested date for the novation to take place

The Novation of Contract form will then have to be completed by the novatee (the operator wishing to take over the contract(s)). The form asks the novatee for their company information, financial status and contract details, and to confirm that they will take over the assignment at the current rate, abiding by the same terms and conditions

Both parties are required to obtain a Letter of Compliance from HMRC

The novatee must have satisfied the requirements of the Council to be eligible to tender for services through the Framework Agreement.

The novatee must have the appropriate licenses to operate the contract and up to date insurances

We strongly recommend the operator wishing to novate their contracts speaks to a member of the Contract Management Team, to discuss their intentions and reasons for novating their contract(s)

The novator will remain liable for and entitled to obligations and revenues accruing before the novation date and that the novatee will only be liable for and entitled to obligations and revenues in respect of services deliverable after the novation date.

Please find the links below to the forms that will need to be completed by the novator and the novatee with regards to a novation:

- [Operator request for novation](#) (Form to be completed by The Novator)
- [Operator novation of contract](#) (Form to be completed by The Novatee)

Completed forms should be emailed to the Contract Management Team, who will consider the request and advise both operators of its decision and the next steps, if any.

Essex County Council reserves the right to refuse the request to novate.

HMRC Letter of Compliance: Requests must be submitted in writing to HMRC, there is no charge but there is 4-6 week turnaround on these requests.

In the request include:

- PAYE reference number
- Employer Business Name
- Contact Name
- Contact Number

Write to:

HMRC
Customer Operations Employer Office
BP4009
Chillingham House
Benton Park View
Newcastle Upon Tyne
NE98 1ZZ
Requests can be submitted by fax to 0191 225 6677