



2010 CHAPTER 7

PART 2

LOCAL GOVERNMENT REORGANISATION

CHAPTER 2

CONTROL OF DISPOSALS AND CONTRACTS OF EXISTING COUNCILS

Control of disposals and contracts of existing councils

10.—(1) The Department may direct that, with effect from a specified date, an existing council shall not, without the written consent of a specified statutory transition committee—

- (a) dispose of any land if the consideration for the disposal exceeds a specified sum;
 - (b) enter into any capital contract—
 - (i) under which the consideration payable by the council exceeds a specified sum; or
 - (ii) which includes a term allowing the consideration payable by the council to be varied;
 - (c) enter into any non-capital contract under which the consideration payable by the council exceeds a specified sum, where—
 - (i) the period of the contract extends beyond a specified date; or
 - (ii) under the terms of the contract, that period may be extended beyond that date.
- (2) In subsection (1)—

“capital contract” means a contract as regards which the consideration payable by the council is capital expenditure;

“capital expenditure” means expenditure which falls to be capitalised in accordance with proper practices (within the meaning of Article 6(3) of the [Local Government \(Northern Ireland\) Order 2005 \(NI 18\)](#));

“non-capital contract” means a contract which is not a capital contract.

(3) A direction under subsection (1)(b) or (c) may provide that the consent of a specified statutory transition committee is not required in relation to a contract of a specified description.

(4) A direction—

- (a) shall be in writing;
- (b) may make different provision in relation to different matters for which consent is required;
- (c) may be varied or revoked by a subsequent direction.

(5) In this Chapter—

“direction” means a direction under this section;

“specified”, in relation to a direction, means specified in the direction;

“statutory transition committee” means a committee established under section 15.

(6) References in this Chapter to disposing of land include references to—

- (a) dealing with land in any way mentioned in section 45(3) of the Interpretation Act (Northern Ireland) [1954 \(c. 33\)](#);
- (b) entering into a contract to dispose of land;
- (c) granting an option to acquire land.