

SCHEDULE 12

RESTRAINTS ON TRANSACTIONS AND RECRUITMENT ETC. BY MERGING COUNCILS AND RESTRUCTURING COUNCILS

Directions under paragraph 1: further provision about reserves

- 3 (1) A direction under paragraph 1—
- (a) may provide that the opinion or consent of the person or persons specified in the direction is not required for the inclusion, in a calculation under section 32 of the [Local Government Finance Act 1992 \(c. 14\)](#), of financial reserves of a description specified in the direction;
 - (b) may, in relation to a merging council or restructuring council, provide that an opinion or consent is not required for the inclusion in such a calculation of an amount of financial reserves not exceeding an amount specified in or determined under the direction.
- (2) If a direction contains provision by virtue of sub-paragraph (1), the reference in paragraph 1(2)(f) to an amount of financial reserves is to be read as a reference to an amount of financial reserves other than an amount permitted by the direction.