



# Local Government (Wales) Act 1994

## 1994 CHAPTER 19

### PART VI

#### TRANSITIONAL PROVISIONS

#### **51 Control of disposals and contracts.**

- (1) On and after the operative date no old authority may, without the appropriate consent—
- (a) dispose of any land or building if the consideration for the disposal exceeds £100,000;
  - (b) enter into any contract, other than a capital contract, in respect of which the consideration exceeds £100,000 where—
    - (i) the period of the contract extends beyond 31st March 1996; or
    - (ii) under the terms of the contract, that period may be extended beyond that date; or
  - (c) enter into any capital contract in respect of which the consideration exceeds £1,000,000.

- (2) In this section—

“appropriate consent” means the written consent of the successor to the old authority or, where there is more than one successor, the written consent of each successor;

“capital contract” means a contract in respect of which the consideration payable by the old authority concerned is expenditure [<sup>F1</sup>which is capital expenditure for the purposes of Chapter 1 of Part 1 of the Local Government Act 2003 (capital finance)];

<sup>F2</sup>  
.....

“operative date” means the date fixed by order of the Secretary of State under paragraph 1 of Schedule 5 to the 1972 Act (as substituted by this Act); and

“successor”, in relation to an old authority, means any new authority whose area includes the whole, or any part, of the area of the old authority.

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*Changes to legislation: There are currently no known outstanding effects for the Local Government (Wales) Act 1994, Section 51. (See end of Document for details)*

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- (3) Any disposal made in contravention of this section shall be void.
- (4) No contract entered into in contravention of this section shall be enforceable against a successor.
- (5) Any consent for the purposes of this section may be given—
- (a) in respect of a particular disposal or contract, or in respect of disposals or contracts of any class or description; and
  - (b) unconditionally or subject to conditions.
- (6) The provisions of section 123 of the 1972 Act (power to dispose of land), and of any other enactment relating to the disposal of land by local authorities, shall have effect subject to this section.
- (7) The consent required by this section is in addition to any consent required by any of those provisions.
- (8) In this section references to disposing of land include references to—
- (a) granting or disposing of any interest in land;
  - (b) entering into a contract to dispose of land or to grant or dispose of any such interest; and
  - (c) granting an option to acquire any land or any such interest.
- (9) For the purpose of determining whether a limit specified in subsection (1) is exceeded in any case, there shall be taken into account the consideration—
- (a) with respect to any other disposal of land or any building effected by the old authority after 30th November 1993, or
  - (b) under any other contract entered into by the old authority after that date, so far as the disposal or contract relates to the same or a similar description of matter as that to which the case under consideration relates.
- (10) Where the consideration or any of the consideration under a contract is not in money, the limits specified in subsection (1) shall apply to the value of the consideration.
- (11) Where a question arises under this section as to the value of any consideration and the authorities concerned fail to reach agreement, it shall be determined by the Secretary of State.

#### Textual Amendments

- F1** Words in s. 51(2) substituted (27.11.2003 only for the purpose of and in relation to financial years beginning on or after 1.4.2004) by [Local Government Act 2003 \(c. 26\)](#), ss. 127(1), 128, [Sch. 7 para. 57](#); S.I. 2003/3034, [art. 2\(1\)](#), Sch. 1
- F2** S. 51(2): definition of "expenditure for capital purposes" repealed (27.11.2003 for W. only for the purpose of and in relation to financial years beginning on or after 1.4.2004) by [Local Government Act 2003 \(c. 26\)](#), ss. 127(2), 128, [Sch. 8 Pt. 1](#); S.I. 2003/3034, [art. 2\(1\)](#), Sch. 1

**Changes to legislation:**

There are currently no known outstanding effects for the Local Government (Wales) Act 1994, Section 51.