
STATUTORY INSTRUMENTS

1994 No. 2825

The Local Government Changes for
England (Finance) Regulations 1994

PART III

TRANSITIONAL PROVISIONS

Prohibition orders

22.—(1) Where, on the last working day before the reorganisation date, a prohibition order under section 25A of the 1982 Act (power of auditor to issue prohibition order)⁽¹⁾ has effect in relation to the accounts of an abolished authority—

- (a) the auditor in relation to the accounts of that authority shall, on that date, serve a copy of the order on any successor authority; and
- (b) the prohibition order shall have effect on or after the reorganisation date for the purposes of Part III of the 1982 Act as if it had been issued in relation to the accounts of any such authority.

(2) An auditor in relation to the accounts of a successor authority may on or after the reorganisation date issue a prohibition order under that section if he has reason to believe that, before the reorganisation date, the abolished authority or any officer of the abolished authority has made a decision which involves or would involve the successor authority incurring expenditure which is unlawful or was about to take or has taken a course of action which, if pursued by the successor authority to its conclusion, would be unlawful and likely to cause a loss or deficiency.

(1) Section 25A was inserted by Schedule 4 to the Local Government Act 1988 (c. 9).