

**Meeting of the County Council  
Meeting to be held on 25 February 2016**

Report submitted by: The Interim Director of Financial Resources

**Part A**

Electoral Division affected:  
All

**Financial Threshold for Key Decisions**

Contact for further information:  
Paul Dobson, 01772 534725, Financial Resources  
[paul.dobson@lancashire.gov.uk](mailto:paul.dobson@lancashire.gov.uk)

**Executive Summary**

The Council is required, each year, to specify the financial threshold above which decisions should be treated as Key Decisions as defined in Standing Order 25(1).

**Recommendation**

It is recommended that the Full Council confirms that the financial threshold for Key Decisions, for the purposes of Standing Order 25(1), should remain at £1.4m for 2016/17.

**Background and Advice**

Standing Order 25(1) defines a Key Decision of the Cabinet/Cabinet Member for the purpose of the requirement for the County Council to publish details of a Key Decision at least 28 clear days before the decision is due to be taken.

A key decision means an executive decision which is likely:

- (a) to result in the council incurring expenditure which is, or the making of savings which are significant having regard to the council's budget for the service or function which the decision relates; or
- (b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the council.

In the case of (a), a decision with a significant financial impact on the County Council, the current threshold is £1.4m.

The Council is required, by number 13 in its list of functions in the Constitution, to "specify, before the beginning of each financial year, the amounts of expenditure and

savings that shall be regarded as significant for the purposes of Standing Order 25 (key decisions).”

The current threshold (£1.4m) was approved by the Full Council in 2015. The Interim Director of Financial Resources has, in consultation with the Chief Executive, reviewed the financial threshold for key decisions. The recommendation arising from the review is that the threshold should remain at this level. It is proposed, therefore, that the threshold for 2016/17 should be £1.4m.

### **Consultations**

The Interim Director of Financial Resources has consulted with Legal and Democratic Services.

### **Implications:**

This item has the following implications:

### **Risk Management**

No significant risks have been identified

### **Local Government (Access to Information) Act 1985 List of Background Papers**

Paper	Date	Contact/Directorate/Ext
LCC Constitution		Chris Mather, Office of the Chief Executive 01772 53559

### **Reason for inclusion in Part II, if appropriate**

N/A