

**Meeting of the Full Council**  
**Meeting to be held on Thursday, 23 February 2023**

Report submitted by: Chief Executive and Director of Resources

**Part A**

Electoral Division affected:  
(All Divisions);

**Corporate Priorities:**  
N/A;

**Financial Threshold for Key Decisions**

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**Brief 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 19 (1) (a).

**Recommendation**

It is recommended that Full Council confirms that the financial threshold for Key Decisions, for the purposes of Standing Order C19 (1) (a), be increased to £2m for 2023/24.

**Detail**

The council's constitution requires that the council sets a financial threshold beyond which a transaction is determined as a key decision. It is required to do this annually ahead of the start of the new financial year.

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 £1.8m.

The current threshold of £1.8m was approved by Full Council in February 2022 for 2022/23. The Chief Executive and Director of Resources has, in consultation with Legal and Democratic Services, reviewed the financial threshold for key decisions. The recommendation arising from the review is that the threshold be increased to reflect compound Retail Price Index inflation. It is proposed, therefore, that the threshold for 2023/24 be increased to £2m.

### **Consultations**

N/A

### **Implications:**

This item has no significant implications for the council.

### **Local Government (Access to Information) Act 1985**

#### **List of Background Papers**

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A

