

**Meeting of the Full Council**  
**Meeting to be held on Thursday, 14 March 2024**

Report submitted by: Executive Director of Resources

**Part A**

Electoral Division affected:  
(All Divisions);

**Corporate Priorities:**  
Delivering better services;

**Financial Threshold for Key Decisions**

Contact for further information:  
Neil Kissock, Tel: (01772) 534286, Director of Finance,  
[neil.kissock@lancashire.gov.uk](mailto:neil.kissock@lancashire.gov.uk)

**Brief Summary**

The county council is required, each year, to specify the financial threshold above which decisions should be treated as Key Decisions as defined in Standing Order C19 (1) (a).

**Recommendation**

Full Council is asked to approve that the financial threshold for Key Decisions, for the purposes of Standing Order C19 (1) (a), be increased to £2.2m for 2024/25.

**Detail**

Standing Order C19 (1) (a) 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 (1) (a), a decision with a significant financial impact on the county council, the current threshold is £2m.

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 C19 (Key Decisions).”

The current threshold of £2m approved by Full Council in February 2023 for 2023/24 was increased from £1.8m in 2022/23. The Executive 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 should increase to reflect compound Retail Price Index inflation. It is proposed, therefore, that the threshold for 2024/25 should increase to £2.2m.

### **Consultations**

N/A

### **Implications:**

This item has the following implications, as indicated:

### **Risk Management**

There are no risk implications arising from the recommendation in this report.

### **Legal**

There are no legal implications arising from the recommendation in this report.

### **Financial**

The financial implications are set out in the report.

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

	Date	Contact/Tel
Paper		
None		
Reason for inclusion in Part II, if appropriate		
N/A		

