

REPORT OF THE
Cabinet
PART I

**AMENDMENT TO CONSTITUTION, CONTRACT STANDING ORDERS AND
FINANCIAL REGULATIONS**

1 REVIEW OF KEY DECISION THRESHOLD

- 1.1 By virtue of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 a Key Decision is an Executive Decision which is likely –
- (a) to result in the County Council incurring expenditure which is, or the making of savings which are, significant having regard to the County Council's budget for the service or function to 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 electoral divisions in the County Council's administrative area.

So far as the financial threshold at (a) goes, the figure is a matter for a local authority to determine in its Constitution. The current figure of £1 million was determined by the County Council in 2007. So far as (b) (the second 'limb' of what constitutes a Key Decision goes) such decisions are always 'Key', whatever the financial value of the decision.

- 1.2 At its meeting on 12 October 2021, Cabinet considered whether the financial threshold as to when a decision constitutes a Key Decision should be reviewed and agreed a recommendation to full Council that for reasons of business efficiency, as outlined in the Cabinet report, the current financial threshold for a Key Decision of £1 million be increased to £2 million.

2. REVIEW OF CONTRACT STANDING ORDERS (CSO's)

- 2.1 Cabinet also considered a number of proposed amendments to Contract Standing Orders, relating to Single Tender Approvals (STAs), authority levels, purchasing/tendering procedures and thresholds as outlined in the Cabinet report, again aimed at increasing business efficiency, and agreed a recommendation to full Council that Contract Standing Orders be amended as per the suggested revisions to CSO's referred to in the Cabinet report and set out at Appendix 1 to the Cabinet report.

3. REVIEW OF FINANCIAL REGULATIONS – FINANCIAL THRESHOLDS CAPITAL PROGRAMME APPROVALS

- 3.1 Lastly, Cabinet considered a proposal outlined in the Cabinet report regarding an increase in approval limits for capital spend as set out with Financial Regulations and agreed a recommendation to full Council that Financial Regulations be amended as proposed at Paragraph 22 in the Cabinet report. A copy of Financial Regulations is attached as at Appendix 2 to the Cabinet report for ease of reference.

The full report to Cabinet can be found at the following link and is attached as an Annex to this report.

RECOMMENDATIONS

That the County Council:

- a) Agree an increase of the current financial threshold for a Key Decision (£1 million) to £2 million.
- b) Agree the revised approvals required in the case of STAs, authority levels and purchasing / tendering procedures and thresholds as proposed at Paragraphs 15 - 21 of the Cabinet report, and consequential revisions to Contract Standing Orders as indicated at Appendix 1 of the Cabinet report
- c) Agree the increases in the approval limits relating to Capital Expenditure contained in Financial Regulations as proposed at Paragraph 22 of the Cabinet report.
- d) Delegates authority to the Monitoring Officer to amend the Constitution, Contract Standing Orders and Financial Regulations, to give effect to the recommendations at (a), (b) and (c) of this report.