

Teignbridge District Council
Full Council 23 May 2023
Part i

Report Title

Revision of the Financial Limits referred to at Paragraph 3.4.7 (a) of the Constitution
- Executive Key Decision limits

Purpose of Report

To seek the Council's approval for the proposed change to Paragraph 3.4.7 (a) of the Constitution as set out at App1, along with any consequential amendments to associated documents.

Recommendation

That the financial limits be increased in the case of revenue any contract or proposal with an annual payment of more than £100,000 and in the case of capital, any project with a value in excess of £250,000.

Financial Implications

There are no financial implications arising from this decision apart from the authorisation limits which require updating to reflect the erosion from inflation over time and outdated numbers for decision making purposes.

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Legal Implications

There are no specific legal implications arising out of this report.
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Risk Assessment

There are no significant risks arising from this report. 3.4.7 (b) in relation to key decisions is unaltered.

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Environmental/Climate Change Implications

None

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Executive Member

Executive Member for Corporate Services

Appendices/Background Papers

Appendix 1 – Revised wording

1. Introduction/Background

- 1.1 This report arises as a consequence of a review of the Council's Constitution by the Monitoring Officer and Deputy Monitoring Officer following receipt of a report from the Centre for Governance and Scrutiny.
- 1.2 The Centre for Governance and Scrutiny Report highlighted the current low financial thresholds. The report contained the following observations '*The unusually low financial thresholds applied to key decisions (only £50,000 for revenue expenditure and £125,000 for capital) Thresholds in shire districts do vary, but a threshold of double the current level for both revenue and capital would seem reasonable*'
- 1.3 This report recommends that the limits be increased for revenue expenditure to £100,000 and to £250,000 for capital.
- 1.4 At its meeting on 22 February 2023, the Procedures Committee recommended that the proposed changes to the financial limits be approved
- see [Procedures Committee on Wednesday, 22nd February, 2023,](#)

Appendix one

3.4.7 Key Decisions: *Unless otherwise provided by law, a key decision means an Executive decision which is likely:*

- (a) *To result in the local authority incurring expenditure which is, or the making of savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates. For this purpose significant expenditure or savings shall mean in the case of revenue any contract or proposal with an annual payment of more than £100,000; and in the case of capital, any project with a value in excess of £250,000;*