

Draft Constitution Financial thresholds – comparison (Existing):

Responsibility for functions

Table 4:

Ref 4.4.1 – Key Decision

Decisions that would:

(a) result in the Council spending or saving or raising/reducing annual income by more than £500,000 (**£50,000**) (or more than £1,000,000 if that is the total cost of a contract award) (**Any project with a value in excess of £100,000**); or

(b) have a significant impact on communities living or working in two or more wards.

Access to Information Procedure Rules

Rule 12.1 Definition of Key Decision (**see above**)

Contract Procedure Rules

Various thresholds (**see Table 9 of Section 151 Officer's Guidance**)

Section 151 Officer Guidance

Table 1:

Item Value inc VAT	Acquisitions: Land and Buildings – Section 2
Up to £500, 000 (£300,000)	The Head of Assets (Corporate Property Officer) in consultation with the Section 151 Officer, the Director of Place and Enterprise, Lead Member for Assets and Leader , may agree to the acquisition of land and property where the market value does not exceed £500,000.00
£500,000 to £1,000,000 (Above £300,000)	The acquisition of any land and buildings of a value between £500,000 to £1,000,000 requires the approval of the Hub Committee (West Devon), and the Executive (South Hams) and shall be made within the context of the Council's Asset Management Plan.
Above £1,000,000	The acquisition of any land and buildings of a value in excess of £1,000,000 requires the approval of the full Council and shall be made within the context of the Council's Asset Management Plan.

Table 2:

Project Total Value inc VAT	Maximum % Overspend inc VAT	Authorised By
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Up to £50,000 (£500,000)	10% (£25,000 to £50,000)	Section 151 Officer in consultation with the Head of Assets (Corporate Property Officer) , the Relevant Executive Member (South Hams); or Chairman of Hub Committee (West Devon) With retrospective reporting to the Executive (South Hams) or Hub Committee (West Devon) within the quarterly monitoring report.
£50,000 to £500,000	10% (£50,000)	Approval required from Hub Committee (West Devon) or Executive (South Hams)
Over £500,000 (£500,000)	10%	Approval required from full Council (Executive)

Table: 3

Item Value inc VAT	Disposals: Land and Buildings – Section 3
Up to £300,000 (£300,000)	The Head of Assets (Corporate Property Officer) in consultation with the Section 151 Officer, the Director of Place and Enterprise, the Lead Member for Assets and the Leader , may agree to the disposal of land or building assets, where the market value does not exceed £300,000
Above £300,000 (£300,000)	The disposal of any land and buildings over £300,000.00 in market value requires the prior approval of the Hub Committee (West Devon), and the Executive (South Hams) and shall be made within the context of the Council's Asset Management Plan.

Table 4:

Item Value inc VAT	Disposals: Plant and Equipment – Section 3
Above £5,000 (£5,000)	The disposal of any item of plant and equipment valued at more than £5,000, at date of disposal shall require the prior approval of the Section 151 Officer .

Table 5:

Item Value inc VAT	Income: Banking – Sections 5 and 13
Daily/Weekly according to	All monies received on behalf of the Council shall be banked without delay.

Insurance Limit	
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Table 6:

Sum involved for each individual virement	Budget Changes (Virement) – Section 6
Up to £5,000 (£5,000)	The appropriate responsible budget holder may approve the virement in consultation with the appropriate accountant. No form is required.
£5,000 to £30,000 (£5,000 to £30,000)	A virement form is required which is to be authorised by the relevant Senior Officer and Section 151 Officer or nominated deputy.
£30,000 to £100,000 (£30,000 to £100,000)	The appropriate Senior Officer and the Section 151 Officer shall sign a virement form in consultation with the appropriate accountant and submit it to the Executive for approval.
Above £100,000 (£100,000)	The appropriate Senior Officer and the Section 151 Officer shall sign a virement form in consultation with the appropriate accountant and submit it to full Council for approval.

Table 7:

Item Value inc VAT	Use of Reserves – Section 6
Up to £100,000 (£30,000)	The Section 151 Officer may approve the use of Earmarked Reserves and Unearmarked General Fund Reserves up to a limit of £100,000, and may also approve increasing or creating Earmarked Reserves up to a limit of £100,000 .
£100,000 to £500,000	The use of Reserves of between £100,000 to £500,000 requires the prior approval of the Hub Committee (West Devon), and the Executive (South Hams) upon receipt of a report from the Senior Officer and Section 151 Officer .
Above £500,000 (Greater than £30,000)	The use of Reserves of between £100,000 to £500,000 requires the prior approval of the full Council upon receipt of a report from the Senior Officer and Section 151 Officer .
	The use of reserves for Salcombe Harbour requires a recommendation to the Executive by the Salcombe Harbour Board.

Table 8:

Item Value inc VAT	Use of Section 106 Monies – Section 6
Below £100,000 (£30,000)	Authorisation of expenditure using funds received from Section 106 Agreements must be sought from the Section 151 Officer for amounts up to £30,000 by the appropriate Senior Officer , following consultation with the relevant Ward Member as a minimum.
£100,000 to £500,000 (Greater than £30,000)	The use of funds received from Section 106 Agreements for projects between £100,000 to £500,00 requires the prior approval of the Hub Committee (West Devon), and the Executive (South Hams) upon receipt of a report from the Senior Officer and Section 151 Officer , following consultation with the relevant Ward Member .
Above £500,000	The use of funds received from Section 106 Agreements for projects above £100,000 requires the prior approval of the full Council upon receipt of a report from the Senior Officer and Section 151 Officer , following consultation with the relevant Ward Member .

Table 9:

Item Value inc VAT	Quotations/Tendering for Goods and Services – Section 8
Below £25,000 (£7,500)	Most favourable prices and terms, having regard to the principles set out in the Council's Procurement Strategy appropriately evidenced (in accordance with Contract Procedure Rules).
£25,000 to £100,000 (£7,500 to £50,000)	3 written quotations appropriately evidenced (in accordance with Contract Procedure Rules).
Above £100,000 (£50,000)	Tendering in accordance with Contract Procedure Rules and UK Procurement Legislation as appropriate.

Table 10:

Item Value inc VAT (No limits)	Quotations/Tendering for Works and ICT – Section 8
Below £25,000	Most favourable prices and terms, having regard to the principles set out in the Council's Procurement Strategy appropriately evidenced (in accordance with Contract Procedure Rules).
£25,000 to £100,000	3 written quotations appropriately evidenced (in accordance with Contract Procedure Rules).

Above £100,000	Tendering in accordance with Contract Procedure Rules and UK Procurement Legislation as appropriate.
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Table 11:

Item Value inc VAT	Income: Unders and Overs – Section 13
Over £100 (£30)	'Unders and overs' and discrepancies must be reported immediately to the Section 151 Officer.

Table 12:

Item Value inc VAT	Write Off: Bad and Doubtful Debts – Section 13
Finance Up to £5,000 (£5,000)	The Section 151 Officer is empowered to write off bad and doubtful debts, after satisfying her/himself that it would be uneconomic or inappropriate for the Council to pursue them, and where appropriate a Legal representative has considered the Council's position.
Other Services Up to £5,000 (£5,000)	In the case of debts due to other service groups, the Section 151 Officer will consider write off in accordance with the above upon the written authorisation of the Senior Officer involved or her/his deputy.
All Debts Up to £5,000 (£5,000)	The total amounts of debt written off by the Section 151 Officer under delegated powers will be reported to the Hub Committee (West Devon), and the Executive (South Hams).
All Debts Above £5,000 (£5,000)	No debts in excess of £5,000 may be written off without the prior approval of the Section 151 Officer and the Hub Committee (West Devon), and the Executive (South Hams).

Table 13:

Item Value inc VAT	Inventories – Section 16
Individual items above £5,000 (£100)	Inventories of all property (furniture, fittings and equipment) belonging to or in the care of the Council, other than stores, shall be prepared and maintained by the Senior Officer concerned or a designated officer.

Table 14:

Item Value inc VAT	Write Off: Stock Deficiencies and Obsolete Stocks – Section 24
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Above £5,000 (£5,000)	The disposal or write-off of any stock or stores item/s valued at more than £5,000 at date of disposal shall require the prior approval of the Section 151 Officer . (Executive)
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Table 15:

Sum involved	Borrowing – Section 27
Up to £500,000	The borrowing of up to £500,000 for any purpose requires the prior approval of the Hub Committee (West Devon), and the Executive (South Hams) and any approval shall be made in the context of the borrowing limits set by the full Council at the beginning of the financial year.
Above £500,000 (Up to £1,000,000)	The borrowing above £500,000 for any purpose requires the prior approval of the full Council.