

**Draft Constitution Financial thresholds – the comparison figures in the current Constitution are shown in red:**

## 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 ( <b>£300,000</b> )	The <b>Head of Assets (Corporate Property Officer)</b> in consultation with the <b>Section 151 Officer, the Director of Place and Enterprise, Lead Member for Assets and Leader</b> , may agree to the acquisition of land and property where the market value does not <b>exceed £500,000.00</b>
£500,000 to £1,000,000 ( <b>Above £300,000</b> )	The acquisition of any land and buildings of a value between <b>£500,000 to £1,000,000</b> requires the approval of the <b>Hub Committee</b> (West Devon), and the <b>Executive</b> (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 <b>£1,000,000</b> requires the approval of the <b>full Council</b> 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)	<b>Section 151 Officer</b> in consultation with the <b>Head of Assets (Corporate Property Officer)</b> , the <b>Relevant Executive Member</b> (South Hams); or <b>Chairman of Hub Committee</b> (West Devon) With retrospective reporting to the <b>Executive</b> (South Hams) or <b>Hub Committee</b> (West Devon) within the quarterly monitoring report.
£50,000 to £500,000	10% (£50,000)	Approval required from <b>Hub Committee</b> (West Devon) or <b>Executive</b> (South Hams)
Over £500,000 (£500,000)	10%	Approval required from full Council ( <b>Executive</b> )

Table: 3

Item Value inc VAT	Disposals: Land and Buildings – Section 3
Up to £300,000 (£300,000)	The <b>Head of Assets (Corporate Property Officer)</b> in consultation with the <b>Section 151 Officer, the Director of Place and Enterprise, the Lead Member for Assets and the Leader</b> , may agree to the disposal of land or building assets, where the market value does not exceed <b>£300,000</b>
Above £300,000 (£300,000)	The disposal of any land and buildings over <b>£300,000.00</b> in market value requires the prior approval of the <b>Hub Committee</b> (West Devon), and the <b>Executive</b> (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 <b>Section 151 Officer</b> .

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 <b>Senior Officer</b> and <b>Section 151 Officer</b> or nominated deputy.
£30,000 to £100,000 (£30,000 to £100,000)	The appropriate <b>Senior Officer</b> and the <b>Section 151 Officer</b> shall sign a virement form in consultation with the appropriate accountant and submit it to the <b>Executive</b> for approval.
Above £100,000 (£100,000)	The appropriate <b>Senior Officer</b> and the <b>Section 151 Officer</b> 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 <b>Section 151 Officer</b> 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 <b>£100,000</b> .
£100,000 to £500,000	The use of Reserves of between £100,000 to £500,000 requires the prior approval of the <b>Hub Committee</b> (West Devon), and the <b>Executive</b> (South Hams) upon receipt of a report from the <b>Senior Officer</b> and <b>Section 151 Officer</b> .
Above £500,000 (Greater than £30,000)	The use of Reserves above £500,000 requires the prior approval of the full Council upon receipt of a report from the <b>Senior Officer</b> and <b>Section 151 Officer</b> .
	The use of reserves for <b>Salcombe Harbour</b> 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 <b>Section 151 Officer</b> for amounts up to £100,000 by the appropriate <b>Senior Officer</b> , following consultation with the relevant <b>Ward Member</b> 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 £500,000 requires the prior approval of the <b>Hub Committee</b> (West Devon), and the <b>Executive</b> (South Hams) upon receipt of a report from the <b>Senior Officer and Section 151 Officer</b> , following consultation with the relevant <b>Ward Member</b> .
Above £500,000	The use of funds received from Section 106 Agreements for projects above £500,000 requires the prior approval of the <b>full Council</b> upon receipt of a report from the <b>Senior Officer and Section 151 Officer</b> , following consultation with the relevant <b>Ward Member</b> .

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 <b>Section 151 Officer</b> 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 <b>Section 151 Officer</b> 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 <b>Section 151 Officer</b> under delegated powers will be reported to the <b>Hub Committee</b> (West Devon), and the <b>Executive</b> (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 <b>Section 151 Officer</b> and the <b>Hub Committee</b> (West Devon), and the <b>Executive</b> (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 <b>Senior Officer</b> 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 <b>Section 151 Officer</b> . (Executive)
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**Table 15:**

<b>Sum involved</b>	<b>Borrowing – Section 27</b>
Up to £500,000	The borrowing of up to £500,000 for any purpose other than the acquisition of land or buildings requires the prior approval of the <b>Hub Committee</b> (West Devon), and the <b>Executive</b> (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	The borrowing of over £500,000 for the acquisition of land or buildings requires the prior approval of the full Council.