

Review of Constitution – Scope – Decision Making Options for Change

1. TABLE 1 - Current Position

	KEY DECISIONS (13.4) (Executive decisions only)	SIGNIFICANT OPERATIONAL DECISIONS (13.5) Council & Executive decisions	ADMINISTRATIVE DECISIONS (13.6) Council and Executive decisions
DEFINITION	(a) Threshold >£500,000 (incurring expenditure or making savings including the receipt or loss of income) (b) Impact (to have a significant effect on communities living or working in an area the size of one ward or more)	Not key and (a) is not an Administrative decision; or (b) would have been a Key decision but for the exemptions set out at 13.4.2 above; or (c) results in the authority incurring expenditure or making savings (including the receipt or loss of income) over £100,000; or (d) is, in the opinion of the decision taker, of such significance that a published record of the decision would ensure transparency and accountability in relation to decision making within the authority	Not key OR SOD and (a) is within an approved budget; and (b) is not in conflict with the Budget and Policy Framework or other approved policies approved by the Council; and (c) does not raise new issues of policy.
EXEMPTION	13.4.2 - any decision where the expenditure, saving or income will result from:- (a) • a Treasury Management decision in relation to the making, payment or borrowing of a loan; or • a decision to purchase energy under the terms of an energy supply contract which has been awarded following the appropriate procurement process; or • a decision to approve a care plan which the Council has a duty or power to provide as defined by s25 of Care Act 2014, s46 of National Health Service and Community Care Act 1990 and s2 of the Chronically Sick and Disabled Persons Act 1970; or ss17 and 20 Children Act 1989; or • the settlement of proceedings to which Leeds City Council is a party; or • an urgent decision necessary out of office hours taken in accordance with the Council’s Emergency Management Plan by the Officer acting at Gold or Silver level at the relevant time; and b. any decision in relation to which a further report will be submitted for approval of the proposal before the Council is committed to proceed; and c. any decision which is a direct consequence of implementing a previous Key Decision and was in the contemplation of the decision maker at the time the decision was taken; and d. any decision which is the result of varying a previous Key decision following a Call In of that decision.	n/a	n/a
Associated procedures	<ul style="list-style-type: none"> Requirement to publish on list of forthcoming decisions at least 28 days prior to key decision being made Requirement for consideration at EB including report / or need to draft DDR md to publish Requirement to publish decision 5 clear days before decision Open to Call -in 	<ul style="list-style-type: none"> Requirement to draft DDR (if over £100k*) or otherwise a DDN Requirement to publish decision *Care Plan decisions excepted 	<ul style="list-style-type: none"> Recording of decision is in accordance with directorate arrangements (thus DDN is optional)
22/23 decisions	178 – 19% of which taken by EB (144 by officers; 34 EB) >£1m – 128 (72% of all key decisions) £750k <£1m – 14 (8%) £500k - < £750k – 14 (8%) Significant impact – 23 (12%)	<ul style="list-style-type: none"> 802 37% relate to contracts/procurement (most of which are published on Yor tender in any event) 25% relate to Care Plans of a value over £100k (or because exempt from Key decision) 	unknown
Strengths	Greater transparency and scrutiny of decisions with significant impact/financial over £500k	<ul style="list-style-type: none"> Provides transparency and accountability of decisions which are between £100k and £500k, including those which, but for an 	

		exemption would have been key or are considered significant by the decision maker	
Weaknesses	<ul style="list-style-type: none"> Threshold not increased since 2019 or keeping pace with inflation (based on CPI £500k in May 2019 = £613k in 2023) Significant lead in time before a decision can be made, Delays to progress given required lead in time Significant officer resource associated with key decisions 	<ul style="list-style-type: none"> Adds non statutory bureaucracy to decision making considerations No statutory requirement for this category of decision No statutory requirement to publish decisions that are not Key Requirement to draft and publish DDN Not easy for user to determine what is a SOD Greater officer resource associated with a SOD than an Admin decision 	

2. TABLE 2 - Options for amendments to Part 2 Article 13 – Decision Making

Several options are set out below which include

- increasing the threshold of a Key Decision,
- Deleting the SOD category of decisions,
- Amending the threshold of a SOD, or
- a combination of the above.

The table below sets out the implications of each option together with advantages and disadvantages.

KEY DECISIONS (13.4)								
OPTION	Definition – (a)Threshold	Definition – (b) Impact	Exemptions	Impact based on number of 22/23 decisions	Strengths	Weaknesses	Comment	
1.	NO CHANGE	over £500,000	Significant impact on 2 or more wards	See above	178	See above table	See above table	
2	INCREASE THRESHOLD	Over £750,000	No change	No change	157 (20% reduction on option 1)	<ul style="list-style-type: none"> Threshold better reflects impacts of inflation Speeds up decision making for decisions between £500 - £750k Reduction in resource associated with Key Decisions as 20% of decisions would become SODs 	<ul style="list-style-type: none"> Reduction in transparency and scrutiny by 20% than current position 	<ul style="list-style-type: none"> This would still capture 80% of decisions based on 22/23 stats If SODs are removed/amended more decisions would become admin
3	INCREASE THRESHOLD	Over £1,000,000	No change	No change	136 (28% reduction on option 1)	<ul style="list-style-type: none"> Greater impact than option 2 above 28% of existing Key Decisions become SODS 	<ul style="list-style-type: none"> reduction in transparency and scrutiny of 28% than current 1 (and 8% than option 2) 	<ul style="list-style-type: none"> This would still capture 72% of decisions If SODs are removed/amended more decisions would become admin

OPTION	Definition – (a)Threshold	Definition – (b) Impact	Exemptions	Impact based on number of 22/23 decisions	Strengths	Weaknesses	Comment	
SIGNIFICANT OPERATIONAL DECISIONS (13.5)								
4	NO CHANGE	Over £100,000	See above table	n/a	802	See above table	See above table	
5.	CHANGE DEFINITION OF SOD	Over £100,000	Delete subsection (a) and (b) – to remove all Key decision exemptions from the definition of a SOD	n/a	680	<ul style="list-style-type: none"> • This would reduce number of SODs by 15% (122 decisions) • This removes the perceived complex element from the SOD definition which would become: “SODs are: (i) not Key or (ii) results in the authority incurring expenditure or making savings (including the receipt or loss of income) over £100,000; or (iii) is, in the opinion of the decision taker, of such significance that a published record of the decision would ensure transparency and accountability in relation to decision making within the authority” 	<ul style="list-style-type: none"> • Retains a non statutory category of decisions • Some reduction in transparency BUT • Information published in relation to exempt decisions is often minimal due to confidentiality requirements (e.g. Care Plans) or has been subject to previous transparency (e.g. direct consequence of previous/forthcoming Key decisions) 	There are alternative transparency routes for these decisions – e.g. Yor Tender/Data Mill North
6.	INCREASE DEFINITION THRESHOLD	Over £250k			296(based on financial thresholds)	<ul style="list-style-type: none"> • Reduces non statutory bureaucracy to decision making considerations by 34% • Reduces non statutory publication of decisions • Some reduction in resource associated with SODs as 271 decisions would not require publication • 271 SOD decisions would become Admin decisions 	<ul style="list-style-type: none"> • Retains a non statutory category of decisions • Reduces transparency and accountability of decisions which are between £100 and £250k 	<ul style="list-style-type: none"> • The value of increased threshold could be linked /proportionate to any increase in Key Decision threshold • There are alternative transparency routes for these decisions – e.g. Yor Tender/Data Mill North

OPTION		Definition – (a)Threshold	Definition – (b) Impact	Exemptions	Impact based on number of 22/23 decisions	Strengths	Weaknesses	Comment
7	SUBJECT TO AGREEMENT TO OPTION 2 OR 3 ONLY INCREASE DEFINITION THRESHOLD	Over £500k	No change	n/a	122	<ul style="list-style-type: none"> Retains transparency and accountability of decisions that were previously Key Decisions Some reduction in non statutory bureaucracy to decision making considerations Some reduction in non statutory publication of decisions Significant reduction in resource associated with SODs as 86% of decisions would not require publication 693 SOD decisions would become Admin decisions 	<ul style="list-style-type: none"> Retains non statutory category of decisions Reduces transparency and accountability of decisions below £500k 	
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						•	•	
						•	•	
8.	DELETE SOD CATEGORY	n/a	n/a	n/a	0	<ul style="list-style-type: none"> Retains statutory compliance Removes non statutory bureaucracy to decision making considerations Reverts to statutory category of decisions Ceases publication of decisions not required to be published by statute Removes requirement to draft and publish DDN /DDR Removes need to consider whether a decision is a SOD Significant reduction in resource associated with SODs as 802 decisions would not require publication* 	<ul style="list-style-type: none"> Removes transparency and accountability of decisions which are between £100 and £500k, including those which, but for an exemption would have been key or are considered significant by the decision maker 	No other Core City has this category of decision *This could however be mitigated by Option 9

OPTION	Definition – (a)Threshold	Definition – (b) Impact	Exemptions	Impact based on number of 22/23 decisions	Strengths	Weaknesses	Comment	
ADMINISTRATIVE DECISIONS (13.6)								
9	INTRODUCE PUBLICATION THRESHOLD	All non key decisions over £250k** or where decision maker considers there is another impact is reason to be published	n/a	n/a	296 (financial threshold) 232 (other reason) 528	<ul style="list-style-type: none"> Introduces transparency and accountability to decision over £250k** despite removal of SOD category. 296 financial threshold decisions would still be published . N.B – 232 decisions would also likely be published due to “other reason to publish” published wer enot financial threshol 	<ul style="list-style-type: none"> NO statutory requirement to publish admin decisions Will increase resource associated with Admin decision HOWEVER this will be more than off-set by the 64% reduction in resource previously associated with SODs 	<p>Option suggested to mitigate disadvantages of Option 8</p> <p>** if Key Decision threshold is increased this threshold could similarly be increased</p>