

Delegations Matrix

This Delegations Matrix is to be reviewed annually at the annual general meeting (or equivalent) of Opco, as part of which any proposed variations can be raised by Opco.

The Opco Board, and its Directors, shall in all cases consider whether a matter for decision may require reference to LBE, notwithstanding the delegations below (e.g. due to the reputational or other potential impacts on LBE as shareholder or otherwise).

	Activity	LBE as Shareholder of Holdco	Opco Board	Opco Director(s)
	Corporate matters			
1	Amendments to the Delegation Policy: <ul style="list-style-type: none"> as between LBE and Opco; as between OpCo Board and OpCo Director(s) 	Decision	Recommendation Decision	
2	Approval and adoption of the Business Plan and material amendments thereto.	Decision	Recommending and implementing Business Plan	Drafting and updating Business Plan
3	Material alteration of the nature/scope of the business, closing down/commencing any new business, which is not ancillary or otherwise incidental to the Operating Plan and/or Articles.	Decision	Recommendation	
4	Acquiring, disposing or agreeing to acquire or dispose of any tangible, physical asset of the Business (or intellectual property rights held by LVHN), any interest in any asset of the Business (including the exercise of an option).	Decision where not ancillary or otherwise incidental to the Operating Plan	Decision where ancillary or otherwise incidental to the Operating Plan	Decision if below £25k per event where ancillary or otherwise incidental to the Operating Plan

	Activity	LBE as Shareholder of Holdco	Opco Board	Opco Director(s)
5	Declaring or paying any distribution in respect of surpluses, assets or reserves of Opco.	Decision	Recommendation	
6	Forming any Subsidiary	Decision if not identified within the Operating Plan	Decision if identified within the Operating Plan	
7	Acquiring shares in any other company (subscription or transfer) or any other similar interest in another entity including a limited liability partnership or limited partnership, entering into joint ventures or partnerships or profit sharing.	Decision	Recommendation <u>or</u> decision where ancillary to the delivery of the Operating Plan	
8	Alteration of authorised or issued share capital, or classification thereof, allotment of share capital or securities, granting options or rights to subscribe to the issuing of share capital, of Opco.	Decision	Recommendation	
9	Making any petition or passing any resolution to wind up Opco or making any application for an administration or winding up order or any order having similar effect in relation to Opco or giving notice of intention to appoint an administrator or file a notice of appointment of an administrator.	Decision	Recommendation	
	Operational matters			
10	Recruitment and selection of individuals.		Decision (or decision of an Opco Recruitment Committee) to appoint Opco Managing	Opco Managing Director authorised to appoint all other Opco roles (in

	Activity	LBE as Shareholder of Holdco	Opco Board	Opco Director(s)
			Director and all other Opco Board Directors (in accordance with the principles of Council policies)	accordance with Council policies)
11	Settling and amending the Operating Plan	Decision	Recommendation	
12	The engagement of (and terms of engagement) of consultants.		Decision (subject to line 22)	Decision if below £35k (annualised)
13	The engagement of (and terms of engagement) of contractors.		Decision (subject to line 22)	Decision if below £50k (contract value) **NOTE: sign-off by two Opco directors required**
14	Any other commitment to contract expenditure.		Decision (subject to line 22)	Decision if below £50k **NOTE: sign-off by two Opco directors required**
15	Submission of any planning application (or appeals).		Decision	
16	Entering into deeds (easements, wayleave, etc.).			Decision - signature can be made by a director
17	Termination of or variation to secondment arrangements.		Decision	Recommendation

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18	Entry into confidentiality agreements. **NOTE: all such confidentiality agreements shall not preclude the sharing of information with LBE **		Decision	Recommendation
19	[Amendments to contracts]. [NOTE: LINE 19 TO BE REVIEWED AT POINT OF FULL INVESTMENT DECISION]	[Decision where material amendments to contracts in excess of £100k]	[Decision within limits of 12-14]	[Decision within limits of 12-14]
20	Commencing any claim, proceedings or other litigation brought by or settling or defending any claim, proceedings or other litigation brought against Opco, except in relation to debt collection in the ordinary course of business (where the claim, proceedings or other litigation has a potentially material impact on the reputation of LBE/ Opco or has a potential material cost implication for LBE /Opco)	Approval required where the claim, proceedings or other litigation has a potentially material impact on the reputation of LBE/ OpCo or has a potential material cost implication for LBE/ OpCo.	All claims, proceedings or other litigation not subject to column 3.	
21	Termination by LVHN companies of any of their material contracts, where this will have a material impact on the delivery of LVHN or the Council.	Decision	Recommendation	
22	Entering into of material contracts not contemplated by the Operating Plan or investment decisions taken by the Cabinet/Council in respect of LVHN	Decision	Recommendation	

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23	Disposing of a <u>substantial</u> part of the Business and/or assets outside of the scope of Operating Plan.	Decision	Recommendation	
	Finance			
24	Approval of statutory accounts.		Decision	
25	Changing accounting and reporting policies of Opco.	Decision	Recommendation	
26	Draw down by LVHN Ltd of the EIB/LEEF loan from LBE.		Decision subject to the terms of the on-lending agreement	
27	Approving the repayment of the external loans (other than in accordance with the terms of the agreement signed by LBE).	Decision - delegation by Cabinet to Cabinet Member for Economic Development and Cabinet Member for Finance	Recommendation (e.g. early repayment)	
28	Entering into (or agreeing to enter into) any borrowing or leasing arrangement in relation to working capital on behalf of Opco and giving any security in respect of any such borrowing or leasing (including creating any encumbrance over the whole or any part of the undertaking or assets of Opco or over any capital of Opco).	Decision: Above £500,000 (and not already in Capital Programme) - Cabinet and Full Council Between £300,000 and £500,000 - Cabinet	Decision up to £300,000 **NOTE: OpCo can delegate to two directors**	
29	Appointment of auditors.		Decision	
30	Giving a guarantee, suretyship, bond or indemnity to secure the liabilities of any	Decision where £500,000 or above (calculated on a	Decision where below £500,000	

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	person or assume the obligations of any person.	cumulative basis)	(calculated on a cumulative basis) Recommendation	
31	Write down of Opco asset value, or writing off debts	Decision above £25,000 per event	Decision up to £25,000 per event Recommendation above £25,000 per event	Decision up to £2,500 per event
32	Making any agreement with any revenue authorities or any other taxing authority or making a claim, disclaimer, election or consent in relation to Opco, its/ their business, assets or undertakings.		Decision	