

Delegations Matrix

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

Holdco and Opco Boards, and their 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	Holdco Board	Holdco Director(s)	Opco Board	Opco Director(s)
	Corporate matters					
1	Amendments to the Delegation Policy: <ul style="list-style-type: none"> • as between LBE and Holdco; • as between Holdco and Opco 	Decision	Recommendation Decision			
2	Approval and adoption of the LVHN Business Plan and material amendments thereto.	Decision	Recommendation		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 Business Plan	Decision	Recommendation			

	Activity	LBE as Shareholder of Holdco	Holdco Board	Holdco Director(s)	Opco Board	Opco Director(s)
	and/or Articles.					
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 Business Plan)	Decision if in excess of £250k per event <u>or</u> where such disposal requires a third party consent (e.g. EIB), breach of which would place LVHN in default (and provided in either case where ancillary or otherwise incidental to the Business Plan)	Decision if below £250k per event (where ancillary or otherwise incidental to the Business Plan)	Decision if below £150k per event (where ancillary or otherwise incidental to the Business Plan)	Decision if below £25k per event (where ancillary or otherwise incidental to the Business Plan)
5	Declaring or paying any distribution in respect of surpluses, assets or reserves of Holdco and Opco.	Decision	Recommendation		**NOTE: All distributions will go to Holdco as directed by Holdco**	
6	Forming any Subsidiary	Decision if not identified within the Business Plan.	Decision if identified within the Business Plan and as a subsidiary of Holdco.		Decision if identified within the Business Plan and as a subsidiary of Opco.	
7	Acquiring shares in any other company (subscription or transfer) or any other	Decision	Recommendation <u>or</u> decision where ancillary to the delivery of the			

	Activity	LBE as Shareholder of Holdco	Holdco Board	Holdco Director(s)	Opco Board	Opco Director(s)
	similar interest in another entity including a limited liability partnership or limited partnership, entering into joint ventures or partnerships or profit sharing.		Business 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 Holdco.	Decision	Recommendation			
9	Making any petition or passing any resolution to wind up Holdco or making any application for an administration or winding up order or any order having similar effect in relation to Holdco or giving notice of intention to appoint an administrator or file a notice of appointment of an administrator.	Decision	Recommendation			

	Activity	LBE as Shareholder of Holdco	Holdco Board	Holdco Director(s)	Opco Board	Opco Director(s)
	Operational matters					
10	Recruitment and selection of individuals.		Decision (or decision of a Holdco Recruitment Committee) to appoint Opco Managing Director and all other Opco Board Directors (in accordance with the principles of Council policies).		Appointment of day rate consultants in excess of £500/day.	Opco Managing Director authorised to appoint all other Opco roles (in accordance with Council policies).
11	Settling and amending the Operating Plan.		Decision		Recommendation	
12	The engagement of (and terms of engagement) of consultants.		Decision if in excess of £150k (annualised)	Decision if below £150k (annualised)	Decision if below £100k (annualised) **NOTE: Opco can delegate to two directors**	Decision if below £35k (annualised)
13	The engagement of (and terms of engagement) of contractors.		Decision if in excess of £500k (contract value)	Decision if below £500k (contract value)	Decision if below £200k (contract value) **NOTE: Opco can delegate to two directors**	Decision if below £50k (contract value) **NOTE: sign-off by two Opco directors required**

	Activity	LBE as Shareholder of Holdco	Holdco Board	Holdco Director(s)	Opco Board	Opco Director(s)
14	Any other commitment to contract expenditure.		Decision if in excess of £150k	Decision if below £150k **NOTE: sign-off by two Holdco directors required**	Decision if below £100k	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 if in Opco name (unless in Holdco name) - signature can be made by a director
17	Termination of or variation to secondment arrangements.				Decision	Recommendation

	Activity	LBE as Shareholder of Holdco	Holdco Board	Holdco Director(s)	Opco Board	Opco Director(s)
18	<p>Entry into confidentiality agreements.</p> <p>**NOTE: all such confidentiality agreements shall not preclude the sharing of information with LBE and shall be reported by Opco at Holdco board meetings as a standard agenda item**</p>				Decision	Recommendation Amendments to contracts.
19	<p>[Amendments to contracts].</p> <p>[NOTE: LINE 19 TO BE REVIEWED AT POINT OF FULL INVESTMENT DECISION]</p>	[Decision where material amendments to contracts in excess of £100k]	[Decision if in excess of limits in 12-14]	[Decision within limits of 12-14]	[Decision within limits of 12-14]	[Decision within limits of 12-14]

	Activity	LBE as Shareholder of Holdco	Holdco Board	Holdco Director(s)	Opco Board	Opco Director(s)
20	Commencing any claim, proceedings or other litigation brought by or settling or defending any claim, proceedings or other litigation brought against Holdco (or 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/Holdco/Opco or has a potential material cost implication for LBE/Holdco/Opco)	Approval required where the claim, proceedings or other litigation has a potentially material impact on the reputation of LBE/HoldCo/OpCo or has a potential material cost implication for LBE/HoldCo/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			

	Activity	LBE as Shareholder of Holdco	Holdco Board	Holdco Director(s)	Opco Board	Opco Director(s)
22	Entering into of material contracts not contemplated by the Business Plan or investment decisions taken by the Cabinet/Council in respect of LVHN	Decision	Recommendation			
23	Disposing of a <u>substantial</u> part of the Business and/or assets outside of the scope of Business Plan.	Decision	Recommendation			
	Finance					
24	Approval of statutory accounts.		Decision		Decision	
25	Changing accounting and reporting policies of Holdco and/or 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		Operational matter once in place.	Decision
27	Approving the repayment of the external loans (other than in accordance	Decision - delegation by Cabinet to Cabinet Member for Economic	Recommendation (e.g. early repayment)			

	Activity	LBE as Shareholder of Holdco	Holdco Board	Holdco Director(s)	Opco Board	Opco Director(s)
	with the terms of the agreement signed by LBE).	Development and Cabinet Member for Finance				
28	Entering into (or agreeing to enter into) any borrowing or leasing arrangement in relation to working capital on behalf of Holdco 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 Holdco or over any capital of Holdco).	Above £500,000 (and not already in Capital Programme) - Cabinet and Full Council Between £300,000 and £500,000 - Cabinet	Up to £300,000 **NOTE: Holdco can delegate to two directors**			
29	Appointment of auditors.		Decision			
30	Giving a guarantee, suretyship, bond or indemnity to secure the liabilities of any person or assume the obligations of any person.	Decision Above £500,000 (calculated on a cumulative basis)	Decision Below £500,000 (calculated on a cumulative basis) Recommendation Above £500,000			

	Activity	LBE as Shareholder of Holdco	Holdco Board	Holdco Director(s)	Opco Board	Opco Director(s)
			(calculated on a cumulative basis)			
31	Write down of Holdco or Opco asset value, or writing off debts	Decision above £25,000 per event	Up to £25,000 per event Recommendation above £25,000 per event		Up to £10,000 per event	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 Holdco, its/ their business, assets or undertakings.		Decision		Recommendation	