

Delegations Matrix

This Delegations Matrix is to be reviewed annually at the annual general meeting of Herts Living Limited.

Herts Living Limited and its Directors shall in all cases consider whether a matter set out in the Delegation Matrix below for decision by them may require reference to the Council, notwithstanding the delegations below (e.g. due to the reputational or other potential impacts on the Council as shareholder or otherwise). Any decision required to be made by Herts Living Limited that is not specifically covered in this Delegation Matrix shall in the first instance be referred to the Shareholder Representative who shall determine at what level the decision should be made by Herts Living and if it is a decision for the Council that has not been delegated to the Shareholder, in accordance with the Councils Constitution, then the Shareholder shall ensure that matter is referred to the Council for a decision. The decision of the Shareholder Representative shall be effective until the next annual general meeting of Herts Living Limited, at which point the decision shall be considered further by the Council and added to this Delegation Matrix if deemed appropriate.

	Activity	HLL Member Advisory Group (“MAG”)	The Council as Shareholder of Herts Living Limited acting by the Director of Resources as Shareholder Representative	Herts Living Limited Board	Herts Living Limited Director(s)
	Corporate matters				
1	Amendments to this Delegation Matrix or any delegation policy adopted by Herts Living Limited from time to time	Guidance	Decision having sought guidance from MAG	Recommendation	
2	Approval and adoption of the Herts Living Limited Business Plan at each annual general meeting and material amendments as defined under the Business Plan thereto.	Guidance	Decision having sought guidance from MAG	Recommendation	
3	Material alteration, as defined under the Business Plan of the nature/scope of the Herts Living Limited business, closing down/commencing any new	Guidance	Decision having sought guidance from MAG	Recommendation	

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	business, which is not ancillary or otherwise incidental to the Business Plan and/or Articles.				
4	Acquiring, disposing or agreeing to acquire or dispose of any tangible, physical asset of the business, any interest in any asset of the Business (including the exercise of an option).	Guidance if not ancillary to/or otherwise incidental to the Business Plan	Decision if above £1,000,000 (where ancillary or otherwise incidental to the Business Plan) Decision having sought guidance from MAG if not ancillary or otherwise incidental to the Business Plan	Decision If below £1,000,000 (one million pounds) 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 Herts Living Limited.	Guidance	Decision having sought guidance from MAG	Recommendation	
6	Forming any subsidiary.	Guidance	Decision having sought guidance from MAG	Recommendation	
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.	Guidance	Decision having sought guidance from MAG where not ancillary to the Business Plan	Recommendation <u>or</u> decision where ancillary to the delivery of the Business Plan.	
8	Alteration of issued share capital (including creating new classes of shares or varying rights of existing classes), or classification thereof, allotment of share capital or securities, granting options or rights to subscribe to the issuing of share capital, of Herts Living Limited.	Guidance	Decision having sought guidance from MAG	Recommendation	

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9	Making any petition or passing any resolution to wind up Herts Living Limited or making any application for an administration or winding up order or any order having similar effect in relation to Herts Living Limited or giving notice of intention to appoint an administrator or file a notice of appointment of an administrator.	Guidance	Decision having sought guidance from MAG	Recommendation <u>or</u> decision if not to do so would place the directors in breach of their duties under Companies Act 2006 (or common law duties) or risk Herts Living Limited wrongfully trading	
	Operational matters				
10	Recruitment and selection of individuals.	Guidance	Decision having sought guidance from MAG for: (i) the appointment of the Managing Director for Herts Living Limited; and (ii) the appointment of officers of the Council as Directors of Herts Living Limited.	Decision To appoint Herts Living Limited Directors in a non-executive capacity in accordance with the articles of association.	Decision Herts Living Limited Managing Director authorised to appoint all other Herts Living Limited roles in accordance with best practice and to act as a responsible employer, in accordance with the Business Plan.
11	The authority for procurement and engagement of (and terms of engagement) for services, goods and	Guidance if not in accordance with the	Decision if in accordance with the Business Plan and	Decision If in accordance with	Decision If in accordance with

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	works, as long as such is in accordance with EU procurement rules where applicable.	Business Plan	in excess of £10,000,000 (ten million pounds) (annualised) Decision having sought guidance from MAG if not in accordance with Business Plan.	the Business Plan and between £5,000,001 (five million and one pounds) and £10,000,000 (ten million pounds) (annualised)	the Business Plan and up to £5,000,000 in value. Managing Director can sign all contracts on behalf of Herts Living Limited (with the other directors where required) providing the decision to award is made in accordance with this part 11 of the delegations matrix.
12	The authority for procurement and engagement of (and terms of engagement) of contractors, as long as such is in accordance with EU procurement rules where applicable.	Guidance if not in accordance with the Business Plan	Decision if in accordance with the Business Plan and in excess of £10,000,000 (ten million pounds) (annualised) Decision having sought guidance from MAG if not in accordance with Business Plan.	Decision if between £5,000,001 (five million and one pounds) and £10,000,000 (ten million pounds) (annualised)	Managing Director can sign all contracts on behalf of Herts Living Limited (with the other directors where required) providing the decision to award is made in accordance with this part 12 of the delegations matrix.

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13	Any other commitment to contract expenditure, as long as such is in accordance with EU procurement rules where applicable.	Guidance if not in accordance with the Business Plan	Decision in accordance with the Business Plan and in excess of £10,000,000 (ten million pounds) (annualised) Decision having sought guidance from MAG if not in accordance with Business Plan.	Decision if between £5,000,001 (five million and one pounds) and £10,000,000 (ten million pounds) (annualised)	Decision if in accordance with the Business Plan and up to £5,000,000 in value. Managing Director can sign all contracts on behalf of Herts Living Limited (with the other directors where required) providing the decision to award is made in accordance with this part 13 of the delegations matrix.
14	Acquisition or disposal of a property interest		Decision having sought guidance from MAG (where not ancillary or otherwise incidental to the Business Plan)	Decision (where ancillary or otherwise incidental to the Business Plan)	
15	Submission of any planning application (or appeals), entering into deeds (easements, wayleave, etc.) or other such matters, including leases, licenses and easements.				Decision

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16	Termination of or variation to secondment arrangements (depending on to which company)			Decision	Recommendation
17	Entry into confidentiality agreements (depending on which company is giving).			Decision	Recommendation
18	Commencing any claim, proceedings or other litigation brought by or settling or defending any claim, proceedings or other litigation brought against Herts Living Limited, except in relation to debt collection, anti-social behavior orders, damage to property by tenants and other matters that may require litigation in the ordinary course of business, (where the claim, proceedings or other litigation has a potentially material impact on the reputation of the Council/Herts Living Limited or has a potential material cost implication for the Council or Herts Living Limited.		Approval required where the claim, proceedings or other litigation has, in the reasonable opinion of the Herts Living Limited Board, a potentially material impact on the reputation of the Council/Herts Living Limited or has a potential material cost implication for the Council/Herts Living Limited	Decision All claims, proceedings or other litigation not subject to column 4 (“the Council as Shareholder of Herts Living Limited”).	Recommendation
19	Termination by Herts Living Limited of any of its contracts, where this will have a material impact on the delivery of services or financial returns to the Council or by the Council.	Guidance	Decision having sought guidance from the MAG (where not ancillary or incidental to the Business Plan including, for the avoidance of doubt, the termination of any joint venture entered into by Herts Living Limited)	Recommendation	

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20	Entering into material contracts not contemplated by the Business Plan or based on decisions taken by the Executive/Council.	Guidance	Decision having sought guidance from the MAG	Recommendation	
21	Disposing of a <u>substantial</u> part of the business and/or assets outside of the scope of Business Plan.	Guidance	Decision having sought guidance from the MAG	Recommendation	
	Finance				
22	Approval of statutory accounts.			Decision	
23	Changing accounting and reporting policies of Herts Living Limited.	Guidance	Decision having sought guidance from the MAG	Recommendation	
24	Approving the repayment of any external loans.	Guidance	Decision having sought guidance from the MAG (only when relating to early repayment)	Decision unless decision relates to early repayment	
25	Entering into (or agreeing to enter into) any borrowing or leasing arrangement in relation to working capital 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 Herts Living Limited or over any capital of Herts Living Limited).	Guidance	Decision above £1,000,001 (one million and one pounds) having sought guidance from the MAG	Decision Up to £1,000,000 (one million pounds)	
26	Appointment of auditors.			Decision	

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27	Giving a guarantee, suretyship, bond or indemnity to secure the liabilities of any person or assume the obligations of any person.	Guidance	Decision having sought guidance from the MAG if above £5,000,000 (five million pounds) (calculated on a cumulative basis)	Decision Up to £5,000,000 (five million pounds) (calculated on a cumulative basis)	
28	Write down of Herts Living Limited asset value, or writing off debts.	Guidance	Decision having sought guidance from the MAG if above £1,000,000 (one million pounds) per event	Below £500,000 (five hundred thousand pounds)	
29	Making any agreement with any revenue authorities or any other taxing authority or making a claim, disclaimer, election or consent in relation to Herts Living Limited, its/ their business, assets or undertakings.			Decision	