

## **Appendix D – Reserved Matters – output from Member workshops**

### **Regulation of LACC**

LACC shall be regulated by its constitutional documents and Company Law. The constitutional documents include, articles of association, memorandum of association, certification of incorporation, special resolutions etc.

### **Relationship between the councils**

- Governed by Inter Authority Agreement. This is also known as shareholder agreement. It will deal with inter alia, reserved matters.

### **Matters reserved to Full Council**

- Appointment and/or removal members of SJC
- Approval of annual business plan for LACC
- Approval of resolution to dissolve or wind up LACC
- Approval of JSC scheme of delegation

### **Reserved matters delegated to a Joint Shareholder Committee**

- Approval of expenditure by LACC above agreed financial threshold.
- Approval of constitutional documents of LACC such as, memorandum of association, articles of association and all documents required for the purposes of registration of LACC such as statement of capital and initial shareholding. Members need to agree, initial number of shares, value and class of shares, and names of directors etc.
- Approval of business plans
- Approval of Substantial Transactions (ST). ST are defined as transactions which are likely to result in the LACC spending sums in excess of or entering into a contract with a third party in excess of £££££
- Authorisation of litigation where such litigation is likely to involve expenditure of significant sums
- Approval of minor amendment to the articles. These are amendments which are not likely to result into substantial change or alter the structure, type of business and shareholding of the LACC.
- Approval of addition new shareholders i.e. Teignbridge, Torbay etc.
- Approval of change of name (s.78, SR required)
- Approval of change of registered office (s.87, OR required) and filed with registrar
- Approval of amendments to articles of association (s.21, SR required)
- Approval of appointment and removal of directors
- Approval of directors remuneration
- Approval of substantial employment packages
- Approval of directors service contracts (s.188)
- Alteration of share capital (s.617). Ordinary resolution is required and this must be filed with registrar.
- Approval of composition of board
- Appointment of independent chair.
- Approval of changes to type of business undertaken by LACC
- Appointment on independent chair
- Appointment of non-executive directors

**Note**

In order to avoid any potential conflict, all reserved matters should be dealt with within the IAA and Articles of Association. This removes any assumption that those matters which are not expressly reserved within the articles can be dealt with by directors.