

PROPOSED CHANGES TO ARTICLES OF ASSOCIATION ENTERPRISE CHESHIRE AND WARRINGTON¹

Article to be changed	Current Position	Proposed Change
Membership (Art.28)	Membership of Company is 1 Member from each Local Authority (Class A Members) + Chair & Vice Chair of Board (Class B Members). This equates to 20% membership for each Council.	There will be no Class B Members. There will be one Member from each local Council. This equates to 33.3% membership for each Council.
Termination (Art.29)	A Member may resign on 7 days notice.	If any Council wishes to resign from the Company then they shall give not less than 12 months' notice to the remaining Councils. They shall indemnify the remaining Councils any actual or anticipated loss, liability, damage, claim or expense which would be incurred by the remaining Councils. Any Council wishing to resign from the Company is not entitled to any distribution of the profits/reserves in the Company.
Powers (Art.50)	Power to amalgamate with any company having similar objects	Not to form any subsidiary or amalgamate/merge subsidiaries or participate in any partnership or joint venture without consent of the Councils
	Powers reference the Local Enterprise Partnership	Remove all references to Local Enterprise Partnership as this will not longer exist as a function recognised by Government
Directors (Art.4)	Currently a maximum of 20 Directors allowed, Class A (Local Authority) and Class B (other)	Directors to be appointed by the Councils, being the CEO and Finance Director of the Company and one officer from each local authority
Directors Remuneration (Art.23)	Board Directors are currently remunerated	Local authority officers will not receive remuneration for carrying out this role as it will form part of their duties.

¹ Name subject to Member approval

Appendix C: LEP Transition

Article to be changed	Current Position	Proposed Change
Chair & Deputy Chair of the Board (Art.25)	Currently are Class B Members	Officers of the Company will not be eligible to hold these positions
Chief Executive (Art.26)	Currently appointed by the Board	All senior management positions to be agreed by the Joint Committee
Secretary (Art.27)	Currently appointed by the Board	Appointed by the Joint Committee
Members Reserve Power (Art.7)	Members have the right to ask the Board to take or refrain from an action	Members to reserve the powers as set out below:

Powers reserved to the Councils and exercised through the Joint Committee:-

- (a) Approve the business plan and budget and consider whether to agree any variations
- (b) Approve projects which do not form part of the business plan
- (c) Chair to rotate every two years in the following order CWaC (until May 2025), CEC (until May 2027) WBC (until May 2029) and to continue in that rotation
- (d) Nominate the Vice-Chair from CEC (until May 2025) and to then rotate in the same order as the chairmanship every two years.
- (e) Set the level and request that the Councils fund the contributions (the amount to ensure that the Company has sufficient funds to meet its running costs)
- (f) Appoint the Secretary
- (g) Ensure that the Company deliver against their business plan and budget, holding them to account for such delivery and directing the Board to take remedial action where necessary
- (h) Appoint and/or remove directors to the Board
- (i) Approve any capital expenditure to be made in excess of £100,000 outside of the business plan
- (j) Approve the entering into of any lease or licence for the occupation of land or premises
- (k) Approve the employment of any person earning in excess of £100,000 p.a. and the use of any contractors for projects
- (l) Approve the entering into of any contract in excess of £100,000 outside of the business plan
- (m) Approve the entering into or giving of any loan, guarantee, surety or indemnity by ECW
- (n) Agree any policy or procedure for the operation and management of the Company
- (o) Approve the opening or closing of any bank account by the Company
- (p) Approve any changes to the Articles of Association
- (q) Meet at least once in every three calendar months or at such lesser or greater frequency as the Members shall in their discretion decide.