



UNIVERSITY OF
LIMERICK
OLLSCOIL LUIMNIGH

POLICY FOR THE ACQUISITION OF NEW PROPERTY, BUILDINGS, LAND OR INFRASTRUCTURE

Contents

- 1 Introduction2**
 - 1.1 Purpose2
 - 1.2 Scope2
 - 1.2.1 To whom does the policy apply?2
 - 1.2.2 In what situations does the policy apply?2
 - 1.2.3 Who is responsible for ensuring that the policy (and any associated procedure) is implemented and monitored?2
 - 1.3 Definitions2
 - 1.3.1 Acquisition of new property, land, buildings, or other infrastructure2
 - 1.3.2 Infrastructure3
 - 1.3.3 Promoter3
- 2 Context.....3**
 - 2.1 Legal and Regulatory Context3
 - 2.1.1 Universities Act 1997 (as amended)3
 - 2.1.2 Code of Practice for the Governance of State Bodies (2016)3
 - 2.1.3 Department of Public Expenditure and Reform Circular 17/2016.....3
 - 2.1.4 Public Spending Code: A Guide to Evaluating, Planning and Managing Public Investment (2019).....3
 - 2.1.5 Code of Governance for Irish Universities (2019).....3
 - 2.1.6 University of Limerick Code of Governance (2021)3
 - 2.2 Other Context.....3
 - 2.2.1 University of Limerick Acquisition of Property, Buildings Land, and Infrastructure Procedure3
 - 2.2.2 University Policy on Disposal of Assets3
 - 2.2.3 Matters Reserved to Governing Authority.....4
- 3 Policy Statements4**
 - 3.1 Principles for Property Acquisition4
 - 3.1.1 Present a Report4
 - 3.1.2 Implementing the decision to acquire and early engagement of professional advice4
- 4 Related Procedures for Property Acquisition5**
 - 4.1 Professional Reports.....5
- 5 Report to Governing Authority5**
- 6 Related Documents.....6**
- 7 Appendices6**
- 8 Document Control6**

1 Introduction

1.1 Purpose

This policy has been drafted to guide acquisitions of property, buildings, land, and infrastructure (as defined) by the University of Limerick (the “**University**”) in line with the principles of good corporate governance to which it is subject. This policy must be read in conjunction with the University’s Contract Signing policy which outlines the delegated contract signing authorities for various individuals and committees.

The policy outlines the requirements on the University to comply with the policies (whether set out in codes, circulars, or any combination thereof) that may affect or relate to its legal capacity to purchase, or otherwise hold or acquire property, buildings, land, and infrastructure.

1.2 Scope

1.2.1 *To whom does the policy apply?*

This policy applies to all employees of the University, including the President, and/or any persons contracted by the University in connection with the acquisition of buildings, land, and infrastructure.

The Promoter (as defined) will usually be a member of the Executive Committee, although the President may nominate/authorise another senior employee of the University to act in that capacity.

1.2.2 *In what situations does the policy apply?*

The policy applies in every instance where new property, land or buildings or other infrastructure is proposed to be acquired.

1.2.3 *Who is responsible for ensuring that the policy (and any associated procedure) is implemented and monitored?*

The member of University’s Executive Committee or such other senior employee as is or may be nominated/authorised by the President from time to time, to propose an acquisition.

The Director, Buildings and Estates is responsible for executing procedural elements of the policy, such as the procurement of professional reports and due diligence processes necessary to comply with best practice, Government directives, circulars, domestic or EU legal requirements for new acquisitions.

1.3 Definitions

1.3.1 *Acquisition of new property, land, buildings, or other infrastructure*

The acquisition of new property, land, buildings, or infrastructure is defined as being an acquisition of any or all of these that are not forming part of the University’s current Property Asset Register.

1.3.2 Infrastructure

Roads, footpaths, sewers, services, bridges, culverts, or power producing appliances not located within University owned lands.

1.3.3 Promoter

A member of the University's Executive Committee or such other senior member of University staff as the President may nominate, who on the President's authority, is assigned the lead role in relation to any proposed acquisition of property, buildings, land, or infrastructure by the University.

2 Context

2.1 Legal and Regulatory Context

In applying this policy, regard must be had to the legal, regulatory and governance framework applicable to the acquisition of property, buildings, land, or infrastructure, including:

2.1.1 Universities Act 1997 (as amended)

2.1.2 Code of Practice for the Governance of State Bodies (2016)

2.1.3 Department of Public Expenditure and Reform Circular 17/2016

2.1.4 Public Spending Code: A Guide to Evaluating, Planning and Managing Public Investment (2019)

2.1.5 Code of Governance for Irish Universities (2019)

2.1.6 University of Limerick Code of Governance (2021)

2.2 Other Context

2.2.1 University of Limerick Acquisition of Property, Buildings Land, and Infrastructure Procedure

This procedure outlines the process to be followed in terms of the required professional reports to support required due diligence.

2.2.2 University Policy on disposal of Assets

The University has a separate Policy for the Disposal of Assets which is available on the University's Policy Hub.

2.2.3 Matters Reserved to Governing Authority

The University's Governing Authority has reserved certain functions to itself, including overall responsibility for the University's assets, property and estate, and the approval of funding plans for major investments and the development of capital projects that require planning permission. The Chairperson on behalf of the Governing Authority is required to confirm in the Annual Report that the University is adhering to the relevant aspects of the Public Spending Code.

3 Policy Statements

3.1 Principles for Property Acquisition

3.1.1 Present a Report

A report should be developed by the Promoter of the acquisition in conjunction with the Buildings & Estates and Finance Departments to accord with the requirements of the Public Spending Code and the University's governance requirements referred to at paragraphs 2.1 and 2.2 above.

The Report should:

- Define the need;
- Quantify the costs and specify sources of funding;
- Identify the risks and mitigants where possible;
- Come to a conclusion on preferred option;
- Make a recommendation to the Governing Authority.

3.1.2 Implementing the decision to acquire and early engagement of professional advice

Title

Title to be investigated by a suitably qualified legal person acting for the University. Title should ideally be held in fee simple, or where leasehold, the unexpired term should be of sufficient duration to safeguard the University's interest. Any lease should be examined for any restrictive covenants which would in any way affect the property to be acquired.

Planning

The relevant planning authority should be contacted to ascertain zoning and planning history of the proposed property to be acquired. It should be established whether any enforcement action has been threatened or issued in relation to the property. Where appropriate, it is recommended that a planning search of adjacent properties be carried out to establish any agreements, notices or planning objections that may affect the property.

VAT

Professional advice should be obtained on liability for VAT in respect of property transactions or activities.

Professional Reports

The following professional reports should be obtained for the acquisition of buildings or supplied in the case of new builds:

- Architects Report;
- Legal Due Diligence Report in liaison with Architect on title, boundaries, covenants, affected tenant leases, planning compliance etc.;
- Fire Engineers Report (if required);

- Mechanical and Electrical Engineers Report (if required);
- Structural Engineers Report (if required);
- Other reports from specialists as deemed necessary – such as Planning, Environmental, Asbestos, Mica, Pyrite;
- Independent Valuation Report obtained from a professional property valuation surveyor;
- The above requirements may vary where acquiring a property which has still to be constructed and will be replaced by appropriate reviews of the planning, design and construction plans for the property.

Where the acquisition is proposed for land or infrastructure other than for buildings, relevant professional reports drawn from the list above should be obtained.

4 Related Procedures for Property Acquisition

4.1 Professional Reports

The reports will be in accordance with Buildings and Estates Department requirements as set out in Buildings and Estates Procedure for Acquisition of Property, Land, Buildings, and Infrastructure.

5 Report to FHRAMC / Governing Authority

In order that the FHRAMC / Governing Authority, as the case may be, has the required assurance to enable it to approve any proposed acquisition submitted by the Promoter, it must receive a report, consistent with the requirements of this policy and the applicable legislation, codes, circulars, etc. (or any combination thereof) referred to at paragraph 2.1 above.

The report can take the form of the submission template (see **Appendix 1**) which requires the Promoter to confirm the following particulars:

- The decision of the Executive Committee in relation to the proposed acquisition and the date on which it was approved for submission to the FHRAMC or to the Governing Authority.
- The date on which the proposed acquisition was submitted to the FHRAMC or Governing Authority for discussion / information, as the case may be.
- The date on which the proposed acquisition was submitted to the FHRAMC or Governing Authority for approval and the date of the meeting at which the proposed acquisition will be considered.
- Summary overview of the proposed acquisition.
- High level risks / opportunities.
- Property / Land / Infrastructure location (if relevant).
- Identity of the Promoter and particulars of the design team.
- Confirmation that Buildings and Estates Procedures for the acquisition have been followed.
- Confirmation that the proposed purchase has been considered by the PDR / relevant committee of the Governing Authority.

- Whether there are any time sensitivities associated with the proposed acquisitions and if so the reasons for same.

6 Related Documents

Buildings and Estates Department – Procedure for new Property Acquisition

7 Appendices

[Appendix 1](#) – (See below: Submission Template to Governing Authority)

8 Document Control

Document Version	1.0
Document Owner	Chief Corporate Officer
Approved by	Executive Committee
Date	01 June 2022
Approved by	Finance, HR & Asset Management Committee (FHRAMC)
Date	17 June 2022
Approved by	Governing Authority
Date	30 June 2022
Effective Date:	30 June 2022
Scheduled Review Date:	30 June 2023

Appendix 1 – Submission Template to Governing Authority



Submission to Governing Authority

Title of Submission
Presenter of Submission/Executive Sponsor/Promotor
Operational Decision of Executive Committee (date on which approved by EC)
Submitted to Governing Authority for discussion/information (delete as appropriate)
Matter Reserved to Governing Authority (reference Schedule of Matters)
Submitted to Governing Authority for Decision – date of meeting
Summary Overview of Submission
High Level Key Risks/Opportunities
Recommendation (if submitted for decision of Governing Authority)
It is recommended that the Governing Authority approves.....

See overleaf for additional requirements for requests for approval of the purchase of property by the University:

Property Location
Property Description and Proposed Use
Executive Sponsor/Promotor and Team Members (e.g. Design Team)
Confirmation of whether or not B&E Procedures for the acquisition of property have been followed
Has the proposed purchase been approved by the PDR/relevant GA Committee? If not, why not?
Is the proposed purchase time sensitive, if yes, please explain why.