

THE ROBERT GORDON UNIVERSITY

A POLICY FOR THE PURCHASE AND SALE OF HERITABLE PROPERTY

AIM

The aim of the policy is to set out the arrangements for delegated authority for the purchase and sale of heritable property.

SCOPE

The policy covers the purchase and sale of heritable property contiguous or adjacent to the University's estate or otherwise in support of the University's Development Strategy or Master Plan.

'Heritable Property' is deemed to include land and buildings but, for the purposes of this policy, may also extend to other associated property-related facilities or resources.

POLICY

Authority

- The Board of Governors, advised by its Finance and General Purposes Committees, holds to itself the authority to decide to buy or sell heritable property in order to fulfil its objectives. Where there is a need, in the interests of commercial expediency or opportunism, to enter into binding transactions outwith the normal committee cycle and where the total cost of the transaction is £1million or less, this authority will be delegated to the Principal as advised by the Directors of Estates and Finance, the Vice Principal (Planning and Resources) and the Strategic Planning and Resources Group more widely as appropriate. Such delegated authority will be exercised in accordance with the following guiding principles and arrangements.

Opportunity

- The University will actively seek opportunities for appropriate purchase of heritable property as well as the sale of heritable property no longer required by the University. However, where heritable property sought by the University is already in the ownership of a University employee or persons with a known connection with the University, authority to pursue a purchase shall be sought from the Principal in the first instance.
- Potential opportunities for purchase and sale of heritable property will initially be reviewed by the Director of Estates and Property Services or, when not available, the Finance Director and reported to the Vice Principal (Planning and Resources). The Vice Principal (Planning and Resources) will advise the Principal or Finance and General Purposes Committee as appropriate.

Purchase / Sale

- Any formal proposal to potentially purchase or sell heritable property should be made by the Director of Estates and Property Services to the Vice Principal (Planning and Resources) for assessment and recommendation to the Principal or the Finance and General Purposes Committee as appropriate. The Director of Estates and Property Services is required to demonstrate that the purchase or sale will result in:
 - benefit to the University, Estate strategy or Master Plan; and
 - value for money.
- Prior to any formal action being undertaken, the financial structure for the potential purchase or sale of heritable property should be confirmed to the Director of Estates and Property Services by the Vice Principal (Planning and Resources) once authorised by the Principal or Finance and General Purposes Committee as appropriate.
- Where the heritable property is in the ownership of any member of senior management or governor of the University, a purchase will only proceed with the specific agreement of the Board of Governors.
- Any contact with the seller or their agents for the purposes of noting interest or making any form of offer must be undertaken by the University's designated Legal and/or Property Consultants, who are to receive instructions only from the Director of Estates and Property Services or the Vice Principal (Planning and Resources).
- All offers to purchase heritable property are to be made subject to survey, except in exceptional circumstances i.e. limitations on access or time. Where such circumstances exist they are to be confirmed and formally accepted by the Director of Estates and Property Services prior to any offer being made.
- All property related surveys are to be undertaken by the University's designated Property Consultants and instructed by the Director of Estates and Property Services or the Vice Principal (Planning and Resources).
- The entry or completion date for the purchase or sale of heritable property must be agreed by the Director of Estates and Property Services and the Finance Director.

Reporting

- The outcome of all proposed purchases or sales of heritable property, successful or not, should be reported to the Estates Development Management Group and the Finance and General Purposes Committee.

Approved by: Board of Governors

On: 13th December 2007

Revised (Designations updated) on: 10th February 2011