



**POLICY FOR THE ACQUISITION
(INCLUDING LONG TERM LEASING) OF
PROPERTY**

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1 Introduction

1.1 Purpose

The purpose of this policy is to outline the protocol for the acquisition (including long-term leasing) of property by the University of Limerick (the “**University**”).

This policy has been drafted to guide acquisitions of property, buildings, land, and infrastructure (as defined) by 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 purpose of this policy is to ensure that all property transactions fully comply with all relevant policies and are conducted in a transparent, efficient, and cost-effective manner, while aligning with the strategic objectives and financial capabilities of the University.

1.2 Scope

1.2.1 *To whom does the policy apply?*

This policy applies to all employees, schools, divisions, departments and units of the University or any subsidiary companies of the University.

This policy applies to all agents engaged by the University for the purposes of acquisitions.

For the purposes of this document an acquisition transaction may include land, buildings, infrastructure or sites to be acquired or leased by the University.

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?*

This policy applies in every instance where new property, land or buildings or other infrastructure is proposed to be acquired or leased, including instances where such are purchased for future development.

1.3 Definitions

Please see **Section 2** for a listing of the definitions used in this policy.

2 Definitions used in this policy document

For the purposes of this policy the below definitions apply.

Term	Definition
Acquisition	The acquisition, by purchase or transfer, of property, land, buildings, or infrastructure is defined as being the addition of any or all of these that are not forming part of the University's existing Property Asset Register.
Independent Confirmation of Process Compliance	As requested by the OCAG responsibility for confirmation of process compliance in respect of a proposal for Acquisition will be assigned to an officer who is independent of the project promoter.
Due diligence	Due diligence is the investigation or exercise of care that the University will undertake in all circumstances in full compliance with all relevant policies and circulars as set out in section 8 before entering into an agreement or contract with another party.
Infrastructure	Roads, footpaths, sewers, services, bridges, culverts, or power producing appliances not located within University owned lands.
Infrastructure Guidelines	The arrangements set out in the Infrastructure Guidelines apply to all public bodies and all bodies in receipt of Exchequer capital funding. The Infrastructure Guidelines are a living set of Government policy and procedure documents that are to be adhered to and will be updated periodically in order to reflect best practice.
Leasehold	Property, which is held by lease, for a period of one year or more, and used by the University for a specified number of years.
Market Value	The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.
Promoter	<p>The promoter is a member of the Due Diligence Team (see below definition for Due Diligence Team), nominated by the President, who is assigned the lead role in relation to any proposed acquisition of property, buildings, land, or infrastructure by the University.</p> <p>The promoter is responsible for co-ordinating Due Diligence Team activities. The promoter is responsible for the accuracy and presentation of the necessary documents at each stage gate related to the acquisition of property.</p>
Property	Land, buildings and infrastructure.
State Property	Land, buildings and infrastructure owned or held by the State.
Surplus Property	Property that the Owning Stakeholder identifies on the State Property Register as being surplus to its requirements and available for occupation or disposal. Such property can comprise either a whole State Property or part of a State Property. It is acknowledged that there are instances where Stakeholders are required to dispose of properties/land for a specific purpose in accordance with their statutory obligations for example for the purposes of developing industrial or commercial units by local authorities. Such properties/land are not required to be identified as surplus for the purposes of intra-State transfers. Surplus property includes houses, buildings, other structures and land.
The Approving Authority	The Approving Authority has ultimate responsibility for the project.
Due Diligence Team	Where it has been determined by the President that a Due Diligence Team is required, membership of the Due Diligence Team will be nominated by the President of the University following consultation with the Director of Buildings and Estates, consisting of members of the

	<p>University's Executive Committee and such other senior members of University staff as required.</p> <p>The Due Diligence Team will have a designated Terms of Reference and maintain records of all activities associated with the transaction.</p> <p>At a minimum the Due Diligence Team membership will include the following skills building & estates, finance, and legal. Membership of the group may be suitably qualified University staff and where appropriate members drawn from Frameworks established by the University. At each stage gate individual sign-off by all members of the Due Diligence Team is required.</p>
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3 Roles and Responsibilities

Role	Responsibility
Approval of policy	University Governing Authority
Compliance with policy	The University Governing Authority will satisfy itself for every acquisition that the University is in full compliance with this policy
Independent Confirmers of Process Compliance	<p>The President will nominate an internal panel of Independent Confirmers of Process Compliance (who will be independent of the promoter) who have the competencies and training appropriate to their role as Confirmers of Process Compliance.</p> <p>In order to enhance the independence of the confirmer for all proposed acquisitions one member from this panel will be appointed by the Chair of the ARC, to complete an Independent Confirmation of Process Compliance for the acquisition confirming that the requirements of this policy have been complied with at each decision stage gate. The confirmation reports will be submitted to the Approving Authority by the Independent Confirmer.</p>
Approval of associated procedural documentation	<p>It is a matter for the President to ensure that the processes and procedures in place in the University are appropriate to:</p> <ul style="list-style-type: none"> - Ensure compliance with the Infrastructure Guidelines and this Policy - Manage the Acquisition of Property - Manage budgets at individual projects level - Ensure that all of the supporting documentation and templates for appraisals and business case (preliminary and final) are available to the Approving Authority via dedicated SharePoint site.
Promoting an acquisition transaction	A 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.
Preparation of: <ul style="list-style-type: none"> • Preliminary Business Case for acquisition of property • Detailed Business Case • Final Business Case for acquisition of property 	The University Project Promoter and the Due Diligence Team where one has been put in place.
Approval in principle of <ul style="list-style-type: none"> • Preliminary Business Case for acquisition of property • Detailed Business Case • Final Business Case for acquisition of property 	The Governing Authority following review by the Finance Strategy and Performance Committee or other body as designated by the Governing Authority.
Final Approval of: <ul style="list-style-type: none"> • Preliminary Business Case for acquisition of property • Detailed Business Case • Final Business Case for acquisition of property 	<p>State funded acquisitions – The Approving Agency</p> <p>Non-state funded acquisitions – Governing Authority</p>
Executing procedural elements of policy	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. The Director of Buildings and Estates can coopt members onto the Due Diligence Team if required.

4 Background

The University takes a long-term view on property to ensure that the University has appropriate infrastructure for its foreseeable and future needs.

In this regard, the University may acquire property when necessary to support its strategic objectives, academic mission, research activities, student services or other university functions subject to financial feasibility and availability of resources.

The majority of opportunities to acquire property will be included in University's Strategic Plan and Capital Development Plan.

However, the University in the interest of good property stewardship and management continues to be interested in improving its campus footprint, improving accessibility and property boundaries. The University remains vigilant to opportunities to assess /acquire adjacent properties if they have strategic value to the University and are affordable.

5 Decision making process

As per Section 2.2 (Finance, Property, and Reporting) of the Matters Reserved for the Governing Authority, the University's Finance, Strategy & Performance Committee (FSPC) is the designated group to oversee property acquisitions and disposal proposals, and to recommend them to Governing Authority.

Property transactions will be considered a Capital Asset decision and as such require approval in accordance with delegated powers of the both the University Executive Committee and the Governing Authority.

Table Delegated Approval Authority

Acquisition Value €	Executive Approval	University Approval
< =150k	President	President
>150k < =1m	University Executive Committee	GA Finance, Strategy and Performance Committee
> 1m	University Executive Committee	Governing Authority based on recommendation from GA Finance Strategy and Performance Committee

Decision gates

Decision making will be made in line with the Infrastructure Guidelines (formerly the Public Spending Code). The Approving Authority is the Government Department or Body funding the acquisition. In the case of land and property acquisitions these are often funded by the University or its subsidiaries, in such circumstances the Approving Authority is the University. However, in approving such acquisitions the University and its Governing Authority shall follow the Infrastructure Guidelines and, in a case, where property is being acquired for a project that will be state funded then the University is the Sponsoring Authority and the state funding body is the Approving Authority.

Details on the decision gates applied under this policy are set out in **Appendix 1**.

6 General principles

- Property acquisitions conducted by the University will be in line with the property section of the University's Strategic Plan and the Approved Capital Development Plan.
- In line with updates to the University's Strategic Plan, a review of the University property portfolio in the context of its business requirements will be conducted to identify potential expanding or contracting accommodation requirements, the possible need to acquire property or opportunities for more innovative actions that may involve disposal, acquisition or sharing of property. The outcome of this review will be shared and discussed with Governing Authority.
- When an acquisition is proposed which will be further developed (i.e. involving capital development) to bring to a useful condition the full cost (i.e. cost to acquire the asset and the cost to develop the asset) will be the amount considered for appraisal .
- The development of acquired assets shall be managed through the University's Management of Capital Projects Procedure and associated Policy (currently under development).
- All property transactions will be processed in line with the Approval Authority set out in **Section 5**.
- No binding commitment shall be entered into without the approval of a Final Business Case.
- If the high-level strategic review of the University's property identifies the potential need to acquire a property, this identified need has to be subject to further analysis and the development of a Business Case(s) which supports an acquisition. The minimum contents and approving authority of these Business Case(s) is set out in **Appendix 1**.
- When acquiring (including long term leasing) property, the University will comply with the requirements of the Infrastructure Guidelines.
- The Governing Authority will satisfy itself annually that the University is in full compliance with the Infrastructure Guidelines and this Policy.
- For all acquisitions a formal Due Diligence team will be established, supported by a defined Terms of Reference (ToR) and project plan for action. All meetings of the due diligence team will be minuted and a record will be maintained including recommendations made by the team to the relevant approval bodies. A final report on the outcome of the Due Diligence process will be made available to the body who is responsible for approving the final business case as referenced in **Section 5**. The final report will be signed by each member of the Due Diligence team.
- When acquiring (including long term leasing) property, the University will, at all stages of each individual transaction, manage conflicts of interest in line with the University's Conflicts of Interest Policy.
- All property acquisitions (including long term leasing) will be transacted in an open, transparent, and arm's length manner.
- All property acquisitions (including long term leasing) will be balanced by commercial sensitivities attached to the property transaction.
- Where the high-level strategic review of the University's property identifies the potential need to acquire a property , it will first consult the State Property Register and engage with other State property holders to ascertain if a suitable surplus property exists which could be transferred or shared.
- Where land or property is being considered for acquisition by the University, a minimum of two (2) independent valuation reports will be obtained to ascertain market value of the asset being acquired. These valuation reports will be obtained before any decision is taken by the Governing Authority to purchase /acquire such property. The valuation reports will be obtained from professional property valuation surveyors. If special assumption(s) are considered appropriate by the valuation surveyors then the valuation report will be required to set out market value and separately the value having regard to the special assumption(s).
- Legal advice will be sought for any potential property transaction. Key items to be considered by the legal advice will include, but are not limited to:

- Good and Marketable Title
 - Property matters including boundaries, wayleaves, easements etc.
 - Any burdens on the property
 - Contract and Lease
 - Conveyancing and Property Registration
 - Planning compliance and any planning restrictions associated with property
- Independent tax advice including stamp duty and VAT must be received as part of the preliminary business case and confirmed as part of the Final Business Case.
 - Other professional advice, (including but not limited to planning, structural engineer and architect, fire engineer, engineer, mechanical and electrical, or other advice as deemed necessary such as planning, environmental, asbestos, mica, pyrite, contaminated ground:) that is needed in implementing the property decision being taken, will be taken by the University as part of the detailed business case.
 - All parties involved in Property transactions will be clearly disclosed and reported to the Governing Authority when transactions are being considered. Any Governing Authority resolution related to the purchase of Property should state the party or parties the asset is being purchased from.
 - The University property acquisitions checklist will be completed, as set out in **Section 3**, by an individual independent of the transaction, and will be maintained in relation to all acquisitions at each of the approval gates.
 - Where the University leases a building, the responsibilities of the landlord and the University regarding facilities management and maintenance will be clearly defined. Details of facilities management services and their costs provided within service charges will be clearly identified.

When negotiating a lease, the University will, as a minimum, seek to confine the length of the lease or length of the renewal lease to a term consistent with the appraisal period adopted in the Business Case.

All rent negotiations will be undertaken by individuals with relevant qualifications and experience of similar properties.

Legal advice will be sought for any potential lease transaction.

- Proposals with an estimated capital cost in excess of €200 million are considered Major Projects and are subject to the following:
 - External Assurance Process at the Strategic Assessment and Preliminary Business Case (AG1) stage of the project lifecycle.
 - Review by the Major Projects Advisory Group at the Preliminary Business Case (AG1) stage of the project lifecycle.
 - Consideration by Government at the Preliminary Business Case (AG1) and Final Business Case (AG3) stage of the project lifecycle.

Government consent will be sought through a Memorandum for Decision.

- When the University has purchased a property, transfer of title will be properly executed and registered with the Property Registration Authority Ireland (PRAI). The University's Finance systems will be updated to facilitate payments related to the newly acquired property.
- The University's Asset Register will be updated with all details of the property acquired.

7 Training

The University will procure external expertise to provide a suite of training to support the implementation of this Policy.

8 Reporting to Governing Authority

In order that the Governing Authority 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 in Section 4 above.

The minimum standard information to be contained in business cases supporting the acquisition of properties is set out in Appendix 1.

9 Related documents

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

- [The Department of Public Expenditure NPD Delivery and Reform Infrastructure Guidelines:](#)
- [Infrastructure Guidelines: A Guide to the Strategic Assessment and Preliminary Business Case:](#)
- [Infrastructure Guidelines: A Guide to the Project Design. Planning and Procurement Strategy:](#)
- [Infrastructure Guidelines: A Guide to the Final Business Case:](#)
- [Infrastructure Guidelines: A Guide to the Implementation Stage:](#)
- [Infrastructure Guidelines: A Guide to the Post Completion Review and Benefits Realisation:](#)
- The Capital Works Management Framework; [Capital Works Management Framework | A suite of best practice guidance, standard contracts and generic template documents.](#) (constructionprocurement.gov.ie)
- Circular 17/2016: Policy for Property Acquisition and for Disposal of Surplus Property
- Circular 11/15: Protocols for the Transfer and Sharing of State Property Assets
- Code of Practice for the Governance of State Bodies: gov.ie - [Governance](#)
- Code of Governance for Subsidiary Companies of Irish Universities
- Universities Act 1997 (as amended)
- University of Limerick Code of Governance (2021)
- Any other relevant policy documents, guidance or industry best practice as agreed between the consultant and the HEA.
- University of Limerick Strategic Plan
- University of Limerick Capital Development Plan
- University of Limerick Conflicts of Interest Policy
- University of Limerick Acquisition of Property, Buildings Land, and Infrastructure Procedure
- University of Limerick Management of Capital Projects Procedure – This his procedure outlines the process to be followed in terms of the required professional reports to support required due diligence.

9.1.1 **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.

10 Document Control

Document Version	2.0
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Approved by	GA Finance Strategy & Performance Committee
Date	6 March 2025
Approved by	Governing Authority
Date	1 April 2025
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Appendix 1 – Decision gates applicable

The key applicable decision gates are as follows.

		Open/Off Market Sale	Minimum required content as per Infrastructure Guidelines
Gate 1	Strategic Rationale and Preliminary Business Case (Approval in Principle)	Prima Facie Case	<ul style="list-style-type: none"> • Confirmation of the strategic relevance of the proposal and detailed specification of the objective of the proposal • Description of the short-list of potential options to deliver objectives set out • Detailed demand analysis and description of underlying assumptions • Options appraisal, including: <ul style="list-style-type: none"> ○ Financial appraisal ○ Economic appraisal ○ Sensitivity analysis • Assessment of climate and environmental performance • Assessment of affordability within existing resources • Risk assessment, allowance for optimism bias and full risk management strategy • Proposed approach to procurement • Proposed approaches to implementation and operation • Assessment of delivery risk • Plan for monitoring and evaluation including key performance indicators • Recommendation for the Approving Authority
Gate 2	Detailed Business Case (Approval in Principle)	Prior to Conditional Offer	<ul style="list-style-type: none"> • Detailed design brief • Risk Management Plan • Benefits Realisation Plan • Commercial and management arrangements

			<ul style="list-style-type: none"> • Procurement Strategy
Gate 3	Final Business Case (Full Approval)	Prior to Conditional Offer	<ul style="list-style-type: none"> • Final confirmation of the strategic relevance of the investment proposal and detailed specification of the objectives of the proposal. • The Detailed Business Case as set out in the Planning and Design Phase and as confirmed by the tendering process. • Economic and financial appraisal using updated information from the tendering process as necessary. • Re-examination of affordability within existing resources and with particular reference to the Medium-Term Exchequer Capital Envelope for projects funded from Voted expenditure. • Full risk assessment and consideration of remaining optimism bias. • Detailed delivery schedule. • Benefits realisation plan. • Evaluation plan

Project lifecycle and proportionality – Only applies to projects with an estimated capital cost of less than €20 million

The following parameters may be used to guide the application of this Policy.

- For proposals with an estimated capital cost of less than €20 million, Approving Authorities may commence a project without need for the strategic assessment elements of the Preliminary Business Case.
- All proposals are to be financially appraised. For proposals with an estimated capital cost less than €20 million, Approving Authorities should engage with Sponsoring Agencies as to agree whether an economic appraisal is required and the appropriate type of economic appraisal.
- For proposals with an estimated capital cost of less than €20 million, Approving Authorities are not required to conduct Ex-Post Evaluations on all projects, a representative sample will suffice.
- For proposals with an estimated capital cost of less than €20 million, Sponsoring Agencies and Approving Authorities are not required to carry out the elements outlined at the Pre-tender – Project Design, Planning and Procurement Strategy stage of the project lifecycle or seek approval at AG2. They should follow the steps outlined by the OGP in the Capital Works Management Framework prior to tendering for the main contract.

Proposals with an estimated capital cost in excess of €200 million are considered Major Projects.