

## B. DELEGATED AUTHORITY

### B3. POWER TO ENTER INTO CONTRACTS

The following have authority to enter into a document executed as a Contract or Deed on behalf of City, University of London, provided that Council has approved the transaction, or it has been approved using the delegated powers agreed by Council. Prior to signing all contractual documents should have been approved (or a delegation to approve agreed) by the President or his/her nominee.

Type of Document to be executed	Authority to sign
Transfer of Freehold Land & Buildings > £5m	Two signatories – one from the Council Pool and one from the Executive Pool
Transfer of Freehold Land & Buildings < £5m	Two signatories from the Executive Pool
Leases relating to Land & Buildings	Two signatories from the Executive Pool
Other Contracts > £5m	Two signatories – one from the Council Pool and one from the Executive Pool
Other Contracts < £5m but > £1m	Two signatories from the Executive Pool
Other Contracts or Agreements	President or nominee(s)

When a Deed is executed the seal must be used. The seal will be managed by the College Secretary. A book will be retained documenting any deed which is entered into on behalf of the University, and when the seal was used. Any contract entered into not requiring a deed but not delegated above to the President should also be reported to Council in the regular President's report.

The **Council Pool** will include the Chair of Council, Deputy Chair of Council, and the Chairs of the Remuneration Committee and the Corporate Governance & Nominations Committee. If there are less than four members of the pool, for example where one person fulfils two roles, the Chair or Deputy Chair of Council can nominate Council members to join the pool so that there are four members of the Pool.

The **Executive Pool** will include the President, the Deputy President(s), the Vice-Presidents and the Chief Financial Officer.

#### **Note:**

The circumstances that the institution is likely to come across where a deed is required include:

- conveyances of land, or of any interest in land and certain mortgages
- leases of land for terms over three years
- assents, legal charges of land and transferring title to property
- the grant of powers of attorney.

A deed may be preferred where:

- there is doubt about whether there is adequate consideration (i.e. the price paid by one party in exchange for a benefit from the other);
- the parties to a contract wish to take advantage of an extended period to bring an action for breach of contract (12 years under a deed as opposed to 6 years under a normal contract); and
- a contract is subsequently varied or otherwise amended and it is not clear that all the parties are providing fresh consideration.

It is conventional to use a deed where:

- a vendor covenants with a purchaser to indemnify it against certain tax liabilities
- there is an assignment of intellectual property
- there is a release of a security
- a guarantee is given to a bank for amounts previously advanced.