

Contracts Governance Policy and Procedure (including Major External Partnerships)

1. Introduction and Purpose

- 1.1. The purpose of this Policy is to protect University interests by ensuring that any commitment of University resources and all contractual obligations entered into by, or on behalf of, the University are properly reviewed, approved, and executed by authorised personnel in accordance with this policy and any other applicable University policies and procedures.
- 1.2. All legal contracts and agreements must be reviewed and approved by the appropriate team within Professional Services before signature.

2. Scope

- 2.1. This Policy is applicable to all:
 - 2.1.1. staff at the University.
 - 2.1.2. written contracts to which the University is a party, regardless of whether the contract has been drafted by the University or a third party. Oral contracts are not authorised.

3. Roles and Responsibilities

- 3.1. The General Counsel and Executive Director of Legal Affairs and Board Secretariat has ownership of this Policy and is responsible for monitoring its use and effectiveness in managing legal risk.
- 3.2. Directors or other members of staff who are signing contracts on behalf of the University must ensure that they are authorised to do so (see section 9) and that they comply with this Policy.
- 3.3. All contract owners (see below) must comply with this Policy.

4. General Principles

- 4.1. All contracts must be for legitimate University business and in furtherance of its aims and objectives.

- 4.2. All contracts must have a clear “owner” (for example a PS Director, or where Faculty-based, responsible academic, normally the principal investigator, who is responsible for ensuring compliance with the contract).
- 4.3. All contracts must be appropriately reviewed by the applicable team in Professional Services (see paragraphs 6-7 below).
- 4.4. All contracts must be properly approved in accordance with the [Financial Regulations](#) (*link to follow to table/approvals matrix, once published*).
- 4.5. All contracts must be signed and executed by an authorised signatory in accordance with Appendix 2.
- 4.6. All contracts involving multiple parts of the University, significant strategic implications, major University costs and/or assets implications, potentially significant risks and liabilities, sensitivities (e.g. for other funders, students, staff), outcomes that may have significant financial or reputational impact or with a value of £5,000,000 plus must follow the process for **Major External Partnerships** contained in section 8 below.
- 4.7. All contracts for the purchase or development of a new IT system or to make changes to an existing IT system and any non-IT contracts which involve the collecting, using or sharing of information or data (whether personal data or not) must have an [Information Governance Risk Review \(IGGR\) Screening Assessment](#).
- 4.8. The provision of consultancy services by University staff must be in accordance with the University Consultancy Policy (*link will follow to Policy, once published*).
- 4.9. All contracts should be retained in original form (archived/stored and logged so as to be readily available) by the contract owner in accordance with the University’s [Records Retention Schedule](#).

5. Monitoring Compliance

- 5.1. The General Counsel and Executive Director of Legal Affairs and Board Secretariat will monitor compliance with this policy with the assistance of the Directorate of Compliance and Risk and the University’s internal auditors who will conduct audits from time to time, and report accordingly.

6. Contracts and agreements requiring a legal review

- 6.1. Any contract where the University is committed, financially or otherwise, to perform obligations requires a legal review (unless the contract is one listed under paragraph 7 of this policy),
- 6.2. Contracts include, without limitation: research and collaboration agreements, confidentiality agreements or non-disclosure agreements; joint venture, outsourcing and agency agreements; leases, licenses and student terms and conditions; guarantees, loans and credit facilities; supplies and purchases of services, goods or construction works; employment contracts, secondment and consultancy agreements; IP agreements including software licenses; and capital grant agreements.
- 6.3. Contracts also include letters of intent, memoranda of understanding, variations and statements of work, work orders and order forms made under an existing contract.
- 6.4. The purpose of a legal review is to ensure that:
 - 6.4.1. the proposed contract complies with all applicable laws and University policies;
 - 6.4.2. the contract terms reflect the commercial terms as agreed and approved by the relevant stakeholders within the University; and
 - 6.4.3. any identified risks have been discussed and, if possible, addressed in the contract.
- 6.5. A legal review will be carried out by Directorate of Legal Affairs and Board Secretariat ([DLABS](#)) or Directorate of Research and Business Engagement (RBE) depending on the nature of the agreement in accordance with the table in Appendix 1.
- 6.7. Procurement contracts should be sent to the [Central Procurement Office](#) in the first instance who will liaise with DLABS / RBE as required.
- 6.8. Guidance on whether a proposed agreement or a communication with another party will form or modify a contract is available from [Research and Business Engagement](#), or contact legal@manchester.ac.uk.
- 6.9. Any prior input required from the relevant Professional Services Directorate should be obtained before seeking a legal and contractual review. For example, all Estates contracts must be authorised and overseen by the Directorate of Estates and Facilities and all staff related contracts by the Directorate of People and Organisational Development.

7. Contracts that do not require a legal review

- 7.1. Legal review is currently not required for the following types of contract:

- 7.1.1. Research grants (including revenue only EU grants) on standard UK funding body terms and conditions, these are handled by the [Research Services Teams](#) in the relevant School / Faculty;
- 7.1.2. Teaching and learning grants;
- 7.1.3. Employment contracts and settlement agreements on the University's standard terms;
- 7.1.4. routine purchase orders or order forms that:
 - a) incorporate our [standard terms and conditions](#) without amendment; or
 - b) have been reviewed or approved through the [Central Procurement Office](#);
- 7.1.5. contracts that take the form of standard templates pre-approved by either DLABS or RBE;
 - a) without any amendments; and
 - b) which do not contain any additional terms outside of the standard template;
- 7.1.6. contracts on a supplier's terms and conditions where the value is £25,000 (ex VAT) or less and that are deemed by the purchaser to be low risk. Advice on whether a contract can be considered low risk can be sought from legal@manchester.ac.uk.
- 7.2. Contracts that do not require a legal review under this paragraph are still subject to the remaining requirements of this policy, in relation to other internal approvals, signing and maintenance.

8. Major External Partnerships

- 8.1. For those contracts considered Major External Partnerships (see 4.6 above) there must be:
 - 8.1.1. A clear and articulated strategic as well as operational 'fit' in the context of the University's vision and objectives;
 - 8.1.2. A member of the University Executive who formally sponsors the arrangement;
 - 8.1.3. A detailed Business Case with clear goals, objectives and deliverables which also identifies key risks and their mitigations;
 - 8.1.4. Clearly identified lines of communication within the University and with partners;
 - 8.1.5. An agreed structure for management and monitoring progress including lines of responsibility and accountability to the University's internal structures;

- 8.1.6. Engagement with relevant parts of the University to ensure commitment;
 - 8.1.7. A clear policy on contingencies, changes in direction and exit strategy including approval arrangements for withdrawal;
 - 8.1.8. A positive, managed external announcement and communications strategy.
- 8.2. Where a Major External Partnership is approved a Project Team will be established comprising of representatives across the key areas of Professional Services and Faculty / School representatives, as appropriate. The Project Team will provide regular progress reports to the University Executive and through the established committee process applicable to the arrangement.
- 8.3. All legal contracts for Major External Partnerships must be discussed with the Contracts Team in RBE and other relevant functions, as appropriate, early in the process.

9. Legal approval and signature

- 9.1. Legal approval is limited to the approval that the terms of the proposed contract are acceptable from a legal perspective. The contract owner is responsible for the review and approval of the commercial and business terms of the contract. These include, but are not limited to, the deliverables, research outputs, scope of the goods or services that are provided or purchased, price, payment terms, milestones and timetable.
- 9.2. Contracts which have been subject to legal review and which are approved by the contract owner and in accordance with *(link will follow to Finance table/matrix, once published)* can be signed on behalf of the University by the signatories set out in Appendix 2.

Appendix 1

Responsibility for legal review / advice on contracts (see also: [Types of Contract](#))

DLABS	RBE
Capital grant agreements	Agency agreements
Construction contracts	Clinical Trials of Investigational Medicinal Products and studies involving Human Tissue
Guarantees	Confidentiality agreements or non-disclosure agreements
HR Contracts and Secondment Agreements	Consultancies or independent contractor agreements
Joint venture agreements	Gift Agreements
Leases, licences and any other property related agreements	Memoranda of Understanding
Loans, credit facilities or other finance-related agreements	Research contracts and collaborations and any associated variation agreements
Outsourcing agreements	PhD and case studentships
Letters of Intent	
Strategic IT contracts	Software licences
Student contracts	Supply of services or sale of goods agreements
Student accommodation licence terms	

Appendix 2

Execution / signature of contracts

The following are authorised to sign contracts on behalf of the University subject to necessary reviews and approvals as set out in the Financial Procedures, the Contracts Governance Policy and other applicable policies and processes.

Area / type of contract	May be signed (following all appropriate approvals in accordance with Finance procedures and other processes) by
Deeds (including leases and other property)	Seal must be affixed in accordance with Regulation VII . The process is managed by the Directorate of Finance.
Powers of Attorney	Require the approval of the Board of Governors before signature by the Registrar Secretary and Chief Operating Officer (RSCOO), Chief Financial Officer (CFO), Deputy CFO or Director of Financial Services.
All contracts which have been reviewed by the Contracts Team and subject to normal approval process (including oversight by the Research Relationships Oversight Group and Policy on Responsible International Partnerships as appropriate)	Head of Contracts or Executive Director of Research and Business Engagement. Deans or Vice Presidents CFO, RSCOO, or Deputy CFO
Estates and Facilities contracts which do not require a Deed	RSCOO, CFO, Chief Property Officer, or duly authorised nominee.
Contracts of employment / secondment agreements	RSCOO, CFO, Executive Director of People and Organisational Development, or duly authorised nominee.
Gift Agreements (including oversight by the Gift Oversight Group as appropriate)	RSCOO, CFO, Executive Director of Development and Alumni Relations, or duly authorised nominee / Head of Contracts.
Purchase / Supplier Contracts subject to normal approval process (<i>link to follow, once published</i>).	Budget holder for the purchase.
Non-research grants	Dean of Faculty, Vice President, RSCOO, CFO or duly authorised nominee.
Finance Agreements	CFO, Deputy CFO, Director of Financial Services.

Version amendment history		
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1.3	July 2024	Updated following changes to Financial Procedures

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Related policies/procedures/guidance	Financial Regulations and Procedures University Consultancy Policy Records Retention Schedule IGGR Screening Assessment The University's Standard Terms and Conditions Regulation VII Finance Approvals matrix
Policy owner:	Sinéad Hesp General Counsel & Executive Director of Legal Affairs and Board Secretariat
Lead contact:	Sinéad Hesp