

## **UNIVERSITY OF CENTRAL LANCASHIRE**

### **PROCEDURE NOTE FOR INVESTMENTS BY THE UNIVERSITY IN COMPANIES NOT WHOLLY OWNED BY THE UNIVERSITY**

#### **Stage 1**

The member of Senior Management Team should submit a briefing paper, after the approval of the relevant line manager, to the University Solicitor which sets out the following:-

- i) Details of the proposed investment which should include the details of the company, the level of the investment and any proposed involvement in the management of the company by UCLan staff or governors.
- ii) The academic and business case for UCLan's involvement in the company which should include the business objective for the investment, the academic benefit to UCLan, the financial implications for UCLan of the investment, an assessment of any risks for UCLan and the proposed exit strategy.
- iii) Where the proposal includes making an investment in the newly formed company details of the proposed feasibility and purpose of the company should also be provided.

The University Solicitor will review the proposal with the Senior Management Team member to consider any governance matters.

#### **Stage 2**

A report will be prepared for the Finance Director by the University Solicitor and the Senior Management Team member and copied to the Group Company Secretary.

The Finance Director will review the proposal with the Nominated Officer.

Subject to the governance, business and financial case being acceptable to support the investment, the Finance Director will make a recommendation to the Vice-Chancellor as to the entity in the University Group which should hold the proposed investment and any relevant conditions which should be attached to the investment on terms agreed with the Senior Management member. The recommendation will be copied to the Group Company Secretary. If the recommendation is agreed by the Vice-Chancellor, the University Board will be advised by the Nominated Officer.

#### **Stage 3**

Notification must be given by the Senior Management Team member to the Group Company Secretary when the investment is made and the share/membership certificate must be forwarded to the Group Company Secretary for retention. The address of the University Group that is given for record purposes to the investment company should be the Group Company Secretary, Adelphi Building.