

Contract Authorised Signatory Policy

This policy details the correct route for approval and signing of contracts, on behalf of AV Dawson Limited and its subsidiary companies. It includes but is not limited to contracts for the supply of goods or services, contracts for sale and leases, employment contracts, and other contracts including grants and banking agreements.

This policy requires that no one other than the designated individuals may sign contracts on behalf of AV Dawson Limited or its subsidiary companies. The designated individuals for each type of contract are summarised in the policy.

PURPOSE

To outline the appropriate signatory authority to ensure that the legally binding financial and contractual commitments of A V Dawson Limited and its group subsidiary companies are properly reviewed and approved.

In addition, this policy will assist the group in managing costs and cashflow.

DEFINITIONS

Contract: For the purposes of this policy, any agreement between two or more parties which is enforceable by law and is a continuing commitment by the company (as opposed to a one-off purchase) is a 'contract'. This procedure deals with all contracts to which AV Dawson Limited and its subsidiary companies are a party, including those agreements which are not titled 'contract' (e.g. agreements, memorandums of understanding, letter agreements, letters of intent, rental agreements, leases). One-off purchases will still follow the same directive (and authority levels for sign off) but will only require a sales order or purchase order as opposed to a wider contractual agreement.

For the purpose of managing authorisation limits, the monetary values of all contracts are considered to be cumulative eg a 3-year contract costing £5,000 per annum is valued at £15,000 and should therefore follow the approval route specified for this amount.

GENERAL REQUIREMENTS

It is the obligation of the individual responsible for the proposed spend or income (ie. the budget holder) to ensure all necessary approvals and signatures are obtained.

All contracts must be signed by hand except for instances where there is official software in place to administer contract approvals through electronic signature.

Where a document only includes reference to one signatory (e.g. a customer's contract), the contract must still be reviewed and approved by all relevant personnel specified in the tables in the Delegation of Signatory Authority section below. The contract should then be signed by the most senior authorised signatory. The other designated individuals that have not signed the contract must complete and sign AV Dawson's Designated Authority Form to provide an internal record that they have also reviewed the contract. This form should be filed with the contract.



If an AV Dawson Director delegates authority to an individual to sign the contract then the relevant section of the Designated Authority form must be completed by the Director. This option should not be used if the contract stipulates a Director's signature. Where a colleague is given delegated authority by a director, it is the colleague's (delegate's) responsibility to ensure they do not sign the contract unless they have a copy of the completed Designated Authority Form with a Director's signature to confirm in writing that the authority has been delegated to them.

AUTHORISED SIGNATORIES

When an employee signs a document obligating AV Dawson Limited or any of its subsidiary companies, the employee affirms that he/she:

1. Is acting within his or her delegated authority.
2. After appropriate investigation and enquiry, is satisfied that the obligations and promises within the contract/document conform to AV Dawson Group policies and procedures.
3. After appropriate investigation and enquiry, is satisfied that the substance of the document's promises and/or obligations meet valid purposes for the AV Dawson Group, including appropriate business purpose/just cause.
4. After appropriate investigation and enquiry, is satisfied that the information is accurate and that there has been adequate disclosure of any potential conflicts of interest.
5. Has consulted, where appropriate, with other specialised personnel (e.g. Human Resources, Procurement)
6. Has had a business case approved (if this is deemed to be a requirement). Any material investment requires prior Business Case approval. Material investment includes any additional assets, infrastructure and human resources.
7. Has made appropriate enquiry and is satisfied that AV Dawson Limited and/or its subsidiary companies may lawfully undertake the promises and obligations described within the document.
8. After appropriate investigation and enquiry, is satisfied that the agreement does not conflict with existing AV Dawson Limited or subsidiary company agreements.
9. After appropriate investigation, is satisfied that all AV Dawson Group Purchasing policies and procedures have been followed.
10. After appropriate enquiry, is satisfied that any associated commitment of funds has been identified and has been budgeted and approved according to AV Dawson Group policies and procedures.

CONTRACT VALIDITY AND LIABILITIES

AV Dawson Limited does not recognise contracts signed by AV Dawson Limited employees as binding on AV Dawson Limited or its subsidiaries unless the employee who signed the contract has duly delegated signatory authority. Any employees who sign contracts purporting to bind AV Dawson Limited or its subsidiaries without authority properly delegated under this policy may be personally subject to liability and legal action, and may also be subject to AV Dawson group disciplinary action.

It is the responsibility of all employees signing the contract to ensure that all applicable AV Dawson Group procedures are complied with.

DELEGATION OF SIGNATORY AUTHORITY

Subject to the restrictions and conditions set out above, the Directors of AV Dawson Limited and its subsidiaries delegate authority to designated employees, to sign contracts on behalf of AV Dawson Limited and its subsidiaries, as set out in the sections below.



CONTRACTS FOR THE SUPPLY OF GOODS OR SERVICES

All procurement contracts must be in line with the relevant AV Dawson group procurement terms and conditions unless otherwise agreed in writing by the Procurement Manager, Legal & Property Director or Managing Director.

Signatory authority and responsibility to approve a purchase contractual commitment must be vested in two or more individuals. In such cases, all necessary signatures must be obtained.

All contracts for the supply of goods or services must be approved by the Procurement Manager regardless of value.

These contracts require the availability of previously budgeted and approved funds and proper authority to enter into the transaction. Therefore all purchases must be processed through a purchase requisition system, which requests budget holder's approval and generates a Purchase Order Number. **Without a Purchase Order Number the contract is not valid.**

Purchase approval values and authorised signatories are shown in the table below.

Purchase Approvals:

Value	Approvals/Authorised Signatories
<£1,000	Relevant manager (budget holder) and Procurement Manager
£1,000 - £499,999 or 12 month+ term	Relevant manager (budget holder), Procurement Manager and Director
£500,000+	Relevant manager (budget holder), Procurement Manager and Board of Directors
Any direct debit commitment	Relevant manager (budget holder), Procurement Manager and Director

CONTRACTS FOR SALE

All sales contracts must be in line with the relevant AV Dawson group business' terms and conditions unless otherwise agreed in writing by the Commercial Director, Legal & Property Director or Managing Director. The terms and conditions are referenced on formal quotations and email signatures.

Sales approval values and authorised signatories are shown in the table below.

Sales Approvals:

Value	Approvals/Authorised Signatories*
<£10,000	Any suitably trained colleague* in the relevant managers (budget holder's) department
£10,000 – £99,999	Any manager in the relevant managers (budget holder's) department
£100,000 - £299,999	Relevant manager (budget holder) and Head of Commercial
£300,000 – £2M + or 12 month+ term	Relevant manager (budget holder) and Head of Department and Head of Commercial and Commercial Director or Legal & Property Director or Managing Director
>£2M	Relevant budget holder and Head of Department and Head of Commercial and Board of Directors

*The Head of Commercial, Commercial Director or Managing Director must have confirmed in writing that a colleague is suitably trained, prior to any approvals.



The above includes all sales contracts including but not limited to operations and property or tenancy sales contracts and any sales contracts related to tenancies, including but not limited to, maintenance, equipment, service contracts and professional services.

A colleague must not sign a sales contract that requires material investment without prior Business Case approval. Material investment includes any additional assets, infrastructure and human resources necessary to undertake the new contract.

RECHARGES

In the event that a purchase will be recharged to an AV Dawson customer or tenant, the following process would apply:

1. Customer would make the request to an AV Dawson colleague (eg. Site Services, Property or Commercial team)
2. For property related maintenance services, these should be directed to the Property team so they can assess if services are included in the lease or are separate rechargeable items.
3. Colleague would ask Procurement to source a suitable supplier, price and T&Cs.
4. Commercial would quote the customer, mirroring the supplier's T&Cs and adding a margin for AV Dawson.
5. Once the customer has given approval of the spend and provided a Purchase Order, the AV Dawson colleague would raise a Purchase Requisition.
6. The relevant budget holder (eg. Property) and other relevant authorised signatures (as detailed in the Delegation of Signatory Authority tables) would approve the Purchase Requisition.
7. The order would be raised and goods/services delivered.
8. Commercial would raise a sales invoice to recharge the customer.
9. AV Dawson would pay the supplier.

ACTING AS “AGENT ONLY” CONTRACTS ON BEHALF OF CUSTOMERS

In some areas, eg. ships agency, colleagues are required to set up contractual agreements on behalf of customers, acting as their agent. These colleagues are acting on an “agent only” basis. This requires an agency agreement to be in place between the customer and AV Dawson. In this situation, AV Dawson's standard sales T&Cs would not be used.

EMPLOYMENT CONTRACTS AND ASSOCIATED TERMS AND CONDITIONS

All terms and conditions of employment and any additional benefits or incentive schemes must be in line with the overall AV Dawson group unless otherwise agreed by the People & Culture Director. This includes any change to existing salary/rates of pay, shift premia, out of hours/stand by payments or other associated contractual or non contractual benefits.

For any additional headcount, a Recruitment Authorisation Form should be completed and submitted to the HR department. HR would then seek final approval from a Director.

All recruitment for existing roles and transfer or secondment of colleagues into new roles must be approved by a Director and the process would then be managed by HR.

Utilisation of temporary agency personnel must be managed by HR unless specific delegated authority is given in writing by the People & Culture Director.



All contracts of employment must only be signed by an HR Business Partner or a Director.

All timesheets for labour must be approved by a manager.

NON-DISCLOSURE AGREEMENTS (NDA)

Third party NDAs should be reviewed and authorised by a Director, Head of Commercial, Procurement Manager or a suitably trained colleague*. You should consider using the AV Dawson NDA if discussing confidential projects with third parties.

LEASES AND LICENCES

Any leases and licences for AV Dawson or for any third party, should be approved by two AV Dawson directors or an AV Dawson director and company secretary.

Any ad hoc recharges are considered separately to the lease and licence (see Recharges section).

OTHER CONTRACTS

Contracts related to other financial agreements which do not fall into any of the above categories must be authorised by the Financial Director and the Legal & Property Director or Managing Director unless >£2M in which case these must be approved by the Board of Directors. This may include but is not limited to grants, loans and banking agreements.

Mr G Dawson
Chairman

Signature:



Date: 04/01/23 Review by Date: 30/04/24

