Following RMC on 23 October 2013, this memo summarises the new arrangements for equipment funding from 2014-15 and seeks to clarify the administrative procedures for the transitional year, 2013-14. If you have any feedback on what is proposed for 2013-14, please can you provide comments at the Planning Forum meeting on Thursday 31 October.

1) Equipment funding arrangements from 2014-15

As agreed by RMC on 23 October 2013, there are two funding routes for all equipment needs, including research equipment in excess of the OJEU limit that the research sponsor may, or may not, fully or partially fund, and for which a guarantee of support from the University is required:

i) Via the £5M of funds to be devolved to Schools and distributed according to Option 1 of RMC C.431.

ii) Via the £3M of funding to be retained centrally in the Capital Fund for major items of equipment.

Bids to the central Capital Fund should be supported by a business case and submitted to the Assistant Secretary, RMC (Buildings, Accommodation and Capital Expenditure). Bids may be submitted at any point during the year, but must meet a minimum threshold. For the science Schools the threshold is a contribution from the School of at least £500k. For NSIs, SAH and SHSS the threshold is £100k and this is based on cost, but the supporting business case should also include details of the contribution being provided from the School / NSI.

Bids to the Capital Fund may comprise a “batch” of equipment provided that there is a clear strategic rationale for combining several items of equipment in a single bid e.g. they meet a core strategic need.
Although the arrangement outlined above is the basis for equipment funding over the next three years (up to and including 2016-17), it will be subject to an annual review to include an assessment of actual equipment expenditure and potential commitments, and a recalculation of the drivers used to produce the distribution in Option 1.

2) Equipment funding arrangements for 2013-14:

i) The third and final year of the distribution of the £1.912M of funding to cover the 50% contribution expected by the Research Councils for equipment over £10k and less than the OJEU limit will now be released to Schools.

ii) Equipment funding from the Capital Fund for 2013-14 (i.e. the amounts approved in March 2013 as per RMC C.422) will be devolved and released to Schools now without the need for Schools to raise purchase orders or provide other supporting paperwork. However, Schools are reminded of the basis on which these funds were approved by RMC (Paper C.422 Annex B, attached). Schools should supply a cost centre to which the funds are to be released.

iii) The administrative arrangements for bids for research support guarantees for equipment in excess of the OJEU threshold will be as follows:

a) If the expenditure is expected to be incurred before 1 August 2014, a bid should be submitted to the Capital Fund in 2013-14.

b) If the expenditure is expected to be incurred after 1 August 2014 (including guarantees already in place), the guarantee will fall under the new arrangements for 2014-15. The potential funding commitment should be accommodated via one of the two routes described in point 1) above.

3) Arrangements for equipment funding from the Capital Fund approved before 2013-14:

The former rules will continue to apply for equipment for which funding from the Capital Fund was approved in either 2011-12 or 2012-13, but where expenditure has not yet been incurred. Schools should submit purchase orders and other necessary paperwork in order for funds to be released.