

## Advanced Materials 2: Project Management Board

### Minutes and Actions

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**2 pm – 4 pm Monday 30<sup>th</sup> March 2009**

**Room 130, School of Chemical Engineering, University of Birmingham**

#### **In Attendance**

##### *Members:*

- Julie MacPherson – PI, UoW
- Dave Haddleton - PI, UoW
- Mike Adams - PI, UoB (*Acting Chair*)
- Jon Preece - PI, UoB

##### **Advisor:**

- Emma Melia - AM2 Project Manager

##### *Invited Attendees:*

- Stuart Arkless – Facilities Manager, School of Chemistry, UoB
- James Bowen – Facilities Manager, School of Chem. Eng., UoB

##### *Apologies*

- Jonathan Smith, Karen Manyika, Joe Paget, Tony Clarke and Adrian Lisseman

#### **Finance Update**

##### **Procurement**

The capital spend position for 08/09 was outlined by Emma Melia. It was highlighted that the Project is in a strong position as early indications from both Warwick and Birmingham finance teams suggested that both sides had exceeded their capital spend target for Sept 08 – March 09. The spend position had been highlighted to AWM and Kathryn Dews the Project and Contract Officer for AM2 had specifically requested that the Project holds back on its March 09 claim as AWM were unclear on their overall spend profile for 08/09 and some of the overspend could possibly have been submitted in March to assist the Agency to meet their spend requirements, putting the Project in a strong position with AWM for any future spend negotiations.

##### **Refurbishment**

Julie MacPherson gave an update on the refurbishment work at Warwick which began in February and was well underway at the time of the meeting. Mike Adams clarified the refurbishment space issues in Chemical Engineering at Birmingham as well as progress on the arrangements. The current occupant of the laboratories to be refurbished was to be rehoused in a temporary location before funds could be secured to develop a final suitable location for her research group. The specifications for the AM2 Chemical Engineering space

was well underway, although there were some issues in determining the air handling specifications as highlighted to Emma Melia by Adrian Lisseman. These were expected to be resolved shortly. Stuart Arkless confirmed that a partition wall on the 1<sup>st</sup> floor of the School of Chemistry had been removed prior to the main refurbishment work begins in order to accommodate an item of equipment, but that the cost of this work was less than £2,500 and therefore had been undertaken with just one quote as per the procurement guidance for the Project.

### **Revenue**

Emma Melia set out the revenue spend position on the Project for 08/09. At the previous PMB it had been agreed that the revenue under spend, which AWM had agreed could be converted to Equipment Consumables budget, would be split between the four Lead Academics and that they would each send a list of the consumables required for equipment in their school or department with suppliers and costs to Emma Melia with all orders being placed through Warwick to ensure timely spend. Emma Melia reported that there had been some issues as some items requested require that more than £2,500 was spent with an individual supplier. This had required that justifications were documented for this spend highlighting that in some cases use of alternative consumables would invalidate the warrantee, that in other cases the supplier is the only source of the required product and in other cases quotes from other suppliers were obtained for comparison. The final revenue position was slightly under spent due to delays in companies supplying invoices for travel costs and consumables. This led to a further under spend of £2,153.17. AWM have been supportive and indicated that this figure will probably be carried over to 09/10 through a contract variation subject to final approval.

Dave Haddleton highlighted that in future it would be helpful to have regular updates of the revenue position, particularly the consumables, delivery travel and Events Budgets to ensure that their impact is maximised and the funds are fully spent within the financial year.

**Action: Emma Melia** – to confirm with AWM that the revenue under spend for 08/09 can be carried over into 09/10 and to provide regular revenue spend position updates to the Lead Academics.

### **Reallocation of capital**

The issue of under spent capital budget was raised. Mike Adams asked if it would be possible to spend any un-allocated capital budget when all equipment items have been tendered and ordered. Emma Melia stated that the AWM position on this is unclear currently, but it is likely to depend on the nature of any further spend. Dave Haddleton explained that at Warwick there are some equipment items which had to have their specification cut in order to meet the budget. Warwick are proposing that following the refurbishment activity and all equipment orders they would like to approach AWM to request that further components which were in the original specification but which were subsequently cut might be purchased from the remaining budget. It is likely that items which add to the capability of AM2 existing equipment would be looked on more favourably than entirely new items. Emma Melia also reminded the Board that the budget is viewed by AWM as a single entity, not two separate institutions so any under spend would also have to be offset against any shortfall across the Project so it is vital that both sides control their spend carefully.

**Action: All AM2 Academic Leads** – to carefully monitor equipment and refurbishment spend and ensure that they flag to the Project Manager at the earliest opportunity any likely areas of over or under spend.

### **Zero-rated VAT equipment**

The Chemical Engineering equipment which has been purchased with zero-rated VAT for medical usage was discussed. Mike Adams explained that while the School had previously own one item of equipment which is zero-rated, the AM2 investment represents a significant increase in capacity, which could lead to greater scrutiny of systems. The rules for zero-rated equipment are that it must be used from medical research for at least 80% of its capacity and a log book must be kept recording the nature of all usage on each item providing a detailed audit trail for scrutiny by HMRC. The question was raised as to if the AWM logging system which is required by the funders will also be sufficient to meet the HMRC audit trail requirements. The Board raised concerns that the zero-rating could mean that some equipment funded by AM2 could be restricted in how it can be used and this could mean that the Project risks breaching the funding regulations that the equipment must be open to any regional business or HEI to assess (subject to FEC). Mike Adams explained that due to the restrictive nature of the zero-rating rules, some equipment items in Chemical Engineering will now have the VAT paid, but it was highlighted that this places additional pressure on the budgets available for the remaining items. Mike Adams requested that the under spend is retained for three months after the orders have been placed in case the VAT needs to be paid on further items of equipment.

**Action: Mike Adams** – to confirm with the VAT finance managers at Birmingham whether the AWM equipment logging system is adequate for HMRC audit and to inform the Board of which items of equipment have and have not been designated at zero-rated for medical use.

### **Changes to equipment schedule**

There have already been a number of changes to the contracted equipment schedule including the exchange of the mass spec for the UHV-STM (AM2.25) at Warwick and the switch of the dental wear simulator for the wavelength filters (Bid2E36) at Birmingham. These changes have been agreed in writing by AWM. It was highlighted that any further changes in the final items which have not yet been ordered must be requested to AWM via the Project Manager. Mike Adams raised the fact that some assets at Birmingham have been ordered without the PC required to run, control and log data from the equipment and that therefore two or three PCs will need to be ordered in Chemical Engineering, but it was understood that these would need to be funded from the overall original Chemical Engineering budget.

**Action: All Lead Academics** –to inform Emma Melia of any required changes to the equipment specification as set out in the contract schedule prior to placing any orders which deviate.

## **Systems**

### **Booking and Logging**

The Warwick booking and logging systems are in place and are being rolled out to all new items of equipment. Stuart Arkless and James Bowen explained that Birmingham are trialling g two systems, one in Chemical Engineering which is based on the University

calendar system and one in Chemistry which has been developed by the School of Computer Science. Both capture details of the user's name, usage type, project description, etc. The Chemical Engineering system will export in a CSV format so that the data can be used in Excel, this was unclear for the Chemistry system. Both systems are web-based, but external users cannot obtain a user account, they will need to liaise with the relevant Facilities Manager to obtain access, which is adequate.

**Action: Stuart Arkless** –to arrange to demonstrate the Chemistry system to Emma Melia and to check with Computer Science that the data can be exported to Excel.

### Website

The AM2 contract states that the Project must have details of the equipment and services available accessible through a website by October 2009. Emma Melia will send out a request to all Custodian Academics requesting that they complete a short section for the website about their equipment in lay terms. It was agreed that the Facilities Managers will support in gathering this information.

**Action: Emma Melia, James Bowen and Stuart Arkless** –to collate technical specifications and lay descriptions of the potential applications of all AM2 equipment by July 09.

### Asset Register

Emma Melia reminded the Board that the Project has a contractual requirement to ensure that all equipment purchased over £2,500 in value is recorded on the Asset Register and that all equipment is tagged with AM2 asset tags which are uniquely numbered. A copy of the asset register as completed up until the time of the PMB was circulated at the meeting and the Board Members were able to point out any items which they noted to be absent from the register. Julie MacPherson highlighted that the rotating disk electrode and two potentiostats were missing (AM2.7). Emma Melia explained that the equipment will be photographed in situ by a professional photographer for the website and marketing materials later in the year.

**Action: Emma Melia, James Bowen and Stuart Arkless** –to continue to maintain the register and to record any new equipment items and to complete information for the missing equipment at Warwick.

### Key Performance Indicators

Following the discussions on this matter at the last PMB, it was felt that the most effective way to ensure that KPIs were agreed and achievable was to discuss the suggested indicators at the PMB and to agree provisional targets/forecasts which could then be presented to AWM for discussion and/or approval. The following KPIs were discussed and these annual targets were agreed as achievable:

Key Performance Indicator	Description of KPI	Forecast April 09-March 10
Number of new business engagements	Initial meetings, email contact or telephone discussions with companies or divisions of large companies (based inside or outside of the West Midlands) with whom an AM2 academic has not previously had contact. The contact must include some discussion of AM2 science themes and/or capability and may or may not lead to any further contact or outputs.	50
Number of research grant applications submitted	Applications to any research funding body requesting levered revenue to support AM2 portfolio projects or potential projects. Applications must contain an acknowledgement of the AM2 funding and equipment provided through ERDF and AWM	25
Number of collaborations between Warwick and Birmingham in AM2 and with other Science City core projects	A successful grant application submitted by at least one academic at UoW and one academic at UoB working together to develop a portfolio research project to be carried out at UoW and UoB.	1
Number of new AM2 collaborations with other Universities and HEIs	A successful grant application submitted by at least one academic at UoW and/or UoB and at least one academic based at another HEI (regional, national or international) working together to develop a portfolio research project to be carried out at the two or more HEIs (including UoW and/or UoB).	4
Level of equipment usage	The percentage of potential operating time (9 am – 5 pm Monday – Friday for most equipment items) which AM2 equipment is actually in use.	60%
Number of AM2 media citations	Number of times a media article (newspaper or printed publication, news/science website, television/radio report, podcast etc) cites the Project or its Portfolio Projects.	2
Number of referrals made to regional and national business brokerage and support organisations	Number of occasions on which AM2 staff or academics refer regional businesses engaged through the Project to alternative regional business offers such as MAS, Business Link WM and KTNs etc	5
Number of referrals received from regional and national business brokerage and support organisations	Number of occasions on which AM2 receives referrals of regional businesses from alternative regional business offers such as MAS, Business Link WM and KTNs etc	5

**Action: Emma Melia** –to present the KPIs listed above back to AWM for discussion/approval.

On the subject of potential collaborations between Warwick and Birmingham, Dave Haddleton pointed out that Stefan Bon at Warwick has been working on resins to be used in

a rapid prototyper and that there may be potential to work with the team in Psychology at Birmingham with the AM2 prototyper in this area of research.

**Action: Emma Melia** –to pass on Stefan’s details to Alan Wing in Psychology and Alan’s details to Stefan.

### **AM2 Academic Away Day**

Emma Melia presented the venue options for the Away Day in June/July. At the last PMB it was agreed that a Birmingham City Centre location would be preferable to both parties. The venues all offer similar value for money, although not all venues were available for every day of the week commencing 29<sup>th</sup> June 09. Therefore it was agreed that the best date needed to be found through discussions with all four Lead Academics and the venue chosen on the basis of availability.

**Action: Academic Leads** –to inform Emma Melia of availability for week commencing 29<sup>th</sup> June 2009.

It was suggested that in order to ensure maximum attendance, it may be worth laying on minibuses or coaches from each University to collect and return Project Custodians.

**Action: Emma Melia** –to find out about cost and demand for transport to/from Birmingham and Warwick to the venue.

It was agreed that the content of the Away Day would be discussed at the next Project Management Board meeting.

### **AM2 Launch/Open Days**

The concept of site Open Days to launch the Project to industry and key stakeholders was briefly discussed. It was suggested that the Warwick equipment and refurbishment will be completed prior to the Birmingham equipment and therefore it could be an issue for Birmingham to join in launching in September. Emma Melia highlighted that we are contractually obliged to launch by September and that AWM have pointed out that September 2009 will be one year since the funding began; hence they are keen to see a media opportunity as well as some outward signs of business engagement. One idea is that the Warwick launch could go ahead with the Birmingham launch later in the year (December) or the Warwick launch could also have films of the Birmingham offer creating a one-centre launch.

It was agreed that the format of the launch would be heavily dictated by who is invited to attend. Dave Haddleton recalled an AWM Science City event at the ICC which had many industry and stakeholder attendees and suggested that the invitation/attendance list might make a good place to start in compiling a list for this event.

**Action: Emma Melia** –to request the ICC event attendance list from AWM and begin to compile a list of potential attendees through University contacts from both Warwick and Birmingham.

**Access Charging/FEC**

Mike Adams and Dave Haddleton both fed back from the Science City Sustainability group meeting. It was not clear following this meeting how charging will be implemented. One possibility was that internal users (anyone from Warwick or Birmingham) would only get charged to recover direct usage costs while external parties (other Universities and companies might get charge the full FEC including depreciation). The challenge however is that both universities and indeed Schools and Departments within the institutions have different preferred models and neither institution is clear on what happens to any funds attracted through private or public sector work, particularly the issue of holding funds from year to year.

Emma Melia has a meeting shortly with AWM to discuss State Aid and FEC and will feed back at the next PMB.