CapEx Applications Guidance

The University is formalising its approach to Capital Expenditure and has introduced new measures that must be followed for all capital expenditure (i.e. Equipment) over £100K (or two or more related items with aggregate value over £100k), regardless of whether it is funded by internal or external sources.

<table>
<thead>
<tr>
<th>Equipment Cost</th>
<th>Infrastructure Cost</th>
<th>Total Costs</th>
<th>Approval Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>£49,999</td>
<td>£0</td>
<td>£49,999</td>
<td>None - treat as small equipment</td>
</tr>
<tr>
<td>£50,000</td>
<td>£0</td>
<td>£50,000</td>
<td>College Capex Approval if not 100% funded</td>
</tr>
<tr>
<td>£49,999</td>
<td>£20,000</td>
<td>£69,999</td>
<td>College Capex Approval if not 100% funded</td>
</tr>
<tr>
<td>£50,000</td>
<td>£40,000</td>
<td>£90,000</td>
<td>College Capex Approval if not 100% funded</td>
</tr>
<tr>
<td>£80,000</td>
<td>£20,000</td>
<td>£100,000</td>
<td>Capex Committee Approval</td>
</tr>
<tr>
<td>£100,000</td>
<td>£0</td>
<td>£100,000</td>
<td>Capex Committee Approval</td>
</tr>
</tbody>
</table>

For CapEx applications associated with research grants and contracts the Research Support Office will support you and help identify the required input from finance and estates. The Project Coordinator (PC) will issue you with the correct forms as these can change from time to time.

For other CapEx applications (Internally funded or non-research), the Director of Professional Services will provide the required support.

The Process requirements and timelines:

It is the responsibility of the lead PI to prepare the required materials and list of equipment over £100k and associated costs of installation or list of equipment over £50k if there are two or more items greater than £100k. Equipment under £50k is treated as a consumable cost by the University and do not need to be included in the CapEx form.

When completing the form, an estimate will have to be made on the anticipated overall project cost as follows:
E&B must be contacted to arrange a site visit in order to determine if the proposed equipment would require any infrastructure work and obtain an estimate of the cost from E&B. The Director of Professional Services can assist in arranging the visit. The site visit must be carried out without exception and we cannot ask for CapEx Committee approval without E&B confirming the associated costs (even if there are none). It is advised to do this as soon as practical in order to prevent delays in obtaining approval to apply for funding from the CapEx Committee.

A Discounted Cash Flow must accompany all applications and will be prepared by the College Finance Office. It is the responsibility of the PI to ensure this has been completed and submitted with the application form, however the PC can help to check the form prior to submission. The current form/ template for this is held with the Estates Programme Management Office (PMO).
All CapEx applications must be issued in final draft to the Estates Programme Management Office (PMO) 2 weeks in advance of the CapEx meeting. Failure to do so will risk your paper not being considered at the meeting and will result in a delay to your project. Therefore, it is important to contact key parties at least one month in advance of the CapEx meeting in order to prevent delays in submitting the form to the CapEx Committee.

Please note the Capex application must be submitted 2 weeks in advance of the committee meeting.

CapEx Committee is a forum chaired by the Director of Finance for the University. Other committee members include:
- The Senior Vice Principal to the University;
- The Director of Estates;
- The Financial Controller for the University;
- The Head of Finance for the Estates Department; and
- The Head of the Programme Management Office

The Finance Committee Clerk will advise the College Finance on the Board’s decision, in turn will notify the PI and the Research Support Office.

Reference Documents: CapEX Form – contact CoSE Finance Manager for latest version.