



**CENTRE FOR DOCTORAL TRAINING (CDT) IN OIL & GAS**

**MANAGEMENT BOARD MEETING – DRAFT MINUTE**

**7<sup>th</sup> November, 2014, 09:30 a.m. – 15:00 p.m.**

**Conference Lounge, Leonard Horner Hall, Heriot-Watt University**

**ATTENDEES:**

**Management Committee Members**

John Underhill (HWU; Chair, CDT Lead)	(JRU)
Bob Gatliff (BGS)	(RG)
Andy Aplin (Durham)	(AA)
Anna Korre (Imperial)	(AK)
Kevin Taylor (Manchester)	(KT)
Joe Cartwright (Oxford)	(JC)
Liz Fellman (NERC)	(LF)
Keith Gerdes (Chair, Industry Advisory Board)	(KG)

**INVITEES:**

Anna Clark (HWU; CDT Training Academy Officer)	(AC)
Lorna Morrow (HWU; CDT Manager)	(LM)

**1. Welcome and Apologies**

JRU welcomed everyone to the meeting and outlined the HSE provision.

Apologies had been received from Aberdeen who were going to be represented by Rob Butler, John Howell or Nick Schofield but unfortunately had been prevented from attending due to overseas work

commitments/illness. Aberdeen had sent a statement of support for the developments achieved so far and confirmed their commitment to the CDT (email attached).

JRU gave a presentation on the progress made by the CDT over the past year (copies distributed at the meeting and pdf document attached for reference). He reported that industry contributors to the induction and first module had commented on how engaged the students are and that the CDT had clearly appointed a high calibre of 29 talented students.

The CDT had also received commitments from nine industry sponsors on varying timescales of one to six years although Maersk Oil had given notice to withdraw and OMV had sought to reduce the timescale of its commitment within 36 hours prior to the launch. This was perhaps due to the current economic pressures on industry, but fortunately both companies had reversed their decisions after discussions with JRU and have now signed contracts for one and three years respectively.

JRU had been successful in winning a 6 month grant from the NERC Innovation & Added Value call which has allowed for the appointment of Anna Clark as the CDT Training Academy Officer, as well as for activities to promote the CDT and engage with industry and government.

## **2. Matters arising from Management Board meeting dated 16/17<sup>th</sup> April 2014 - NERC Actions**

**Data release:** LF reported that she had passed this action to Mark Thorley at NERC and she will follow this up with him. The meeting discussed the recommendation of the Wood Review to look at the release of a wider range of data than the usual seismic and oil well information. Malcolm Fleming of CDA has been seconded to DECC to conduct a thorough review of data availability. RG is due to meet him in the near future and he agreed to circulate any paperwork from this meeting to the Management Group. This is an opportunity for the CDT to influence data release policy to create more PhD projects. KG emphasised that it is important to get the most current data rather than data sets that merely support a standard PhD project.

**Technology Strategy Board (TSB) and possible Small & Medium Enterprise (SME) town hall meeting:** LF advised that no advice had been yet been sought on this matter but that the Board has been renamed Innovate UK. NERC engages with SME's at PETEX/DEVEX and ITF events and LF thought it unlikely that SME's would give more of their time to attend a town hall meeting. Members agreed to continue with their individual efforts to raise awareness of and promote the CDT at any events they attend. The Oil & Gas Innovation Centre (OGIC) is a new initiative that support may also be forthcoming from.

**Full Economic Costing (FEC) raised at NERC CDT/DTP meeting, 7<sup>th</sup> July 2014:** This had been raised at the meeting on 7<sup>th</sup> July. Some Research Councils do offer FEC but NERC does not and there is no indication that this will change. However, NERC has provided all CDT/DTP's with some additional funding, primarily via the Management Fee attached to each studentship, in recognition of the start-up costs incurred by HEI's, as well as having had the recent Innovation Fund call.

**Performance targets:** LF referred the meeting to the Doctoral Training Reporting Pro Forma available at <http://www.nerc.ac.uk/funding/available/postgrad/responsive/dtp/>. NERC funding is now a lesser percentage of the overall funding of the CDT but LF reiterated that NERC is there to plug future skills gaps so the CDT should build evidence in this area to support continued research council funding. The meeting noted that the Norwegian government has set up a 31m Euro fund to address skill shortages in the oil industry and that the UK government and research councils should take note to ensure that the UK does not fall behind. LM will write to the Training team to ask for clarification of NERC's strategy

regarding the renewal of and/or increase in the CDT's funding and what evidence will be required by NERC as part of this process. LF agreed to ask the NERC Training team to provide an analysis of the projects in other DTP's to determine the percentage of those related to oil and gas.

**Fully costed financial model spreadsheet:** This had been sent to RG and JC as Chair and Deputy of the Finance & Development Committee and paper copies were circulated to all members at the meeting. JRU emphasised that the continued aim is to have Training Academy (TA) activities funded exclusively from industry sponsorship which has its own designated project code to keep the money separate from the NERC grant. This separation is important for the companies in order to have their subscription regarded as a tax deductible item by HMRC. KG underlined industry's need to keep the Training Academy finances separate from the PhD funding KG stated that most companies' subscriptions are coming from HR/Recruitment budgets, an indication that this element, rather than research topics, is the key driver for their involvement with the CDT.

**BIS/NERC mission to Brazil, Newton Fund opportunities etc.:** LF reported on her visit to funding agencies and universities in Brazil and confirmed that there is already considerable interest in the CDT model. BG Group funding of the CDT is coming from a budget held in Brazil and the company would have liked all their students to be part of the CDT. JRU had resisted this as it would increase PhD numbers substantially and make the new venture unmanageable. A workshop in Brazil is planned for March 2015 with 50/50 representation from the UK and Brazil and the meeting agreed it would be advantageous to have CDT representation there (JRU is due to visit the country in March 2015 and there may be an opportunity to combine his trip to aid the linkage between the NERC CDT and Brazilian universities).

LF noted that People Exchange is a key feature of the Newton Fund and that this could provide opportunities. LF also reported on a recent call related to sustainable gas and agreed to provide details of this to KG to circulate to IAB members. AK asked KG to provide details of appropriate contacts in Canada to assist in obtaining research data.

**Scottish government/SFC contacts promoting CDT:** JRU reported that members of the Scottish Oil & Gas Directorate had attended the launch and that the SFC is now more positive following the referendum result. LM confirmed that the Scottish Government's Chief Scientific Officer, Louise Heathwaite had been invited to the launch but had been unable to attend due to a prior commitment.

### **3. CDT Central Administration**

**2014 PhD registration and projects:** Details of the 29 studentships were announced at the launch and details were circulated to members at the meeting (list attached).

**CDT risk register and criteria for success:** The risks identified in April 2014 had been managed as demonstrated by the successful launch, the first residential course now underway and recruitment of nine industry sponsors. LM will draw up a revised risk register to include issues such as the loss of NERC funding, or of a sponsor, or a core/associate partner. Criteria for success should take into account NERC, industry and academia's requirements, and focus on the students and their experience of the CDT.

**Continuation of CDT in event of the withdrawal of a core/associate partner:** The recent decision by Glasgow University to curtail and eventually discontinue its investment in oil & gas companies had been

difficult for colleagues at Glasgow who are undertaking research and teaching in these areas. JRU explained his collegiate approach to supporting these colleagues, had engaged proactively with Glasgow and invited members to read a letter detailing the appreciation of this written by the Principal of Glasgow. The meeting confirmed its decision from the meeting in April 2014 that in the event of the withdrawal of a core partner, the opportunity for an associate to become a core partner would be offered first before new partners are considered.

### **Legal Framework**

LM confirmed that draft contracts had been sent out to academic partners. Final signed contracts have been received from BG Group, BP, ConocoPhillips, Maersk Oil, OMV, Shell, Statoil and Total. The final signed contract from E.On is not yet been received but is still expected. *(Note subsequent to meeting: Signed contract from E.On was received 24.11.14)*. JU stated that only those companies that had signed contracts had been permitted to attend the IAB meeting.

### **4. NERC CDT Committees, including composition and remit**

Most of the proposed committees still need to be populated and members were asked again to provide nominations for the Finance & Development and Training Committees. Two representatives from the Associate Partners should be sought for membership of the Management Committee. Although a call had previously been made, a further invitation to nominate representatives would be included in a covering letter to be circulated with this minute to all partners.

LF confirmed that Katie Tearall will be the NERC representative on CDT committees in future.

Members agreed that at least three members on each Committee should serve for a minimum of two years to provide continuity.

**Training Committee:** JRU and RG had devised the current residential course programme and will put together nominations for the Training Committee as Alastair Fraser has advised that he no longer has the time to cover the CDT activities at the required level due to his other work commitments. KG will source two representatives from IAB members. It was agreed that populating the Training Committee is a priority as it needs to debate a number of issues e.g. review of ad hoc industry offers of training activities (field trips), legitimate expenses that can be charged to the Training Academy, the centres/institutions delivering training events. JRU reiterated the previous Management Committee decision that only costs of delivering training events should be covered, not the preparation or other staff planning time. The Management Fee attached to each studentship, whether NERC or match-funded, is available for this type of planning activity.

KT agreed to forward a detailed programme schedule for the Mature Basins residential course that will be run by Manchester in April/May 2015.

LM will circulate final costs of the launch, induction and first residential 2-week course to members once the course is complete and all invoices have been submitted. Members asked that this include travel and accommodation costs for contributors even though these had not always been claimed. JC asked that travel costs for students also be covered. JRU advised that these had not been included in the first residential course due to the reduced number of industry sponsors at the time. Even with the current level of sponsorship, it is not possible to ensure that there will not be a call on the RTSG of the third

cohort of students and members must be aware that additional costs now will put pressure on what can be provided to the second and third cohorts.

It was agreed that the Training Committee, once populated, should draft a policy regarding legitimate expenses to be charged to the Training Academy (TA) account, including a travel policy for students and staff/contributors. Members agreed to cover students' cost of travel to attend TA activities and for it to be included as a legitimate charge to the TA budget rather than the RTSG. However, concern over the pressure on the TA budget led to the proposal that in the first instance, student travel costs to TA events should be included in the annual return to HWU detailing RTSG costs to provide a check on the equitable use made of these funds at partner institutions. As a result, until such time as the TA budget covers all aspects of the residential courses, this has to remain aspirational and consistent with the original proposal. The effect of NERC's policy of not allowing internal UK air travel was discussed, but it was agreed that as travel costs are charged to the industry-sponsored TA account, this would be a legitimate form of transport for CDT students, provided that it is the cheapest and most efficient mode of transport. JC requested that the Training Committee review the places where future TA events will be held.

The meeting discussed the various types of sponsorship, monetary and 'in kind', which reduces the cost of TA activities. So far, these offers have been made on an ad hoc basis. Nautilus, for example, has promised spare places on over 200 courses to NERC CDT students and although this could be quantified in monetary terms, KG advised that such offers should not be given a financial amount, but be quoted in terms of training days or places. A number of ad hoc offers have been received and it was agreed that JRU/AC/LM will circulate a full list of these to AA/JC/KT.

AC will also circulate the list of Nautilus courses to academic partners and supervisors.

JRU stated that the CDT had supported colleagues at UCD who have subsequently won a grant to establish a similar but much larger initiative in Ireland entitled iCrag. This has also opened up the possibility of our CDT students joining a field trip to their dedicated facility in Co. Clare.

JC expressed concern at some of the offers from industry e.g. he said that Neflex's approach to stratigraphy is not universally shared across industry and academia. KG provided a counterbalance and suggested it might reduce academic time commitments as well as ensuring full industry engagement and expertise. JC was subsequently delighted that Shell would provide a petroleum basin analysis course and it was agreed this should be pursued. *(Note subsequent to meeting: Agreement reached for this course to run in w/b March 16<sup>th</sup>; Andy Bell, one of the 2 Shell contributors, requested for it to run at HWU).*

JC suggested that students should have more input to the TA curriculum but JRU noted that the ethos of the curriculum had been discussed by the Management Group when compiling the bid document and that the Training Committee members should use their experience and background to direct the curriculum. JRU added that PhD input through the Graduate Committee would be welcomed once the students had undertaken some courses and elected their representatives. *(Note subsequent to meeting: a vote had been held and 4 students had been identified to join the relevant committee).*

**Awards Committee:** JRU led a vote of thanks to Rob Butler for his chairmanship of the Awards Committee. LF provided contact details of an Environmental industry expert for the Awards Committee (Karen Wuestenfeld, Environmental Director S&OR Risk, Learning & HSSE, [karen.wuestenfeld@bp.com](mailto:karen.wuestenfeld@bp.com), 01932 763 713, BP Plc, Chertsey Road, Sunbury-on-Thames, Middlesex, TW16 7LN).

**Graduate Committee:** Nick Schofield (Aberdeen) has been proposed as Chair of the Graduate Committee. The Committee will be populated with four members of the 2014 student cohort ensuring representation from core and associate partners. Students will be asked for nominations and a vote will be held before the end of the current residential course if required. A mentor scheme led by Sam McClay of AAPG is being worked up with the aim of linking each CDT student with a Young Professional in industry. JRU stated that he continues to pursue options with PESGB and EAGE too.

## **5. 2015 Projects**

The 2015 project list has been circulated at the launch and copies provided to members. JRU reported that money is available from the Innovation and Added value grant to advertise projects in publications such as Geoscientist and New Scientist. AC will source quotes for this, and look into free advertising in Earthworks and FindaPhD.

LM confirmed that details of the 2015 project titles had been provided to the British Geological Society's careers event at Keyworth on 4<sup>th</sup> November and that these would also be distributed from the British Geological Survey's stand at the same event in Scotland at Our Dynamic Earth on 26<sup>th</sup> November. NERC has also secured a stand at PETEX and HWU students will take CDT marketing materials to distribute from there during 18 – 20<sup>th</sup> November. JRU reported that some of HWU's recently awarded Innovation and Added Value grant was predicated upon, and is targeted for this marketing activity to raise awareness of the CDT internationally and to recruit further industry sponsorship.

JC asked that all 2014 and 2015 project titles be grouped by sub-discipline with the NERC themes. He and RG agreed to do this for existing 2014 projects and those proposed for 2015 entry and to circulate the document to the Management Committee for comment.

## **6. Industry Advisory Board matters, including feedback to Management Committee from IAB meeting, 31<sup>st</sup> October 2014**

KG advised that it is important for the IAB to know quickly who is on the Training Committee. JC asked what would happen to any potential surplus in the TA fund and expressed the view that the Management Committee should have oversight of this governance issue. JU underlined the fact that the TA finances have to remain independent of the PhD research for the reasons stated by the sponsors as noted earlier in the meeting and that the audit and governance of the TA would be overseen by the industry investors and NERC, who together make up the IAB, and would be reported to the NERC CDT Management Board.

JRU reported that Anna's position is covered initially for 6 months as a fixed term appointment from the NERC Innovation and Added Value grant, but that beyond this, the IAB have provided encouragement and given him discretion to use TA funds to continue this appointment if needed and appropriate in order to safeguard industry's investment.

KG reported on the industry sponsors' desire to have the commitment to the TA element of the CDT respected. The meeting agreed that students could start mid-way through the academic session, but would join the next October cohort for TA purposes. Some flexibility should also be shown to students missing TA field trips. JRU/LM will circulate a roles, responsibilities and expectations document to all students and supervisors.

The IAB would also like to have input into the project submission process at an earlier stage to encourage academic partners to submit projects that include a significant practical/field work element or which address more niche skills as companies' recruitment experience shows this type of background tends to be in short supply.

KG reported that IAB members are very pleased with what they saw in the first three days of the launch and induction events. These are difficult economic times for the industry and members have sometimes had to fight hard within their own organisations to secure the subscription funding for the NERC CDT. They are therefore looking for clear evidence that the money is well spent. They expect students to attend a very high proportion of the TA activities. The meeting agreed that a list of current students, projects and their supervisors, including email addresses, should be circulated to IAB members.

Industry is interested primarily in recruitment, then training and finally research and were keen to see an emphasis on training in niche skills e.g. rock analysis, stratigraphy and field trips. He also emphasised however, that the Board acts in an advisory capacity and is not a Steering Group. JRU advised that he had passed on to the IAB the view of academia whose priorities are often reversed i.e. research, training, recruitment.

KG outlined the industry practice of recruiting through assessed internships. IAB members are keen to offer the opportunity of internships with students applying in quarter 4, Year 2 to allow for a Temporary Suspension of Studies in Year 3. LF confirmed that internships would be taken as evidence of industry linkage during their studies which is also one of the reporting criteria for the CDT. *(Note subsequent to meeting: One IAB member had reverted with a proposal for internships in the penultimate year of study with application therefore in year 2).*

## **7. Studentships**

LM reported that the main NERC grant is in respect of the 10 studentships for the first cohort only and so far only 8 of the NERC studentships have been allocated. JRU stated that if it served the greater good, HWU would not to use its allocated studentship from the main grant as two students are in receipt of BUFI funding via BGS. However, as other universities have recruited overseas or EU students who are not eligible for full fees and stipend via NERC funding, some re-distribution of the NERC studentships is required to make sure all 10 are allocated. It had been agreed previously that these institutions be allowed to defer their entitlement to subsequent cohorts. As it is imperative that all ten studentships are allocated, the meeting agreed that core partners should be given first opportunity to take an additional 50% NERC-funded studentship. LM indicated that the reallocation between partners is a cash flow matter over the life of the grant and agreed to write to Aberdeen, Durham, Imperial and Manchester to see if they are able to take this additional studentship this year without then losing any other funding they have secured for the current session. If a core partner does not wish to take up the additional funding, it will then be offered to an associate partner. Not seeking a NERC contribution in one year does not mean that the HEI loses out the following year as the allocation is transferable and cumulative.

LM has written to HEI's this week to remind them to enter NERC funded student details on Je-S.

## **8. Finances & Administration**

JRU reported that the NERC grant originally for the so-called 'industry champion' was being used for the CDT Manager position with HWU topping this up to meet the required HEI grading. He stated that this had been done with NERC's prior approval.

The meeting agreed that a fully populated programme for the 3 years of the Training Academy for each cohort is required in order to refine the financial model, emphasising the importance of populating the Training Committee and for it to start operating.

## **9. CDT Kick Off**

The launch had gone well with over 130 delegates in attendance.

Feedback forms had been given to students after the first three days covered by the launch and induction. Excellent feedback had been obtained and they were clearly enjoying their CDT experience at Heriot-Watt. The overwhelming impression from the students is a feeling of privilege to be involved in this exciting venture. A further feedback form will be issued at the end of the two week Environmental Impact & Regulation residential course.

## **10. AOCB**

JRU sought support from members for his approach to support partner colleagues at Glasgow following the recent decision to divest from oil and gas companies. Members agreed that partners should be supported in this way if they reaffirm their commitment to stay in the CDT and it does not place industry support at risk. However, as it was thought likely that other universities might follow the same path as Glasgow, a watching brief must be maintained and if any HEIs were in material breach of contract, their continued membership of the CDT could be in jeopardy.

JRU confirmed that he is happy to visit partner HEI's to talk to supervisors and other staff about the CDT and what it can offer, as well as the commitment that is expected from those registered to the CDT. The Management Committee agreed to rotate the venue for its meetings and that the host institution would then provide the evening dinner.

It was noted that some HEI's have niche skills but some departmental managements have been channelling the call for NERC CDT projects to other, perhaps less appropriate research groups. Members agreed to visit associate partners to increase their understanding of the CDT purpose and to try to guide them into providing projects in the skills gap.

## **11. Date of next meeting**

Members agreed to hold the next Board meeting in early summer 2015 and AA offered to host this in Durham.



## ACTIONS AND AGENTS

Action	Agent(s)
Follow up data release issue within NERC via Mark Thorley	LF
Circulate details of meeting with Malcolm Fleming from CDA re data release to Management Committee members to ensure feedback from academia is provided to the review	RG
Members to promote awareness of the NERC CDT in their activities and interactions with government bodies, industry and academic colleagues	All
Write to NERC Training team requesting clarification of the process of renewing/increasing their funding of the CDT and the type of evidence required for this	LM
Request NERC Training team to provide an analysis of all DTP/CDT PhD projects to determine what percentage are oil and gas related	LF
Undertake SWOT analysis and risk assessment to CDT for next Management Committee meeting	LM
Details of NERC's call related to sustainable gas to be forwarded to KG	LF
Details of contacts in Canada to be forwarded to AK	KG
Second call for two associate partner representatives to join the Management Board to be circulated with final version of this minute	LM
Members to propose representatives to populate Training and Finance & Development Committees	All
NERC CDT Committee structure to be circulated to Management Committee to assist in populating committees	LM
Source two IAB representatives for the Training Committee	KG
Invitation to Associate Partners to nominate a representative for the Management Committee to be circulated with the final version of this minute	LM
Set up email aliases for various Committees	LM
Full costs of Launch, Induction and first residential course, including non-claimed contributors' expenses to be compiled and circulated to Management Committee	LM
Provision of detailed programme for Mature Basins course at Manchester, April/May 2015	KT
Proposal regarding the legitimate expenses to be charged to the Training Academy (TA), including travel policy and review of TA venues to be drafted by Training Committee and circulated to Management Committee for comment	Training Committee
Details of industry offers of field trips/bespoke courses to be sent to AA/JC/KT	AC/LM/JU
Details of Nautilus courses to be circulated to all supervisors	AC
Provision of roles/responsibilities document covering both students and supervisors to be circulated to all partners, including a statement of policy on equality of opportunity for all students in each NERC CDT cohort	JU/LM
Allocation of remaining 2 NERC studentships for 2014 entry cohort to eligible core partners – offer by email	LM
List of 2015 PhD projects to be circulated to Management Committee and Industry Advisory Board	LM
Advertising of 2015 PhD project titles in national publications/websites e.g. FindaPhD, Earthworks, Geoscientist	AC/LM
2015 PhD project titles to be grouped thematically into sub-disciplines and circulated to Management Committee	JC/RG
Awards Committee to propose a means by which IAB input at the early stage of PhD project submission can be sought in order to encourage universities to submit more projects featuring field work or ones which address industry-perceived skills gaps	Awards Committee
Management Committee members to visit associate partners to increase understanding of the CDT and promote submission of project titles in gap areas	Management Committee

