



# UK Research and Innovation

## UK RESEARCH AND INNOVATION fEC GRANTS STANDARD TERMS AND CONDITIONS OF GRANT GUIDANCE

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## UKRI Funding Services

### Annex A: Definitions

## **RGC 1 Variation to Terms and Conditions**

The latest version of the Terms and Conditions apply to both new and existing Grants unless stated otherwise, however these do not supersede any Specific Grant Terms and Conditions. For auditing purposes, the Terms and Conditions applicable at the time of the activity or purchase resulting in a subsequent charge to the Grant will apply. Where a change to Our Terms and Conditions requires a new policy and or process, We expect You to implement this within a reasonable timescale and as an interim We will expect You to take steps to mitigate against any risks that have arisen as a result of non-compliance due to changes to Our Terms and Conditions.

## **RGC 2 Accountability & Responsibilities of the Research Organisation**

### **RGC 2.2**

Any Research Organisation carrying out business in the UK is required to comply with the Modern Slavery Act 2015. You must take steps to ensure that operations and supply chains are trafficking- and slavery-free, including imposing substantially similar obligations to those in this guidance where You are permitted under the Standard Terms and Conditions of Grant and any Specific Terms and Conditions of Grant to subcontract your obligations, so that multi-level supply chains are addressed.

The Research Organisation must ensure that neither itself, its officers, employees, nor so far as it is aware any subcontractor or other persons associated with it, have been convicted of any offence involving slavery and human trafficking.

## **RGC 3 Research Governance**

### **RGC 3.1 Research Ethics, Misconduct and Conflicts of Interest**

Ethical issues should be interpreted broadly and may encompass, amongst other things, the involvement of human participants or remains, tissue or data in research, the use of animals, research that may result in damage to the environment, “dual use “research of concern” and the use of sensitive economic, social or personal data. Relevant professional codes of practice and ethical guidance provided by professional bodies should be followed. Further guidance on managing the risks of research misuse can be found at: <https://mrc.ukri.org/research/policies-and-guidance-for-researchers/managing-risks-of-research-misuse/>

You must ensure that potential conflicts of interest in research are declared and subsequently managed, and that the measures taken to manage conflicts are recorded. Guidance on providing declarations of interest can be found at: [www.ukri.org/about-us/policies-standards-and-data/good-research-resource-hub/research-integrity/](http://www.ukri.org/about-us/policies-standards-and-data/good-research-resource-hub/research-integrity/)

Research involving human participants or personal data that falls outside the UK Policy Framework for Health and Social Care Research, such as research within the sciences which, must meet the provisions and guidelines of the ESRC’s Research Ethics Framework at: <https://esrc.ukri.org/funding/guidance-for-applicants/research-ethics/>

You must report to us any investigations and their outcomes into research misconduct associated with the Grant in advance of any enquiry whether informal or formal, and upon request, provide information on Your management of research integrity and ethics as described at: [www.ukri.org/about-us/policies-standards-and-data/good-research-resource-hub/research-integrity/](http://www.ukri.org/about-us/policies-standards-and-data/good-research-resource-hub/research-integrity/).

### **RGC 3.2 Use of Animals in Research**

You must comply with the provisions of the Animals (Scientific Procedures) Act 1986, and

any amendments, where applicable and ensure that all necessary licences are in place before any work requiring approval takes place.

The expectations of researchers are set out in “Responsibility in the Use of Animals in Research” at: <https://www.nc3rs.org.uk/responsibility-use-animals-bioscience-research>.

Wherever possible, researchers must adopt procedures and techniques that avoid the use of animals. Where this is not possible, the research should be designed so that;

- The least sentient species with the appropriate physiology is used.
- The number of animals used is the minimum sufficient to provide adequate statistical power to provide a robust and reliable answer to the questions posed.
- The severity of procedures performed on animals is kept to a minimum. Appropriate anaesthesia, analgesia and humane endpoints should be used to minimise any pain and suffering.

### **RGC 3.3 Health and Safety**

Appropriate care must be taken where researchers are working on and off-site. The Research Organisation must satisfy itself that all reasonable health and safety factors are addressed. UKRI will fully accept any assessment made by the Research Organisation and has no expectation that an individual should ignore this advice in order that grant related objectives can be met.

There must be effective and verifiable systems in place for managing research quality, progress, and the safety and well-being of patients and other research participants, in line with the UK Policy Framework for Health and Social Care Research (or equivalent). These systems must promote and maintain the relevant codes of practice and all relevant statutory review, authorisation and reporting requirements. Further guidance on the conduct of medical research can be found on the MRC website: <https://mrc.ukri.org/research/policies-and-guidance-for-researchers/>

Any significant developments that affect safety and well-being of research participants must be assessed and mitigated as appropriate in a timely manner as the research proceeds (this may include suspending or terminating the research), and should be reported to the appropriate authorities and to Us. In the event of a serious incident we require that you inform us for risk purposes, including but not limited to:

- Death
- Serious injury
- Dangerous occurrences

You are responsible for complying fully with the requirements of all regulatory authorities for the storage, use and transfer of all potentially harmful materials, including pathogenic organisms, and any additional provisions to safeguard security that may be specified by such authorities. You are also fully responsible for the management, monitoring and control of all research work funded by Us.

You should have clear policies and processes for considering dual use risks wherever and whenever they emerge, providing advice and guidance to staff and actively monitoring the progress of research where potential risks are identified. This may entail, for example, having mechanisms to call on expert advice or to convene expert groups (this might include individuals with scientific, biosafety, security and ethics expertise) to assess risks and benefits associated with projects of potential concern. You should also

include provision of appropriate training and education to all staff working in areas where dual use issues could emerge, and have policies in place to ensure staff and students can safely raise legitimate concerns.

### **RGC 3.4 Equality, Diversity and Inclusion**

Please refer to grant condition.

### **RGC 3.5 Safeguarding**

Safeguarding is defined as taking all reasonable means to prevent harm, particularly sexual exploitation, abuse and harassment from occurring; to protect children and vulnerable adults from harm and to respond appropriately when harm does occur.

### **RGC 3.6 Bullying and Harassment**

Please refer to grant condition.

### **RGC 3.7 Whistleblowing**

You must have clear, well-publicised policies and processes in place that are consistent with good practice, which at a minimum must cover:

- The organisation's commitment to investigate the whistleblowing report and how it will protect the individual reporting the issue
- Reporting steps
- Internal and external reporting contact points

The National Audit Office Assessment Criteria for Whistleblowing policies provides useful guidance on how to both write Whistleblowing policies and assess the effectiveness of these.

## **RGC 4 Use of Grant**

Grants funds include a provision for inflation based on the GDP Deflators published by HM Government. Subject to the Standard Terms and Conditions of Grant and any Specific Terms and Conditions of Grant, grant funds may be used without reference to Us, in such a manner as to best carry out the research.

Public funds should be deployed with due consideration to value for money and environmental impact across all activities. All travel claims should evidence value for money as the primary consideration. Consequently, these should only include travel by standard class by train and economy class by air for short or medium haul flights and premium economy for long haul flights. Consideration to the environmental impact of travel should be in line with the institutional policy. Any exception should be clearly justified and approved within the terms of the RO policy.

Directly Incurred and Exceptions funds cannot be used to meet the costs of an activity that will fall outside of the Grant Period, for example where travel falls after the end of the grant, the associated costs cannot be charged to the grant even if the travel booking can be purchased in advance.

## **RGC 5 Starting Procedures**

### **RGC 5.1 Offer Acceptance**

For successful grant applications an Offer Letter setting out specific details of the grant, and an Offer Acceptance document, will be issued via the Je-S System to the Research Organisation. To formally accept a Grant the Offer Acceptance document must be completed and returned within 10 working days of issue. This will result in a Grant Start Confirmation document and Payment Schedule being issued.

## **RGC 5.2 Start Confirmation**

You must submit the Start Confirmation within 42 (calendar) days of the Project starting. The date entered on the Start Confirmation will be the Official Start Date of the Grant. The Official Start Date may be delayed by up to 3 months from the start date shown in the Offer Letter; at UKRI's discretion the start of the Grant may precede the start date shown in the Offer Letter, but must not be earlier than the issue date of the Offer Letter itself.

A Grant can be started with any of the following expenditure types:

- For research grants with DI staff, the date on which the first DI staff supported by the grant start work.
- For research grants either without DI staff, or with DI staff but where it is intended that staff should not be in post at the start of the grant, the grant start will be the date on which expenditure on any other DI or DA heading (excluding estates) first occurs, including Investigator resource.
- Grants may not be started in any other way without prior approval by Us.
- Expenditure may be incurred prior to the start of the grant and be subsequently charged to the grant, provided that it does not precede the date of the Offer Letter.

## **RGC 6 Extensions**

Extensions will be limited to compensating the time that has been lost due to the delay, no contingency period should be requested as multiple Grant Maintenance Requests may be submitted for ongoing issues occurring towards the end of the grant, until the final resolution date is known. Extension requests must include actual dates and state both the reasons for the delay and explain how the extra time requested was calculated. The Grant Maintenance Request should reflect the objectives that have been achieved to date and how any outstanding work will be completed within the new time frame. Unless there are exceptional circumstances, requests for extensions should be made via the Grant Maintenance facility at least 3 months before the grant end date.

There are two types of no cost extensions, namely staff extensions and exceptional extensions (non-staff):

### **Staff Extensions**

For Research Grants, extensions will be allowed for up to 12 months where they are necessary to enable work to be completed following delays due to:

- Breaks or delays in the appointment of staff
- Maternity, paternity, adoption, shared parental or paid sick leave
- Extended jury service
- Changes from full-time to part-time working

For Fellowship Grants the duration may be extended for a period that is to cover maternity leave, paternity leave, adoption leave, shared parental leave, extended jury service or paid sick leave for a Research Fellow in line with the terms and conditions of the fellow's employment. Otherwise, the conditions for extending Fellowship grants are the same as apply to research grants.

**Parental Leave Extensions:** Extension dates may be submitted in advance for parental leave providing that the dates have been formally agreed with the Research Organisation's HR department. Note that parental leave extensions can only be

requested where no staff replacement has been recruited for the requested period.

**Recruitment Related Delays:** Where additional time is required in order to offer a suitable duration of contract when a vacancy happens towards the end of a grant, the Grant Maintenance Request should include details of the work to be carried out during this period. For time being requested to cover recruitment or training of a new appointee replacing a post vacated unexpectedly, dates and an explanation must be provided for the individual parts of the extension as to why this is being requested. For example:

“Staff Member left on 01/01/19, recruitment took two months with the new appointee starting on 01/04/19 giving three months of actual vacancy. We would like to request an additional two months for training the new appointee, giving an overall extension request of five months”.

**General:** For absence occurring towards the end of a grant, but where the person is to return to work on the project, a Grant Maintenance Request can be submitted for an extension to cover the time taken to date, with a further request submitted for the remainder when the person returns and the date is known. This will ensure that the grant does not end before the full length of the absence is known.

#### **Exceptional Extensions (non-staff)**

A grant extension may be requested for exceptional unexpected delays such as:

- major equipment failures
- major laboratory/building issues
- unforeseen problems with specimen/sample/data collection
- unforeseen problems around acquiring ethical approvals or permits
- unavailability of facilities intrinsic to the project, for example ship/air time.

Extensions will not normally be permitted for reasons including, but not limited to:

- to use unspent funds on supplementary work not specified in the original grant as awarded
- to allow additional papers to be completed and submitted to conferences/journals
- to bridge employment of key staff- keeping them employed until a new (unrelated) grant starts which will employ them
- to allow invoices to be received while the grant is live (invoices for spend occurring during the grant duration can be received in the three month period between the end date of the grant and the final expenditure statement due date)
- to allow attendance at additional conferences unless a case is made outlining the enhanced impact this would create
- enabling linked projects to finish together.

#### **RGC 7 Monitoring**

**Suspensions:** A grant suspension should be requested when work has temporarily ceased on a grant. This could be because (but not limited to):

- staff have gone on parental leave and there are no other members of staff actively working on the grant
- major building issues, for example fire, which mean that all work has ceased on the grant and is unlikely to resume soon.
- In both instances, a suspension should be requested through a Grant

Maintenance Request. A request to recommence the grant, and a further separate request for a no cost extension for the period that work on the project had stopped, should be submitted when the dates are finalised.

### **RGC 7.1 Changes to Project**

You must consult us in the event of any major change that may affect the progress or delivery of the proposed research, including:

- failure to gain access to research facilities and services
- failure to gain ethical committee approval for the research
- removing or adding a work package
- changing the fundamental research question being investigated.

In addition, for research involving the use of animals or human participation, any substantive changes to the experimental design that was originally endorsed by the awarding Board or Panel which might subsequently impact on the ethical characteristics of the award must be authorised by Us. Such changes would include, but may not be limited to, the use of different animal species and/or significant changes to the experimental design or clinical protocol.

It is the responsibility of the Research Organisation to manage the resources on the grant, including the staff, and We do not need be consulted if staffing levels on the grant are changed. However, a proportionate reduction should be made in the value of Estates, Indirect Costs and Infrastructure Technicians claimed by the Research Organisation in the following circumstances:

- a post that attracts these costs is not filled.
- a staff member who attracts these costs leaves more than six months before the end of the period for which the post was funded and is either not replaced, or is replaced by a category of staff that does not attract the costs e.g. associated student or technician

### **RGC 7.2 Transfer of a Grant to another Research Organisation**

The relinquishing Research Organisation must send a request via the Grant Maintenance facility in Je-S if the Grant Holder intends to transfer to another organisation, detailing why and when the grant needs to be transferred. We will wish to be assured that satisfactory arrangements have been agreed that will enable the project to be undertaken and to continue in accordance with its research objectives, including the provision of the required facilities. The new Research Organisation must be eligible to receive funding from UKRI; please note that transfers to European universities may be covered by the Money Follows Researcher Agreement.

If suitable arrangements cannot be agreed, We will consider withdrawing our support or terminating the grant.

Where there is a basis for continuing involvement by the relinquishing organisation, agreement should be reached between both organisations on the apportionment of work and the distribution of related funding.

Grant funding will not be revised on account of transfers; the new receiving organisation will be required to confirm, by return of an Offer Acceptance, that it will provide any additional resources needed to complete the project. Specifically, the unspent balance of Directly Incurred and Exceptions costs will be transferred to the new receiving Research Organisation. In the case of Directly Allocated and Indirect costs, a pro rata share, based on the time elapsed on the grant at the point of transfer, will be transferred to the new receiving



research organisation.

Please note that the transfer of a grant is not a quick process to carry out as the grant will need to be reconciled at the original Research Organisation before the remaining funds can be transferred to the new Research Organisation. Please allow at least four months for this process to be completed from the date of the request being made.

Grant transfer requests cannot be created and submitted in Je-S when a grant has not yet started (i.e. the status of the award is 'announced'). In these circumstances, please contact the awarding Council for further advice.

### **RGC 7.3 Change of Grant Holder**

For Research Grants, the Research Organisation must consult Us via the Grant Maintenance facility in Je-S if it is proposed to change the Grant Holder, for example following retirement or resignation. We will wish to be assured that the replacement Grant Holder meets the eligibility criteria and has the expertise and experience to lead the project to a successful conclusion, in accordance with its research objectives. The Research Organisation must ensure that they have carried out their eligibility checks and considered any grant specific conditions before submitting a request to change the Grant Holder.

A fellowship grant is awarded on the basis of a named individual's suitability to undertake and benefit from the period of research, therefore changes to the Grant Holder are not permitted. The resignation of the Research Fellow, or the termination of their employment, constitutes the end of the grant for the purpose of submitting a Final Expenditure Statement and Our financial liabilities.

### **RGC 7.4 Research Monitoring and Evaluation**

You must use UKRI's specified online system to submit information for monitoring purposes on the outputs and outcomes of the Project during and for some years after the expiry of the Grant Period. Further information on reporting requirements can be found on the UKRI website: [www.ukri.org/apply-for-funding/manage-your-funding-award/report-your-research-outcomes/](http://www.ukri.org/apply-for-funding/manage-your-funding-award/report-your-research-outcomes/). In addition, UKRI may authorise an affiliate organisation to contact the Grant Holder or other project partners on its behalf to request further information on the project, or to participate in an event.

### **RGC 7.5 Disclosure and Inspection**

We shall be entitled to inspect any financial or other records and procedures associated with the Grant as are reasonably required to verify the regularity and propriety of Grant expenditure, or to appoint any other body or individual for the purpose of such inspection. This includes expenditure by Third Parties associated to the Project. Examples include:

- Annual report & accounts
- External audit management letter
- ISA260 – Communication with those charged with governance
- Related internal audit reports

### **RGC 8.0 Staff**

Providing that it is related to the research project on which they are currently working, Research staff and Research Fellows may, during normal working hours, undertake teaching and demonstration work, including associated training, preparatory, marking and examination duties, and NHS clinical sessions for up to an average of 6 hours a week

(pro rata for part-time staff) calculated over the period that they are supported on the grant.

### **RGC 8.1 Employment**

Recruitment costs for staff directly related to the project, excluding investigators, may be charged to the project as Directly Incurred providing that they occur after the date of the Offer Letter.

Employment related costs including maternity, paternity and sick pay for staff costed as directly allocated may not be requested, as we expect these to be covered by the Research Organisation. Redundancy costs, costs for reimbursing staff for annual leave not taken and proposal preparation costs cannot be charged for any staff as these are covered within indirect costs, regardless of whether they are costed as Directly Allocated, Directly Incurred or Exceptions.

Relocation costs may be included for named staff who will be moving, provided the Research Organisation has a general policy in place to pay relocation costs and they are not already included as part of indirect costs.

### **RGC 8.2 Career Development**

The Research Organisation must create an environment in which research staff are selected and treated on the basis of their merits, abilities and potential. It must ensure that reliable systems and processes are in place so that the principles of the 2019 Concordat to Support the Career Development of Researchers are embedded into practice within the Research Organisation. You must ensure compliance with all relevant legislation and Government regulation, including any subsequent amendments introduced while work is in progress.

### **RGC 8.3 Maternity, Paternity, Adoption and Parental Leave**

Staff, including Fellows, costed as Directly Incurred will receive parental leave/pay from their Research Organisation (RO) based upon their RO contract of employment for their parental leave period.

The net cost that We will reimburse to the Research Organisation to cover any additional net parental leave costs, as defined in the Terms and Conditions, is the amount paid to the individual less the amount the Research Organisation can recover for Statutory Maternity Pay and Statutory Adoption Pay from HMRC.

The Research Organisation can claim from Us the net parental leave pay for the duration of the person's parental leave that falls before the original grant end date, e.g. if parental leave begins 2 months before the original grant end date then the RO can claim for the net parental leave costs for those 2 months.

The Grant can be extended by the period of time to cover both the parental leave, and the remaining additional time, e.g. 2 months, to enable the Grant to be completed unless there are time dependencies.

### **RGC 8.4 Sick Leave**

Staff, including Fellows, costed as Directly Incurred will receive sick leave / pay from their Research Organisation (RO) based upon their RO contract of employment for their sick leave period.

The net cost that We will reimburse to the Research Organisation to cover any additional

net sick leave costs, as defined in the Terms and Conditions, is the amount paid to the individual less the amount the Research Organisation can recover from HMRC. These additional costs must be claimed under the "Absence" heading on the Final Expenditure Statement.

The Research Organisation can claim from Us the net sick leave pay for the duration of the person's sick leave that falls before the original grant end date, e.g. if sick leave begins 2 months before the original grant end date then the RO can claim for the net sick leave costs for those 2 months.

The Grant can be extended by the period of time to cover both the sick leave, and the remaining additional time, e.g. 2 months, to enable the Grant to be completed unless there are time dependencies.

## **RGC 9 Equipment**

### **RGC 9.1 Procurement of Equipment**

The procurement of equipment, consumables and services, including maintenance, must comply with all relevant national and EU legislation; accepted procurement best practice in the higher education sector must also be observed. Where applicable, consideration should be given for energy efficiency and waste minimisation in line with good practice. Where the contract value is more than £25,000 (excluding VAT) professionally qualified procurement staff must be consulted before the procurement process begins and if necessary, they must approve the order/contract before it is placed with a supplier.

Any proposal to purchase an item of equipment in the last 6 months of the Grant is subject to prior written approval by Us. We will wish to be assured that the item of equipment remains essential to the research.

Items of equipment dedicated to the project costing less than £10,000 should not be charged under the Equipment heading.

### **Energy Efficiency in Procurement**

When purchasing equipment to support research consideration must be given to energy efficiency e.g. ensuring the purchased power capability or size of a product does not excessively exceed need.

Where applicable, applicants should seek to purchase powered equipment with good energy efficiency ratings. Current energy labelling can assist when making procurement decisions or specifying energy efficiency within product requirements, including but not limited to:

- Energy Star rating
- EU Energy Label
- EU Ecolabel

The Carbon Trust and S-Lab provide good practice guidance on how to build energy efficiency into procurement decisions.

## **Waste Minimisation in Procurement**

When selecting and procuring equipment to support research you should consider the waste hierarchy: Prevent – Reduce – Reuse – Recycle – Other Recovery – Disposal.

Through effective research planning and procurement you should look to reduce generation by making informed procurement decisions. Questions to consider may include:

- What are the disposal costs likely to be for the equipment?
- How the equipment will be treated once it is no longer required – could it be safely reused or recycled?
- Through research design and smart procurement decisions, how could the use of consumables be reduced? For example, using refillable consumables or built in recovery systems.
- How to avoid excessive packaging associated with equipment and what options and what options does the supplier provide to 'take back' and/or recycle packaging.

The Waste Action Resource programme (WRAP) provided good practice guidance on how to reduce waste generation and apply the waste hierarchy.

## **RGC 9.2 Ownership of Equipment**

Where there is spare capacity in the use of the equipment, We expect this to be made available to other users. Priority should be given to research supported by UKRI and to UKRI funded students.

A relevant share of the annual costs of the equipment may be charged to each Grant involving use of the equipment. This may be either Directly Incurred if usage by each project is auditable and charged based on actual usage, or Directly Allocated if based on estimates. Under TRAC the annual costs include depreciation, which is then deducted from the estates costs. Note that if the equipment was originally purchased with funding from Us, then in accordance with TRAC methodology the actual depreciation would not have been charged to the estates cost in the first place, so by deducting it, the total FEC of the project includes no net charge for this depreciation. The TRAC Guidance sets out a procedure for this.

After the research project has ended, the Research Organisation is free to use the equipment without reference to Us, but it is nevertheless expected to maintain it for research purposes for as long as is practicable.

## **RGC 9.3 Equipment Data**

Please refer to grant condition.

## **RGC 10 Financial Reporting**

**General:** When completing an Expenditure Statement, expenditure shown in the Directly Incurred and Exceptions headings must show the actual expenditure incurred by the Grant. Settlement by Us will reflect the proportion of fEC stated in the award letter applied to actual expenditure, providing this is within the Grant cash limit.

For the Directly Allocated and Indirect Costs headings we will pay the amount that is

shown as requested, providing this is within the Grant cash limit and that the Grant ran its full course. Where a Grant is terminated more than 6 months before the planned end date a pro rata share will be paid. Where a Grant terminates within 6 months of the planned end date, estates and Indirect Costs will be paid in full, but Investigators' costs and Other Directly Allocated Costs will be paid pro rata. A proportionate reduction will also be made in the value of Estates, Indirect Costs and Infrastructure Technicians claimed by the Research Organisation in the following circumstances:

- a post that attracts these costs is not filled.
- a staff member who attracts these costs leaves more than six months before the end of the period for which the post was funded and is either not replaced, or is replaced by a category of staff that does not attract the costs e.g. associated student or technician.

Costs arising from parental or sick leave should be identified in the Absence heading of the statement.

**International Expenditure:** UKRI have introduced a new attachment to the Final Expenditure Statement (FES) to capture funding going overseas. Any UK or overseas research organisation submitting a FES for a grant on or after 1 October 2018 that has involved distributing funding to any non-UK organisation (both as a lead organisation or as a sub-contractor), is required to complete the following attachment and submit it along with their FES. Please only include funds paid directly to the organisation. It is not necessary to include, for example, travel and subsistence claims paid direct to individuals.

FES Attachment for International Funding: [www.ukri.org/apply-for-funding/manage-your-funding-award/additional-reporting-for-non-uk-based-organisations/](http://www.ukri.org/apply-for-funding/manage-your-funding-award/additional-reporting-for-non-uk-based-organisations/)

**Due Date Extensions:** If there are exceptional reasons that will prevent submission of the expenditure statement by the due date, a written request may be made via the Grant Maintenance facility in Je-S for the submission period to be extended. This must be submitted before the due date passes.

**Supplementary Expenditure Statement (SES):** Where a Research Organisation has identified an error with their original Final Expenditure Statement (FES), they can submit a request for a Supplementary Expenditure Statement (SES). Requests for a SES must be made via the Grant Maintenance Facility in Je-S within 60 days of when the reconciliation payment has been paid. If the Research Organisation fails to submit their Grant Maintenance Request within this 60 day deadline, the request will be rejected. All ineligible expenditure which has been identified on a Grant must be returned, including errors where too much funding has been claimed.

**Annual Statement:** If an Annual Statement has been issued, the Research Organisation must confirm by returning the Statement that:

- Expenditure has been incurred in accordance with the grant conditions
- That grants showing as 'current' are continuing.

No further payments will be made until the Annual Statement has been received and accepted by Us.

## **RGC 11 Sanctions**

Please refer to grant condition.

## **RGC 12 Exploitation and Impact**

Every reasonable effort should be made to ensure that intellectual assets obtained in the course of the research, whether protected by intellectual property rights or not, are used to the benefit of society and the economy. Research outcomes should be disseminated to both research and more widespread audiences, for example to inform potential users and beneficiaries of the research.

Where the grant is associated with more than one Research Organisation and/or other project partners, the basis of collaboration between the organisations including ownership of intellectual property and rights to exploitation, is expected to be set out in a formal collaboration agreement. It is the responsibility of the Research Organisation to put such an agreement in place before the research begins. The terms of collaboration agreements must not conflict with the Standard Terms and Conditions of Grant or any Specific Terms and Conditions of Grant.

Arrangements for collaboration and/or exploitation must not prevent the future progression of research and the dissemination of research results in accordance with academic custom and practice. A temporary delay in publication of research findings is acceptable in order to allow commercial and collaborative arrangements to be established.

In individual cases, We reserve the right to retain ownership of intellectual assets, including intellectual property (or assign it to a third party under an exploitation agreement) and to arrange for it to be exploited for the national benefit and that of the Research Organisation involved. Should this right be exercised, further details may be set out in an additional grant condition if the intellectual property or asset is foreseen before the grant is awarded.

There should be suitable recognition and reward to researchers who undertake activities that deliver benefit through the application of research outcomes. The Research Organisation must ensure that all those associated with the research are aware of, and accept, these arrangements.

UKRI issues block grant funding to Research Organisations to cover the costs associated with publishing journal articles and conference proceedings, therefore such costs cannot be included with the application for funding. Costs associated to other publication types such as books, monographs, critical editions and catalogues may be requested, if these are expected to fall within the period of the grant then they should be added as Directly Incurred, otherwise they should be included in the institution's calculation of its indirect cost rates.

## **RGC 13 Disclaimer**

Please refer to grant condition.

## **RGC 14 Status**

Please refer to grant condition

## **Costings Information**

### **a) Full Economic Costing**

The principle behind Full Economic Costing (FEC) funding is that Research Organisations should indicate in their grant proposals the full economic cost of a project. We will then pay a fixed percentage of 80% of this sum unless stated otherwise, which includes an attribution of the cost of academic staff time, and the Research Organisation's facilities, estates & indirect costs. This helps institutions to understand the full costs of the research they carry out and supports their research activities on a sustainable basis, with appropriate investment in research infrastructure, including buildings, facilities, and staff.

Research organisations, in accepting an FEC grant, undertake to provide the remaining 20% from their own resources.

Where part funding for a project has been committed from another external source such as a project partner, this contribution will be treated as additional to FEC. You can apply to Us for the full economic cost of the remaining resources required to complete the project, We will then contribute 80% of this cost.

## **b) Exceptions**

**Associated studentships:** Associated studentships are funded at 100% of the standard values of stipend and fees agreed by Us each year. Postgraduate training is not included within the FEC methodology therefore students must not be counted in the FTE when charging estates and indirect costs on the application form as; nor should any investigator time be funded on the grant to cover provision for student supervision. Any other eligible resources requested for the project student as part of the grant proposal (such as equipment, travel, consumables) will be funded at the standard 80% rate.

**Other:** Externally contracted social surveys are funded within the Exceptions heading at 100%, other subcontractor costs will be funded at the standard 80%. Other specific FEC exceptions may be specified at funding opportunity level.

## **c) Directly Incurred and Directly Allocated Costs**

Directly Incurred costs (DI) are those costs that are explicitly identifiable as arising from the conduct of the research, these should be charged on the basis of the cash amount spent and must be verifiable and auditable from Your accounting records. Directly Allocated costs (DA) are shared costs charged on estimates, and therefore not represent directly auditable costs on a project-by-project basis.

## **d) Staff Time Costs**

The cost of a teaching replacement cannot be requested, as it is considered to be related to teaching and not research. FEC only relates to research, and the underlying principle is that the full cost of the project should be calculated including the cost of researcher's time.

We will fund investigators up to 100% of their salary, which is determined as a maximum of 37.5 hours a week, 44 weeks per year, 1650 hours a year. Investigators can indicate that they will spend more than this time on grants, but cannot charge for more than this time.

We will seek assurance at organisation level that the costs paid for investigators are in balance with total time attributed to grants, however we accept the need for flexibility in relation to individuals because of the difficulties of estimating both time and likelihood of success of applications.

Investigators time can be charged as either Directly Allocated or Directly Incurred, see Pre-Award Directly Incurred and Pre-Award Directly Allocated headings below for further information.

Research Organisations can choose to either use average band salaries, or actual values for salaries as long as they are consistent with the organisation. Please see TRAC guidance for details.

Peer reviewers will see all costs, which will include a salary figure, but, if Directly Allocated, they will not know how it has been calculated (i.e. actual or banding).

In order to avoid double funding a research grant proposal should not seek to duplicate any funding of all or part of a salary that an investigator already has in place from any other externally sponsored projects supported from public funding, examples include research grants, centre

grants, fellowship grants funded by Us, government departments or publicly funded learned societies.

Where an Investigator's salary is fully supported in this way, the proposal should show the amount of time to be spent on the grant, but with zero hours charged to the grant. If the investigator is unpaid or receives salary wholly funded through non-FEC sources, their time can still be charged to the grant for the purpose of determining estates, infrastructure technicians and indirect costs. In this case, the relevant amount of time to be charged to the grant should be shown, but with a zero salary.

Technician support can be applied for in one of three ways:

- I. Access to a pool of technician effort – Pooled staff costs are based on estimates and should be included within Directly Allocated fund heading. Justification must be included for the time required and is charged on a cost per hour basis.
- II. Specific (named or unnamed) technician posts – the proposal should include full details of staff costs and amount of time required. This should be directly incurred (requiring timesheets if not working 100% of contracted time on the grant).
- III. Infrastructure technicians – if your institution has calculated infrastructure technician rates (separately from estate rates), they should be added to the proposal in the same way as estates and indirect rates, which is as a standard rate/research FTE. The inclusion of a charge for infrastructure technicians, along with the per-FTE rate in use, does not need to be justified and will not be assessed.
- IV. Technical support posts do not attract estates and indirect costs

Research Software Engineers may be included as support staff. However, it is up to the Research Organisation to decide how these posts are attributed, either as:

- Directly Incurred, where (unless they have been given an academic research contract) the proposal would identify them under 'Other' Staff costs and time would be accounted for by the appropriate time sheets (if not 100%).
- If the Research Organisation views them as Directly Allocated then they can be costed under Directly Allocated costs.

#### **e) Directly Incurred**

Costs may be requested under Directly Incurred if they meet the general requirement that they are project-specific, auditable costs. Research Fellows time should be charged as Directly Incurred.

Investigator costs can be charged to a project as Directly Incurred (DI) if their time spent on the grant is auditable, this includes investigators who are either contracted to work 100% on the project or where timesheets are used. Directly Incurred Investigator costs can be vired with other Directly Incurred costs. However any additional costs incurred over budget will need to be met out of the Research Organisation's own resources.

The costs of additional childcare, beyond that required to meet the normal contracted requirements of the job and which are directly related to the project, may be requested as a Directly Incurred cost if the institutional policy is to reimburse them. However, childcare costs associated with normal working patterns may not be sought.

In most cases laboratory consumables such as gloves and blue roll, as well as office consumables such as photocopying, printing, postage, general transport costs, stationery, computer consumables and telephone costs, and also utilities costs, are not expected to be accounted for at the project level and should be found from indirect costs. However, items of this type may be charged as directly incurred where use is exceptional (for example, high electricity use). These exceptional costs would then need justification in relation to the research need; and there should be a clear statement indicating that these are separately accounted for and charged to the project as actual costs.



Equipment costing less than £10,000, and other items that are dedicated to the project including grant specific consumables, books, survey fees, purchase/hire of vehicles, or recruitment and advertising costs for staff directly employed on the project, should be added as Directly Incurred under the "Other Costs" heading. The Research Organisation is expected to provide laptops for staff on continuing contracts; We define a continuing contract position as being where a person is already employed by the Research Organisation and is then moved to work on the grant, and therefore are not employed only for the purpose of working on the grant. Laptops may only be costed where a new member of staff who is employed purely for the grant will require this, if a person is employed by the Research Organisation (RO) to work on multiple projects then the RO cannot charge a laptop to the grant for that person, unless a higher specification of laptop is required for the completion of specific grant related activities such as data modelling, enhanced graphics etc.

Insurance costs are expected to be included as part of indirect costs, but may be requested as directly incurred costs where it can be shown that the cost arises specifically as a result of the project funded by the grant, is not covered by existing institutional policies, and is separately identifiable and audited.

Carbon offsets are not considered to be a direct research cost and will not therefore be funded on grants.

### **Audit Records**

For staff costs to be treated as Directly Incurred, i.e. where the individual is not working 100% of their time dedicated to one project the following audit records should be maintained:

- Monthly timesheets should be retained over the life of all UKRI funded projects and these should be completed on a timely basis
- Timesheets should include all activities as defined by TRAC (teaching, research (by sponsor type) and other, including time spent supervising post graduate researchers) and keep a record of time spent against individual UKRI projects
- Timesheets should be completed on an all hours worked basis totalling the cumulative hours per month (as a minimum time period)
- The timesheet should be authorised as a minimum by the relevant line manager

### **f) Directly Allocated**

Directly allocated (DA) costs are costs of resources on a project, where the resources are also shared by other activities and projects, these costs should be based on estimates and should not change during the project life. Laboratory technicians, major research facilities, and estates fall under this category. Charge-out rates for each of these items should be estimated by applying the charge rate to researcher Full Time Equivalents (FTEs) to derive an estimated cost for each project.

Under Directly Allocated, no record of actual costs at a project level is required during the project life. These costs cannot be vired, i.e. budgets cannot generally be transferred between fund headings when accounting for spend to sponsors.

Indirect costs are not directly related to any one project or activity, but are a necessary part of the costs of undertaking an activity. These costs are attributed to projects through a proxy – £/FTE.

Where Investigator costs are based on estimates and therefore an auditable record cannot be provided, these costs should be charged as Directly Allocated. We will pay Directly Allocated Investigator costs based on the estimates shown in the Grant Offer Letter, unless the grant has been affected by cancellation, early termination or financial sanction.

Costs **should** appear on only one of the three categories (DI, DA or indirect) – there **should not**

be any double counting.

### **g) General Costing**

Estates costs cover those costs related to buildings and premises, including capital (depreciation), maintenance, utilities costs, cleaning, security and safety.

TRAC is a process of taking institutional expenditure information from consolidated financial statements, adding a margin for sustainability and investment to represent the full 'sustainable' cost of delivery, and then applying cost drivers (such as academic staff time allocation and space usage) to allocate these costs to academic departments and to specific activities.

TRAC dispensation default rates can be used by institutions that have less than £3M annual research income from public sponsors. TRAC default rates are reviewed annually by representatives of UKRI and the UK HE funding bodies; further information can be found on the UKRI website: [www.ukri.org/about-us/policies-standards-and-data/funding-assurance-programme/](http://www.ukri.org/about-us/policies-standards-and-data/funding-assurance-programme/)

The Full Time Equivalent (FTE) of non- research staff, including technicians and associated studentships, should not contribute to the indirect and estates costs on a project that is claimed from UKRI. The FTE used as the multiplier for indirect and estates costs must be based on research (academic) staff on the project, this includes researchers, investigators and visiting researchers.

Where a research project involves periods of more than six months away from the home institution for one or more research staff, indirect costs may be included within the funding application for those individuals, including for the time away. Estates charges should be included for the period of absence only if the researchers concerned are working at another UK Research Organisation eligible to receive funding from Us. Under such circumstances, We would expect the grant-holding organisation to pass the relevant share of estates costs to the organisation hosting the staff. Where an individual will be working at a non-eligible organisation for a period of six months or more, estates costs should not be charged for the period of absence. Absences for periods of less than six months do not require a reduction in estates costs.

Project costs which are calculated based on a formula funding methodology, whereby the cost of certain resources such as travel and subsistence and support staff are calculated algorithmically, are not permitted. The full cost of the research must be indicated, with resources requested at the required level and justified in the justification of resources document.

### **h) Justification of Resources**

All resources requested to carry out a project must be justified in the justification of resources document and case for support. This includes all directly incurred costs, investigator effort, use of pooled staff resources and access to any research facilities and equipment.

Estates, Indirect and Infrastructure Technician costs do not need to be justified within the Justification of Resources or Case for Support documents.

**UKRI Funding Services:** UKRI Funding Services provides support for the Je-S System users and the administrative and transactional activities related to research funding for grants, studentships and fellowships, in support of the following seven UK Research and Innovation (UKRI) Councils:

Arts and Humanities Research Council (AHRC)  
Biotechnology and Biological Sciences Research Council (BBSRC)  
Economic and Social Research Council (ESRC)

Engineering and Physical Sciences Research Council (EPSRC)  
Medical Research Council (MRC)  
Natural Environment Research Council (NERC)  
Science and Technology Facilities Council (STFC)

The gateway for engagement between research community and UKRI is through the Je-S portal. It is through this:

- that applications are submitted
- review documents are exchanged
- grant offers are issued and accepted
- amendment requests are submitted
- payments are tracked and expenditure statements received.

The grants service depends on close cooperation between the research councils and will:

- respond to all enquiries within 10 working days of receipt
- communicate decisions within agreed timescales\*
- give notification of decisions within agreed timescales\*
- make timely payments\*
- maintain up-to-date information on Je-S
- seek feedback from all stakeholders
- acknowledge receipt of complaints promptly and aim to resolve those about the Grants Team services within 10 working days of receipt.

\* Timescales and specific arrangements are agreed between relevant research councils and the Grants Team. Please note that timescales and arrangements may differ depending on the nature of the funding.

#### **Contact points:**

##### **Online Support for the Je-S System users**

Je-S Helpdesk

Tel: 01793 444164

Email: [JeSHelp@je-s.ukri.org](mailto:JeSHelp@je-s.ukri.org)

Please contact the Je-S Helpdesk for assistance with using Je-S or have questions regarding its use. The Helpdesk is staffed Monday to Thursday 8:30 am to 5pm and Fridays 8:30am to 4:30pm

##### **Operations Team**

Grant Acceptance, Offer and Management

Tel: 01793 867121

Email: [grantspostaward@funding.ukri.org](mailto:grantspostaward@funding.ukri.org)

Contact this team for:

- Support of "Active" Grants through their life cycle e.g. Grant transfer requests, Grant extension requests, Deliverable extension requests and Grant transfer requests.
- Grant payments
- Final reconciliation of Grants
- Preparation of Grant offers

## Annex A

### Definitions

Co-Investigator	A person who assists the Grant Holder in the management and leadership of the Project.
Council	Any of the bodies listed under the Introduction within fEC Grant terms and Conditions
Directly Allocated Costs	Costs of resources used by the Project that are shared by other activities. They are charged on the basis of estimates rather than actual costs and do not represent actual costs on a project by project basis.
Directly Incurred Costs	Costs that are explicitly identifiable as arising from the conduct of the Project which are charged as the cash value actually spent and are supported by an audit record.
Exceptions	Directly Incurred Costs that Councils fund at 100% of fEC subject to actual expenditure incurred, or items that are outside fEC.
End of Award Report	A report which the Grant Holder must provide at the end of the Grant Period, detailing the outputs, outcomes and impacts of the project to date.
Fellowship Grant	An award made through a fellowship competition providing a contribution to the support of a named individual. It covers the cost of the time dedicated by the fellow to their personal research programme, and may or may not include research support costs.
Full Economic Costs (fEC)	A cost which, if recovered across an organisation's full programme, would recover the total cost (direct, indirect and total overhead) including an adequate recurring investment in the organisation's infrastructure.
Funding Assurance Programme	A programme of visits and office based tests by UKRI to seek assurance that grant funds are used for the purpose for which they are given and that grants are managed in accordance with the terms and conditions under which they are awarded.
Grant	Support for a proportion of the full economic costs of the Project. A Grant may be either a Research Grant or a Fellowship.
Grant Holder	The person to whom the Grant is assigned and who has responsibility for the intellectual leadership of the Project and for the overall management of the research funded by the Grant. The Grant Holder is either the Principal Investigator (in the case of a Research Grant) or a Research Fellow (in the case of a Fellowship Grant).
Grant Period	The duration of time between the Project start and end date.
Grant Terms and Conditions	The Standard Terms and Conditions of Grant together with the Specific Terms and Conditions of Grant that together comprise the basis on which the Grant is awarded to the Research Organisation.
Indirect Costs	Non-specific costs charged across all projects based on estimates that are not otherwise included as Directly Allocated Costs. They include the costs of the

	Research Organisation's administration such as personnel, finance, IT, legal, general laboratory, office consumables, library and some departmental services.
Je-S	Joint Electronic Submissions system used for the submission of Grant related information.
Offer Acceptance	A document to be completed and returned by the Research Organisation either accepting or declining the Grant.
Grant Offer Letter / Offer Letter	An official document setting out specific details of the Grant, including the Project start and end date, Grant value and any Specific Terms and Conditions of the Grant as required by the relevant Council.
Official Start Date	The official start date of the Grant, as set out in the Start Confirmation.
Research Worker	Any person or third party working in any capacity on the Project.
Project	The project funded by the Grant as set out in the Offer Letter.
Research Grant	A contribution to the costs of the research Project which has been assessed as eligible for funding through the procedures established by the relevant Council.
Research Organisation (RO)/Grant Awardee	The organisation to which the Grant is awarded and which takes responsibility for the management of the Project and accountability for funds provided.
Specific Conditions	The specific conditions of grant required in addition to the Standard Terms and Conditions on a Grant by an individual Council of UKRI.
Standard Terms and Conditions of Grant/Standard Conditions	The Standard Terms and Conditions of Grant published on UKRI's website at: <a href="http://www.ukri.org/apply-for-funding/before-you-apply/your-responsibilities-if-you-get-funding/meeting-ukri-terms-and-conditions-for-funding/">www.ukri.org/apply-for-funding/before-you-apply/your-responsibilities-if-you-get-funding/meeting-ukri-terms-and-conditions-for-funding/</a>
Start Confirmation	A document to be completed and returned to UKRI by the Research Organisation, confirming the Official Start Date on which the Project commences.
Studentship	The term used for the funding award made by a research organisation to a student for the purpose of undertaking postgraduate training leading to the award of a postgraduate degree.
Third Party	Any person/organisation to which the award holding RO passes on any of the Grant funds awarded by the Council.
Transparent Approach to Costing (TRAC)	An agreed methodology used by universities and other higher education bodies for calculating full economic costs.