

## 20. Distribution of research project funds

### 20.1 Background

Although both Barts Health and Queen Mary operate identical systems for managing external research grant accounts, their policies governing the internal distribution of research project funds, particularly overheads, differ marginally.

This policy sets out the parameters on which the process of distributing funds from external funders of research will operate in both Queen Mary and Barts Health. It should be read in conjunction with, as appropriate the Trust's Standing Financial Instructions<sup>1</sup> and Queen Mary's Financial Regulation and Procedure Policies – see Appendix A to this Policy, Queen Mary Research Grants and Contracts Overhead: Policy and Governance.

### 20.2 Definitions

**20.2.1 Direct Project Costs:** Are project funds that will be paid directly from research project accounts and will include, for example:

- **Direct staff costs:** The costs of staff directly employed to undertake a research project, where the cost is charged directly to a specific research account. Examples will be research assistants, research fellows, and research nurses etc. who are employed on a grant code for the duration of the project.
- **Other direct costs:** Include all non-staff costs, including consumables, equipment, travel, sub-contracted services, disposables etc. These costs are also charged directly to project accounts.
- **Direct service support costs:** For NHS Include the costs of services provided by other internal departments that are directly attributable to the research. Items will include, but are not limited to, hospital service costs such as pharmacy, radiology, pathology tests and archiving. Costs may also include a co-investigator's departmental costs, where the principal investigator and co-investigator are from different departments.

**20.2.2 Direct Allocated Staff Costs:** Are where proportional staff costs are associated directly with a specific research project. Examples include a % of principal investigators time and co-investigators time is required to undertake and supervise the project.

**20.2.3 Indirect project costs:** Are institutional costs that are not directly related to a research project but are attributed in part to a project. Examples include estates and indirect costs, proportionally attributed service costs which may include IT Infrastructure and capital charges.

**20.2.3 Distributions:** Involve the movement of funds from project accounts to a range of institutional budgets, for example, transfers to Queen Mary/ Barts Health central or departmental staff or overhead accounts, service department accounts etc.

### 20.3 Distribution Policy

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<sup>1</sup> Barts Health Policy, 'Standing orders, reservation and delegation of powers and Standing Financial Instructions, 29 July 2015: <https://weshare.bartshealth.nhs.uk/trust-wide-policies>

**20.3.1** In the main, direct project costs will be charged to specific project accounts.

- **Direct staff costs:** Where a new member of staff is employed on a research project, the staff member's costs will be directly charged to the research account. Where a currently employed member of staff is to be paid in full, from project funds, the employee's staff costs will be charged directly to the project code for the duration of the project.
- **Proportionate staff costs:** Where a proportion of a salaried staff member's costs are attributed to a project, the sums involved will be transferred from the project account to the individual's departmental salary account code periodically. The period will be determined on a project by project basis but will not be longer than three months.
- **Variable service support costs:** Will be transferred from the research account to the relevant service department account periodically, according to the actual value of the services provided to the project in each period.

**20.3.2 Indirect Project Costs:**

- **Institutional overheads - Barts Health:** Overheads obtained from commercial clinical trials, where the full cost of the research is recovered from funders, will be distributed in the following proportions:
  - 50% JRMO account;
  - 40% to Clinical Board Research Development account; and
  - 10% to Investigator account.

Overheads recovered from all other sources will be transferred to centrally managed accounts. The Trust will manage this resource and may provide funds to support bridging finance for staff appointments or other contingent requirements.

- **Queen Mary transfers:** All overhead transfers from Queen Mary research accounts will be as follows:

Research overhead distribution Queen Mary:

<b>Overheads</b>	<b>Institute/ Faculty/Dept</b>	<b>Flexible Research Fund</b>
For all overhead bearing Projects	80%	20%

- **Proportionate service costs:** Where a proportionate charge for services is determined (as opposed to a variable cost), costs will be transferred from the project account to a specified service department account periodically. The period will be determined on a project-by-project basis but will not be longer than three months.
- **Capital charges and other indirect costs:** will be transferred to the relevant Barts Health Code periodically. Periods will not be more than three months.

**20.4 End of Financial Year**

It is important that all expenditure relating to services provided to a research project within a financial year are charged to that financial year and not brought forward or deferred to another. In this respect, all funds for services provided to research accounts, salary

contributions etc. must be transferred from individual research accounts to departmental accounts before annual accounts closure dates.

**This policy applies to both Barts Health and Queen Mary.**