



CEDIL Call for Proposals

Budget Guidelines

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Preface

This document provides details of eligible costs covered by CEDIL projects, and guidelines for completing the budget template to accompany proposals. The budget template must also be accompanied by a 1-page budget justification.

Overview

The budget template includes four sheets: salary costs, other direct project costs, indirect costs and summary.

All costs should be presented in GBP. The summary sheet includes a space where applicants should provide details of currency exchange rates used to calculate costs from other currencies, and the source of this exchange rate.

We expect that at least 15% of the total direct costs in the budget be allocated to research uptake and impact. This would include the salary costs of individuals dedicated to this activity.

In preparing the budget, applicants should consider carefully the need for all CEDIL projects to maximise value for money, and details of actions taken should be included in the budget justification. Steps taken to maximise value for money may include:

- Ensuring that roles and responsibilities are appropriate for the level of staff undertaking them
- Reducing or eliminating travel costs for meetings where these can be effectively conducted virtually
- Holding project events in conjunction with existing events
- Sourcing equipment and services through a competitive tendering process where this is appropriate (this may be required for equipment and services over £10,000)

Value for money is not limited to cost effectiveness.

The following general criteria apply to all direct costs. To be considered eligible, they must be:

- Actually incurred by the recipient
- Incurred within the period set out
- Indicated within the cost budget
- Incurred in connection with and necessary for implementation
- Identifiable, verifiable and recorded in the recipient's accounts in accordance with applicable accounting standards and with the beneficiary's usual cost accounting practices
- Compliant with applicable national law on taxes, labour and any all other relevant national law
- Reasonable, justifiable and compliant with the principles of sound financial management

1. Salary costs

Salary costs can be claimed for employees of any legal organisation contracted on the grant, either contracted by CEDIL or subcontracted by the project's lead organisation. Individual contributors not employed by a contracted organisation should be costed as consultants under 'other direct costs'.

Government employees and officials cannot be costed to projects. Costs cannot be included for the training of PhD or Master's students. If projects wish to employ a currently enrolled PhD or Master's

student on a limited, part-time basis, this may be allowed, but we would require a support letter from the student's supervisor confirming that the work will not interfere with or disrupt their training.

CEDIL will fund salaries in two ways, in line with research funding practice in the UK:

Directly allocated salaries refers to funding based on an estimated percentage of time which existing contracted staff at an organisation will contribute to the project. Staff listed here must be contracted by their organisation for a period longer than the timeframe of the project. The estimate of their time should be an average across the lifetime of the project.

Directly incurred salaries refers to staff who are employed specifically to deliver the project. 100% of the staff's contracted time (which may be less than 100% FTE for part-time staff) should be dedicated to work on the project, or the project should be able to provide timesheets detailing time dedicated to the project.

For each individual employed on the project, all columns on the salary cost template should be completed as follows:

Name: The name of the individual to be employed or allocated to the project. Directly incurred staff may not yet be recruited/known; in such cases the job title should be included here.

Role: This should state the role of the individual on the project, (e.g. principal investigator, co-investigator, research assistant, project manager, communications manager).

Organisation: The organisation employing the individual.

UK Research Organisation?: If the organisation is a UK research organisation which will calculate its indirect costs on a Full Economic Cost basis, select yes from the drop down list. This will ensure the template calculates your costs correctly.

%FTE: The percentage of full-time equivalent salary costed to the project. This should represent the average time commitment for the individual.

Annual Salary costs: The total gross salary paid to the individual per annum.

Annual on-costs: The additional direct costs incurred by the institution per annum for employing the individual. This would include superannuation, insurance and other directly costed benefits.

Duration: please specify the number of months the individual will be employed on the project

2. Other direct costs

The second sheet should be completed with all non-salary costs required to complete the project.

The following direct costs are eligible:

Travel and subsistence: Travel costs for staff to conduct fieldwork or to disseminate results of the project. Attendance at academic conferences can be costed, but value for money should be considered (staff participating should be limited to those required to deliver the objectives of the activity). All flight costs and other transport costs should be economy class. Extra costs required for staff with disabilities or caring responsibilities can be claimed where appropriately justified.

In line with DFID's policy, all journeys by rail or air will be budgeted by a class of travel that is no more than "standard economy" unless higher travel classes are representative of improved value for money or are required to adhere to specific legislation, for example the Equality Act 2010. First class travel will not be permitted under any circumstances. Alcohol and tobacco are not allowable subsistence items.

CEDIL meeting travel costs: As noted in the CEDIL overview document, staff on CEDIL projects should include travel costs to participate in CEDIL meetings and conferences. Small projects (exploratory and evidence synthesis) should budget for two individual trips per year lasting four nights and should assume that one of these will be in the UK and one elsewhere in the world (i.e. applicants should estimate one trip to the UK and one that will involve an international flight to another location). Large projects (evaluations and secondary data projects) should budget for four individual trips per year, half in the UK and half elsewhere.

Equipment: Any equipment required for the completion of the project can be costed. Where equipment can be expected to have a useful life beyond the period of the project, CEDIL (with the agreement of DFID) retains the right to determine ownership of the equipment beyond the contract period. Any equipment costing more than £10,000 may be subject to further requests for justification and evidence of appropriate procurement processes.

Research uptake costs: Costs for planned communications, knowledge exchange, public engagement or other impact activities.

Consultant costs: Costs for external consultants, where clearly justified, may be included.

Survey costs: Where these are contracted to external organisations. CEDIL may ask for evidence that appropriate procurement processes are in place.

Publication costs: Article Publication Charges (APCs) for open access publication are eligible, as well as costs to produce non-peer reviewed documents (policy briefs, books, etc.) where these are clearly justified to enhance the impact of the project.

Other costs: Other types of costs are eligible, provided they are directly incurred by the project, can be justified as essential to the delivery of the project's objectives, and do not constitute ineligible costs (see below).

All columns on the other direct project costs sheet should be completed as follows:

Cost type: A brief description of the type of cost, including those listed above.

Organisation: The name of the participating organisation which will incur the cost.

UK Research Organisation?: If the organisation is a UK research organisation which will calculate its indirect costs on a Full Economic Cost basis, select yes from the drop down list. This will ensure the template calculates your costs correctly.

Country in which cost incurred: This information is required for CEDIL to report on its expenditure as compliant with Official Development Assistance (ODA) standards.

Unit cost and number of units: The cost of a single unit (e.g. flight, laptop) and the number of units required. For consultants, the unit cost should be their daily fee rate and the number of units should be the total number of days they will contribute to the project.

Description: This should provide a clear description of the cost, as well as the basis for calculating its amount.

3. Indirect costs

CEDIL will pay indirect costs to organisations according to a percentage of direct salary costs, depending on the location of the organisation. UK organisations eligible for UK government research funding should calculate their indirect costs according to the Transparent Approach to Costing (TRAC) methodology¹. CEDIL will pay 80% of full economic costs calculated according to this method. CEDIL reserves the right to request evidence that indirect costs are allocated to supporting research activities at the organisation, though a reasonable percentage of this can be allocated to profit by private sector organisations. Organisations may request lower rates of indirect costs where they believe these will be sufficient to cover their needs.

The maximum rates of indirect costs are as follows:

UK research organisations	80% of Full Economic Costs (FEC) as determined by the TRAC methodology
Other organisations in high-income countries, or private sector organisations anywhere in the world	20% of direct salary costs
Not-for-profit research or other non-governmental organisations in low- and middle-income countries	50% of direct salary costs

On this sheet applicants should list all organisations with staff costed to this grant and the total salary for those staff (both DA and DI). If you are a UK research organisation you should mark 'yes' in this column and enter the level of indirect and estates costs requested. If you are not a UK research organisation, you should select no and enter the percentage rate for indirect costs you are requesting, up to the maximum specified above. The sheet will then calculate the total amount of indirect costs.

4. Budget summary

¹ <https://www.trac.ac.uk/about/>

If the template has been completed correctly, the budget summary sheet should automatically calculate the total cost of the project. Applicants should ensure their total budget is below the threshold of the project type to which they are applying. Proposals with budgets exceeding the limit will be rejected.

The budget summary sheet also includes a text box where applicants should provide details of any costs in the budget which were calculated through currency conversions to GBP, including the basis for the exchange rate used.

5. Ineligible costs

As noted above, costs for PhD or Master's students related to their course of study or degree projects are ineligible. In addition, in accordance with standard DFID guidance, the following costs are ineligible:

- Activities which may lead to civil unrest
- Activities which discriminate against any group on the basis of age, gender reassignment, disability, race, colour, ethnicity, sex and sexual orientation, pregnancy and maternity, religion or belief
- Gifts
- Statutory fines, criminal fines, penalties and associated legal costs
- Payments for works or activities that are fully funded by other sources whether in cash or in kind. For example, if premises are provided free of charge, DFID will not contribute to a notional rent.
- Activities in breach of EU legislation on State Aid
- Bad debts to related parties
- Payments for unfair dismissal and associated legal costs
- Replacement or refund of any funds lost to fraud, corruption, bribery, theft, terrorist financing or other misuse of funds
- Inflation or foreign exchange contingency
- Contingency or risk premium
- Depreciation
- Costs incurred prior to a formal agreement being executed including those associated with preparing bid or grant proposals

6. Guidance on preparing the budget justification document

The budget justification should provide an explanation of the lines included in the budget. For each budget line, this should include:

- An explanation of why the expenditure is needed to deliver the objectives of the project.
- A note of how the costs were calculated.

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- A description of any steps that have been or will be taken to maximise the value for money of the cost.

The level of named individuals' salaries does not need to be justified in the budget justification document. Daily fee rates for consultants and the salary level of any unnamed staff should be justified. CEDIL reserves the right to cut any budget lines which it feels are inadequately justified.