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# Royal Society Grant Funding Guidance

## Introduction

This document provides guidance on Royal Society application finances, cost eligibility and organisation funding rules. This guidance applies to the following Royal Society programmes:

- University Research Fellowships
- Dorothy Hodgkin Fellowships
- Newton International Fellowships
- Royal Society Research Professorships
- Career Development Fellowships

For other [Royal Society programmes](#) please see the appropriate guidance documents

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## **1 Programme specific funding rules**

Some programmes have specific funding rules that fall outside of the core funding rules listed within this document. Programme specific funding rules are listed within the scheme notes. Please note, in circumstances where the core and programme specific funding rules conflict, the programme specific funding rules take precedence.

## **2 General Information**

The following funding rules only apply to new applications from January 2023.

The finance section of the application should provide a breakdown of costs associated with undertaking the grant as described in the proposal. The finance form breaks costs down into directly incurred staff costs, other directly incurred costs, directly allocated costs, estates and indirect costs.

Applicants should consult their organisation's finance department for the appropriate figures to include within their application finances.

Resources requested must be appropriate for the activities proposed and demonstrate value for money.

The Royal Society will fund grant applications from UK based Higher Education Institutions (HEIs) and Research Council supported Research Institutes (RCI) on a Full Economic cost (FEC) basis. The FEC contribution used differs to that utilised by UKRI and other funders and applicants should read the below guidance carefully.

The Royal Society will also fund grant applications from eligible UK based Independent Research Organisations (IROs).

Payments will be made to the contracted organisation only and the contracted organisation will be responsible for passing on any money due to their partner organisation(s).

Payments will be released in line with the requested annual values within the application. The Royal Society recommends that applicants spread research expenses equally across the grant duration, although we will consider alternative payment schedules. The Royal Society reserves the right to amend the phasing of payments where it is deemed necessary.

Stipend payments where applicable will be paid annually in advance, as part of the first payment instalment.

Further itemisation of costs and methods of calculation may be requested to support the application before an award is made.

Appropriate sub-contracts must be put in place for any element of the grant which is to be paid to another organisation.

All applications are expected to have appropriate partner organisation input into the finance section of the application form.

Applicants are to apply the funding rules listed in section 3 to anticipated partner organisation costs.

### 3 Grant Funding Caps and Inflation

Each Royal Society programme will allow a maximum value that may be applied for. This value will be listed within the programme specific scheme notes. Within this maximum value, a reasonable level of inflation to all grant costings should be applied, except for PhD studentships and fees (see [5.3](#)). The Society reserves the right to reduce the levels of inflation applied if it does not consider the rate applied to be reasonable.

### 4 Information on different types of organisations

#### 4.1 UK Higher Education Institutes (HEIs) and UK Research Council supported Research Institutes (RCIs)

The Royal Society will fund HEI and RCIs at the following rate:

<b>Cost Category</b>	<b>Royal Society Contribution</b>
Directly incurred staff costs including Fellows' salary and oncosts	80%
PhD studentships and fees	100%
Other Directly Incurred: including travel, consumables, and small items of equipment (less than £10,000)	100%
Single items of Equipment (from £10,000)	100%
Directly Allocated (including estates costs) and Indirect Costs	80%

All HEI and RCI led grant proposals should be costed based on the Full Economic Costs (FEC) necessary to deliver the proposed research.

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. 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.

If a grant is awarded, The Royal Society will provide funding at 80% of the FEC for Directly Incurred staff costs, Directly Allocated costs and Indirect costs. The organisation must agree to find the balance of FEC for the project from other resources.

UK Higher Education Institutes required to submit Annual TRAC returns should use their most recently submitted research charge-out rates when preparing a grant application.

HEIs that are eligible for and are claiming dispensation from TRAC should use the dispensation rates.

Although Research Institutes are rarely required to submit TRAC returns, the TRAC principles should still be followed where relevant when costing research projects. Institutions that do not use TRAC

methodology should apply their organisation’s own methodology for calculating research charge-out rates if these rates have been approved by UKRI in the last 12 months.

#### 4.2 Independent Research Organisations (IROs)

The Royal Society will fund IROs at the following rate:

<b>Cost Category</b>	<b>Royal Society Contribution</b>
Direct costs	100%
Overheads	Up to 25% of Direct costs (Excluding costs related to subcontracting or internally invoiced goods and services)

IROs who wish to apply on a Full Economic Costs (FEC) basis and have had Research charge-out rates approved by UKRI within the last 12 months, or who use the default rates are permitted to do so but should contact Royal Society [grants@royalsociety.org](mailto:grants@royalsociety.org) in advance of submitting their application.

#### 4.3 UK collaborator costs

The Royal Society will fund eligible costs for collaborators based in the UK (for example, UK HEIs, not-for-profit research institutes and research organisations). UK HEI collaborators costs will be funded at the same rates listed within 4.1. Not-for-profit research institutes and research organisations’ collaborator costs will be funded at 100% of the direct costs, in addition up to a further 25% of direct costs may be claimed to support indirect costs or overheads. The Royal Society reserves the right to remove collaborators’ costs that are deemed ineligible or that do not represent value for money.

#### 4.4 International collaborator costs

The Royal Society will fund eligible costs for international collaborators (this will include but is not limited to international HEIs, not-for-profit research institutes and research organisations). Such costs will be provided at the funding rate of 100% of the direct costs, in addition up to a further 25% of direct costs may be claimed to support indirect costs or overheads. The Royal Society reserves the right to remove collaborators’ costs that are deemed ineligible or that do not represent value for money.

### 5 Directly Incurred

Costs may be requested under Directly Incurred if they meet the general requirement that they are grant-specific, auditable costs. Research Fellows time should be charged as Directly Incurred cost. Other staff (if applicable) can be charged to a grant 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 fellowship or where timesheets are used.

To note, costs cannot be requested as Directly Incurred that are otherwise already costed into Directly Allocated, or Indirect costs of the organisation (i.e., double funding must not occur).

#### 5.1 Directly Incurred Staff (including Research Fellow)

### 5.1.1 Research Fellow's salary

The Royal Society will cover the research fellow's salary and any associated on-costs. It is expected that the requested basic salary will be comparable to academic staff at an equivalent career stage in their field. Posts may be held full or part time. Annual salary increments over the period of the Fellowship should be considered but requested funds should not anticipate future pay awards. Once the grant has been awarded no additional requests can be made for supplementary salary uplifts.

### 5.1.2 Other research staff

The Royal Society will cover other staff costs and any associated on-costs at the host organisation commensurate with skills, responsibilities, expertise, and experience. It is expected that the requested basic salary will be comparable with institutional salary scales or equivalent departmental posts. Posts may be held full or part time.

All categories of research and non-research staff are eligible but should be appropriately justified including, but not limited to: Postdoctoral Research Assistants, Technicians, Fieldworkers, Project Managers. Salaries provided should be consistent with the host organisations pay scales.

Where staff contributions cannot be audited these costs should be included as a directly allocated cost (FEC) i.e. shared resources such as technicians or laboratory staff.

### 5.1.3 London allowance

London allowance is an eligible cost where applicable and should be included where appropriate under the institution's pay policy, and if not included in basic salary

### 5.1.4 Oncosts

Oncosts may include employer's National Insurance contributions, employer's pension contributions, Apprenticeship Levy and the Health and Social Care Levy.

For international collaborating organisations, this may include medical insurance and social security costs.

## 5.2 Directly Incurred Equipment (above £10,000)

Equipment may be sought as part of a fellowship application, where the items of equipment requested are necessary for the successful delivery of the proposed research. This can include cost of delivery, installation, spares and software procurement and the cost of maintenance.

The Royal Society will contribute up to 100% of the final purchase price of any item with a value greater than or equal to £10,000. Contributions from the host institution or other external sources are encouraged but not mandatory. Any contribution offered must not be conditional e.g. predicated on the success of other grant applications, and must not be from other Royal Society funded grants.

Applicants should follow Host organisation procurement policy when purchasing equipment.

The Royal Society reserves the right to negotiate a contribution in some cases if the proposed purchase is not affordable.

### 5.3 PhD studentship stipend and fees

Applicants are permitted to request new UK based PhD studentships and fees provided there is sufficient time within the grant duration to allow the PhD student to complete (4 years full time or pro-rata equivalent).

Applicants must use The Royal Society's yearly rates for stipend and fees listed on the tables below. Inflation should not be applied to these costs.

#### 5.3.1 PhD stipend and fees (four-year rates)

The figures below show the rates for each year of PhD studentships irrespective of which grant year they start. New students will always start on the year 1 rate.

#### Outside London

Year of Studentship	Year 1	Year 2	Year 3	Year 4
Stipend	£20,034	£20,636	£21,254	£21,892
Fees	£4,712	£4,853	£4,999	£5,149

#### Inside London

Year of Studentship	Year 1	Year 2	Year 3	Year 4
Stipend	£22,410	£23,204	£23,901	£24,618
Fees	£4,712	£4,853	£4,999	£5,149

The Royal Society will only support fees up to the Royal Society's set home/UK fees rate as outlined above. Any shortfall between our standard fee allowance and the international fee rate must be covered by another source of funding.

The value of the stipends and fees may not be changed once granted. However, where additional or replacement students are recruited, funds may be vired from Directly Incurred costs. Any studentship funding or fees cannot be vired out of this cost category.

Direct costs associated with studentships that are incurred by the institution on behalf of postgraduate research students (travel and subsistence, consumables etc) should be included in the fellowship costs within the other directly incurred costs. Indirect and estates charges linked to students are ineligible.

Separate college and bench fees may not be charged. Students should not be required to pay fees of this type from their stipend.

### 5.4 Other Directly Incurred Costs

The Royal Society will fund 100% of Directly Incurred (DI) research expenses, primarily categorised as Travel and subsistence, Consumables, items of Equipment under £10,000, purchase of animals. The Royal Society's funding is intended to provide the resources required for successful researchers to achieve their research aims. The following provides a list of eligible costs; this is indicative and other

costs may be included subject to appropriate justification. The Royal Society reserves the right to remove any costs considered to be inappropriate:

- Travel and subsistence
- Consumables
- Open Access
- Relocation expenses
- Visa costs
- Small equipment
- Software, software licences and other recurring computing costs dedicated only to the project.
- Specialist publications (not expected in institutional libraries)
- Fieldwork fees/subjects/informants
- Technical and non-technical training
- Consultancy fees
- Public engagement costs
- Research Data management
- Recruitment and advertising costs for staff directly employed on the project
- Purchase/hire/running costs of vehicles if necessary for the project
- Summer students
- Subcontracting - Research Organisations must ensure that expenditure on sub-contracts are subject to robust controls to ensure value for money and propriety.
- Animal costs (may be charged as directly incurred or directly allocated depending on how an institution allocates costs)
- Access charges to facilities and services which are not recoverable through other sources.
- Public and school engagement

Guidance on some of the above headings is provided below.

#### 5.4.1 Travel and subsistence

All travel should only be undertaken if necessary and should consider the environmental impact and whether the same objectives may be met without the requirement for travel.

Travel costs may be included as an eligible research cost where it is required for the delivery of the research objectives set out in the application, this would include but not be limited to training of group members, communication of research findings (conference attendance), collaborative visits and fieldwork.

Travel arrangements must also take into account value for money considerations, however grant holders are encouraged to use the most environmentally sustainable form of transport rather than the most cost effective. Travel by train must be in standard class. For flights travel should be in economy class for flights less than 5 hours and premium economy for flights of 5 hours or more. All other travel and subsistence costs should be consistent with the host organisation's travel policy.

The Royal Society will not pay for the cost of carbon offsetting arising from travel associated with grants.

The costs of travel insurance should normally be covered by the indirect costs of the research organisation. But they may be requested as a separate directly incurred cost where it can be shown that the cost: arises specifically as a result of the project funded by the grant; is not covered by the existing organisation policies; and is separately identifiable and audited.



Receipts should be kept where possible, and staff should be reimbursed for actual vouched expenses. Where this is not possible when travelling outside the UK expenses for accommodation and subsistence may be claimed in line with the rates as set by HMRC. <https://www.gov.uk/guidance/expenses-rates-for-employees-travelling-outside-the-uk>

The total amount requested for Travel and Subsistence can be entered in the grant application as a single figure.

#### 5.4.2 Consumables

Consumables required to deliver the grant are permissible except where they are otherwise already included within facility and equipment charge out rates.

#### 5.4.3 Open Access

The Royal Society is committed to the widest possible dissemination of research outputs through the awards it supports. All recipients of a Royal Society award are encouraged to publish peer-reviewed accepted articles and conference proceedings in open access journals. As a minimum, award holders are expected to follow green routes for open access by publishing in a journal which allows deposit of the accepted manuscript version in an institutional or subject repository with no embargo period on access. The Royal Society's preference is for the version of record of peer-reviewed publications to be freely accessible and re-useable on publication to ensure the widest reach and maximum benefit to the scientific community.

In order to support award holders to achieve this, the Royal Society will allow the use of funding to cover fair and reasonable article processing charges (APCs) for articles published in journals or platforms with immediate open access under CC-BY licence.

The total amount requested for Open Access can be entered as a single figure.

#### 5.4.4 Relocation expenses

Relocation costs consistent with the host organisation's policy on relocation may be covered by the grant. Reasonable relocation expenses beyond those normally covered through the host organisation policy, including for the Fellow and/or their immediate dependants (partner and children) may still be included but may require further justification to be provided. The Royal Society reserves the right to reduce such relocation costs where they are not considered to be reasonable. For the avoidance of doubt costs must be covered by the host organisations and may be reclaimed through grant.

The Royal Society wants to attract the best global talent and does not want to financially disadvantage individuals experiencing high relocation costs. While we want applicants to include relocation costs as part of their grant application, we do not consider these costs as contributing to the total grant value when considering the grant funding caps. In some instances, the inclusion of relocation costs may result in a grant exceeding the maximum grant funding cap. The Royal Society reserves the right to reduce such relocation costs where they are not considered to be reasonable. Relocation expenses will be funded at 100% of the costs incurred.

#### 5.4.5 Visa costs

Fellows requiring a visa to work in the UK are eligible to apply for a Global Talent Visa under the fast-track process of endorsement. Other visa categories are also available. Applicants may request costs to cover visa application fees, including the immigration health surcharge, for the lead applicant and their immediate dependants (partner and children).

The Royal Society wants to attract the best global talent and does not want to financially disadvantage individuals experiencing high visa costs. While we want applicants to include visa costs as part of their grant application, we do not consider these costs as contributing to the total grant value when considering the grant funding caps. In some instances, the inclusion of visa costs may result in a grant exceeding the maximum grant funding cap. The Royal Society reserves the right to reduce such visa costs where they are not considered to be reasonable. Visa cost will be funded at 100% of the costs incurred.

## 6 Directly Allocated (FEC only)

Costs should be requested under Directly Allocated where resources will be used by a project but are also shared by other activities. They are charged to projects based on estimates of usage rather than actual costs and do not represent actual costs on a project-by-project basis. The Estate and the Indirect element of the award should be applied on the basis of a single figure calculated by the Host Organisation.

### 6.1 Directly Allocated Investigators

Any staff working directly on a project, whose time is based on estimates rather than actual costs should be included under Directly Allocated. Where costs are actual, auditable and verifiable, they should be included under the directly incurred heading.

### 6.2 Other Directly Allocated

Other Directly Allocated includes costs of shared resources, such as Research and technical staff whose time is shared across several projects (such as pooled and infrastructure technicians) and is not supported by an audit record, charge-out rates for equipment and major research facilities, Charge-out costs for departmental technical and administrative services and animal costs (where there are no auditable records of use).

### 6.3 Estate costs

Estate costs may include building and premises costs, basic services and utilities, as well as clerical staff and equipment maintenance or operational costs that have not been included under other cost headings. They will be calculated by the Research Organisation and a single figure will be required at the time of application.

Where any member of research staff will be working away from the host institution for 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 by the host institution.

Estate 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 the Royal Society. Under such circumstances, we would expect the grant-holding organisation to pass the relevant share of estate costs to the organisation hosting the staff.

## **7 Indirect costs/overheads**

Indirect costs are costs used by multiple activities, and which cannot therefore be assigned to specific cost objects. Non-specific costs charged on estimates that are not otherwise included within 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.

For FEC institutions Indirect costs will be charged in proportion to the amount of research staff effort requested on the award. These costs are calculated on the basis of TRAC FEC methodology.

The applicant(s) should consult their HEI finance departments for the appropriate figures to include in the estate charges and other indirect cost sections.

### **7.1 Transparent Approach to Costing (TRAC)**

Research organisations that use the Transparent Approach to Costing (TRAC) costing methodology should use these rates when calculating their Estate and Indirect cost.

Organisations that are eligible for dispensation from the need to comply with the full TRAC requirements should apply the lower of their own estates and indirect charge-out rate, or the dispensation estates and indirect charge-out rate.

Organisations that are not required to implement TRAC must have a robust costing methodology in place that has been validated by UKRI in order to apply their own estates and indirect costs rate. Institutions that do not use TRAC methodology or have rates that have been approved by UKRI in the last 12 months should contact the Royal Society Grants team [grants@royalsociety.org](mailto:grants@royalsociety.org) at the earliest opportunity.

Only individuals categorised as research staff attract an estate and indirect cost. Technicians and other research support staff, such as computer officers, project managers, engineers etc., are not regarded as research staff and therefore are not included in the FTE multiplier for calculating estate and indirect costs

### **7.2 Independent Research Organisations**

Indirect costs will be provided at the funding rate of up to 25% of the total direct costs allowed and may be claimed to support indirect costs or overheads. The Royal Society reserves the right to remove collaborators' indirect costs that are deemed ineligible or that do not represent value for money. The rate does not apply to costs related to subcontracting or internally invoiced goods and services.

### **7.3 UK and International collaborator costs**

Indirect costs will be provided at the funding rate of up to 25% of the total direct costs allowed and may be claimed to support indirect costs or overheads. The Royal Society reserves the right to remove collaborators' costs that are deemed ineligible or that do not represent value for money.

## **8 Virement rules**

Funds must be used to support the objectives of the Fellowship only.

Funds cannot be transferred outside of the grant.

Virement is permitted only within Directly Incurred costs, at the appropriate contribution rate.

Virement into or out of the Research Fellow's salary is not permitted without agreement from the Royal Society.

Funds may be vired into equipment from Directly Incurred costs for the purchase of a new or unanticipated items of equipment. Approval will be required from the Royal Society for new equipment items costing £10,000 or over. Royal Society reserves the right to seek contributions from the Host Organisation for such items.

The value of postgraduate stipends and fees may not be changed. However, where additional or replacement students are recruited, funds may be vired from Directly Incurred costs.

## **9 Justification of costs**

Applicants must provide a full justification of costs. This includes but is not limited to:

All direct and indirect costs – including the costs of all staff, consumables, equipment and other direct and indirect costs.

Inflation rate applied to the grant application, specifying the rate applied in each of the grant years and how the rate applied is reasonable. Please note, the Royal Society reserves the right to reduce the levels of inflation applied if it does not consider the rate applied to be reasonable.

Equipment items over £10k, specifying why the equipment is essential to the delivery of the grant and how the value of the equipment has been determined.

UK and International collaborator costs – including all direct and indirect costs rates charged to the grant.