



Research Grants and Contracts Overhead Policy and Governance

1. Introduction and values

- 1.1. Queen Mary University of London's mission is to create an excellent environment for research and researchers. Dedicated to the public good, we will generate and share new knowledge, challenge existing paradigms, and engage locally, nationally and internationally to create a better world.
- 1.2. Most research projects at QMUL are costed using Full Economic Costing (FEC); exceptions being some EU funded programmes or industrial collaborations. Full Economic Costing (FEC) is a government-directed standard costing methodology used across the UK Higher Education sector to produce consistent and transparent research project costs. The underlying principle of FEC is to establish the true cost of research, and for this to inform the amount requested from funders (the price).
- 1.3. In simple terms, FEC aims to capture all the running costs of the research project, including consumables, travel costs, facility access, staff costs, estates, infrastructure costs, and any other day-to-day project costs.
- 1.4. Understanding the true cost of a research project is critical to securing the correct level of funding in support to a project's research objectives. All research projects at QMUL are costed and approved using the Worktribe grant management system. Worktribe uses budget templates to make capturing the cost of conducting research easier, helping to ensure that we adhere to FEC principles.

2. Purpose

- 2.1. This policy provides guidelines that cover financial and legal aspects which determine an appropriate overhead recovery.
- 2.2. The purpose of this policy is to ensure that we are recovering the appropriate overhead on our research grants and contracts, to enable us to continue to maintain and invest in high quality facilities and equipment, and maintain the excellence of our academic research.
- 2.3. A further purpose of this policy is to ensure equality of treatment of grants and contracts with respect to overheads, so that grants and contracts from similar sponsor groups with the same levels of obligations and conditions will carry the same level of overheads across the university. This ensures equality between investigators.
- 2.4. Moreover, we aim to reduce the time spent on internal discussion on appropriate overhead rates by allowing grants which clear the hurdles to proceed rapidly through the system, thus freeing academic time for research.

3. Legislative context

- 3.1. All grants will abide by the funder's terms and conditions, and this policy to recover the appropriate overhead.

4. Scope and definitions

- 4.1. This policy is applicable to all Queen Mary initiated and managed research grant applications, collaborative bids with industrial or other partners, and to working with subsidiaries and to charity funders where overheads are recoverable. Any project costing must comply with the relevant funder's regulations and frameworks.
- 4.2. The list below sets out the definitions of terms used within this policy.
 - a) **Overhead:** Overhead is calculated on Worktribe as the total grant income from sponsor less 100% FEC Directly Incurred Costs (fixed term staff, consumables, equipment, travel and other directly incurred costs).
 - b) **Overhead % Rate** is calculated as $[(\text{Overhead}) / (100\% \text{ FEC Directly Incurred Costs})] \times 100\%$
 - c) **Full Economic Cost (FEC) Categories**
 - 1.a.c.1. Directly Incurred costs are project-specific - they arise as a direct consequence of the project taking place and must be auditable at the project level (e.g. supported by supplier invoices)
 - 1.a.c.2. Directly Allocated costs are not project-specific - they are incurred whether or not the project takes place and are estimated at project level e.g. Investigator time, Technician time (where not directly incurred) and Estates costs.
 - 1.a.c.3. Indirect costs represent the costs of central and distributed services shared by other activities that are not project-specific e.g. Library services, Finance, Human Resources, and IT.
 - d) **Transparent Approach to Costing (TRAC)** defines researcher, as "A Researcher in a project is anyone who will make a significant intellectual contribution to a research project. Typically, such a person would be qualified to carry out independent or supervised research, might provide an academic lead for research, or could provide expert advice to a research project. A researcher has a thorough understanding of what they are doing, can interpret results and devise appropriate ways forward (rather than, for example, carrying out a set of routine operations under carefully supervised conditions)". TRAC rates are updated each year and become effective from 1 February in each year.

5. Principles

- 5.1. Most research projects at QMUL are costed using Full Economic Costing (FEC); exceptions being some EU funded programmes or industrial collaborations. Full Economic Costing (FEC) is a government-directed standard costing methodology used across the UK Higher Education sector to produce consistent and transparent research project costs. The underlying principle of FEC is to establish the true cost of research, and for this to inform the amount requested from funders (the price).
- 5.2. In simple terms, FEC aims to capture all the running costs of the research project, including consumables, travel costs, facility access, staff costs, estates, infrastructure costs, and any other day-to-day project costs.
- 5.3. Understanding the true cost of a research project is critical to securing the correct level of funding in support to a project's research objectives. All research projects at QMUL are costed and approved using the Worktribe grant management system. Worktribe uses budget templates to make capturing the cost of conducting research easier, helping to ensure that we adhere to FEC principles.

6. Roles and responsibilities

- 6.1. The Research and Innovation Board (RIB) is responsible for overseeing the recovery of research overheads. Current membership comprises the Vice-Principal for Research and Innovation, Vice-Principal for Policy and Strategic Partnerships, Faculty, School and University Research Institute (URI) Deans for Research, Deputy Vice-Principals for Research Culture and for Impact and Innovation, the Chief Executive Officer of Queen Mary Innovations, the Director of Research and Innovation, and the Executive Officer for Research and Innovation.
- 6.2. RIB will monitor, review, and when necessary, challenge the level of overhead recovered through grants. In addition, they will, where necessary, form views on whether Schools and Institutes are bringing in sufficient grant overhead to offset their costs and support an excellent research environment. Rolling averages (3 year) will be created as it is acknowledged that available funding varies from year to year and that a portfolio approach to funders is more resilient. Research Deans will feed back any concerns raised at RIB to the wider School/Institute leadership and vice versa.
- 6.3. QMUL pre-award staff have been instructed to return certain applications from Investigators where overheads judged not at appropriate levels. They will also return applications where restrictive elements form part of the funder's standard grant terms and conditions (Currently, The Rosetrees Trust is the only funder where this applies). For any level of overhead below those given in 7.2, the reasons for the reduced level will be shared with the Vice Principal Research

and Innovation and Director of Research & Innovation, who will not refuse reasonable requests. Justification for requests will be entered onto Work tribe (QMUL's grant management system) and authorised by the pre-award team, after consulting the Director and VP as necessary.

- 6.4. Grants that have been submitted without being registered on Work tribe for approval and are subsequently found to be costed at less than the minimum overhead at Annex A, could be cancelled or the School/Institute will be required to make up the difference from their own funds.
- 6.5. Clinical Trial Units use senior management grade Professional Staff to carry out research delivery support. These staff need to be graded as research staff to attract allowable overheads. HR are in the process of attempting to change this for existing appointments and JRMO will cost future posts in line with this policy.

7. Policy details section

- 7.1. The following broad categories of grants/contracts/projects are described to assist in determining the appropriate overhead:
 - a) **Charity Funded Research** – Where the Investigator conceives and develops a programme of work and approaches a charitable organisation for financial support. QMUL will own any foreground IP including results and data, which is unencumbered. There are no restrictions on publication. There are a small number of charities who do not comply with our policy, and we encourage you not to apply to them, e.g. Rosetrees Trust. In this situation you should be prepared to explain why they are the only potential funders of your proposal. Furthermore, if there are any restrictions on IP or publication, overheads should be sought, as this could be considered Contract Research, or a Service Contract, and normal funder rules do not apply.
 - b) **Studentships partially funded externally** – Where an external funder may provide financial support, materials, data and other in-kind benefits to a research student or students. There are no IP obligations and no restrictions on publications.
 - c) **UKRI/NIHR/Govt funded research** - Where the Investigator(s) conceives and develops a programme of work and secures funding from UK Government sponsors. QMUL owns any foreground IP including results and data, which is unencumbered. There are no restrictions on publication.
 - d) **Clinical Trials Non-Commercial Research** – Where QMUL are involved in a clinical trial that is funded by a non- commercial organisation such as MRC, NIHR or where the protocol is owned by another HEI or NHS Trust. Publication is permitted.

- e) **Industrial / Commercial funded Investigator Initiated Research** – Where the Investigator conceives and develops a programme of work and approaches commercial organisations for financial and or other support. QMUL owns any foreground IP including results and data.

There may be arrangements for joint IP, licensing and support of patent costs. The work produced can be published after a maximum of 6 months delay to allow sponsor to assess IP.

- f) **Collaborative Industrial Research** – Where there is a degree of general collaborative interplay between parties that may lead to joint outcomes such as, publications, joint publications, and licences for data usage for academic purposes, possible data sharing and extend to licences and royalties and other IP considerations.
- g) **Studentships fully funded externally** - Where an external funder may provide financial support, materials, data and other in-kind benefits to a research student or students. There are no obligations on IP and no restrictions on publications.
- h) **Industrial Research with IP** – Where QMUL are approached by a private sector organisation to conduct research following the external organisation's programme or protocol. The Company own any foreground IP. The work produced can be published after a maximum of 6 months delay to allow sponsor to assess IP.
- i) **Technical or Expert Service Provision** – Where QMUL are providing technical or expertise to another party for a research project and where QMUL are not a collaborative party. Examples include work delivered through the Genome Centre, AI Bayesian Unit, laboratories or Clinical trial units. QM do not own the IP, and publication is not permitted.
- j) **Clinical Trials Contract Research** – Where QMUL are approached by a sponsor (a commercial organisation or subcontracted by a NHS Trust to conduct a clinical trial, in which the protocol belongs to the commercial company and where the commercial company are the legal sponsor).

7.2. Appropriate Overhead Rates to be applied by sponsor category

Funder	Rate	Allowable variances
a) Charity funded research	No overheads obtainable	If there are any restrictions on IP or publication, overheads to be sought.
b) Studentships partially funded externally	No overheads sought	If there are any restrictions on IP or publication, overheads to be sought.
c) UKRI/NIHR/Govt funded research	80% FEC Minimum rate of 45% on DI staff FEC Where no DI staff exist, and only DA staff exist no rates apply	Minimum rate of 45% on DI staff can be discussed if there is equipment on grant.
d) Clinical Trials Non-Commercial Research	80% FEC Minimum rate of 45% on DI staff FEC Where no DI staff exist, and only DA staff exist no rates apply	Minimum rate of 45% on DI staff can be discussed if there is equipment on grant.
e) Industrial / Commercial funded Investigator Initiated Research	100% - 110%v FEC depending on IP (any license granted, exclusive/non-exclusive and publications terms (length of delay))	Discussion with VP R&I or Director of Research & Innovation if you plan to bid lower than the stated rate, furthermore any variation to the Overhead rate stated needs their written approval.
f) Collaborative Industrial Research	100% - 110%v FEC depending on IP (any license granted, exclusive/non-exclusive and publications terms (length of delay))	Discussion with VP R&I or Director of Research & Innovation if you plan to bid lower than the stated rate, furthermore any variation to the Overhead rate stated needs their written approval.
g) Studentships fully funded externally	100% - 110%v FEC depending on IP (any license granted, exclusive/non-exclusive and publications terms (length of delay))	Discussion with VP R&I or Director of Research & Innovation if you plan to bid lower than the stated rate, furthermore any variation to the Overhead rate stated needs their written approval.
h) Industrial Research with IP	120 % FEC	Discussion with VP R&I or Director of Research & Innovation if you plan to bid lower than the stated rate, furthermore any variation to the Overhead rate stated needs their written approval.
i) Technical or Expert Service Provision	130% FEC	Discussion with VP R&I or Director of Research & Innovation if you plan to bid lower than the stated rate, furthermore any variation to the Overhead rate stated needs their written approval.
j) Clinical Trials Contract Research	130% FEC	Discussion with VP R&I or Director of Research & Innovation if you plan to bid lower than the stated rate, furthermore any variation to the Overhead rate stated needs their written approval.

8. Associated information

- 8.1. Overhead rates will be reviewed at least annually, and will be updated within 1 week if funders change their rates
- 8.2. Work Tribe costing questionnaires will be updated to deliver this policy and minimise work from academic or Professional Service staff working on grant applications.

9. Review

- 9.1. This policy will be reviewed at least every two years.
- 9.2. Minor updates to this policy that do not affect the rules, principles or intent of this policy may be approved by Andrew Livingston on behalf of the Senior Executive Team

Policy Information and Document Control

Policy title	<i>Research Grants and Contracts Overhead Policy and Governance</i>
Version number	<i>V1.1</i>
Related policies and procedures	<i>If the policy refers to other policies, procedures or guidance, list the names of these here (and include hyperlinks?)</i>
Superseded policies	<i>Overheads Policy 20_21 SET Paper</i>
Approval level	<i>Senior Executive Team</i>
Approval date	<i>14 Jan 2021</i>
Effective date	<i>(If the policy is not taking effect from the date of approval e.g. for the start of the next academic year, enter the date it becomes effective.</i>
Next review due	<i>Nov 2027</i>
Policy owner	<i>Stephen Ford, Director of Research Operations</i>
Policy contact	<i>Stephen Ford, JRMO-Admins@qmul.ac.uk</i>

Version Control

Version	Date	Reason for updates/Summary of key changes
V1	<i>14th Jan 2021</i>	<i>Introduction and approval by SET</i>
V1.1	<i>25th Nov 2025</i>	<i>New format of Policy Document, and updating titles of groups and individuals</i>