

Budget Guidance

Secondary Analysis Data Projects

Aims and objectives

As a charity, it's vital we the YEF has a robust approach to budgeting, ensuring expenditure on our research is proportionate to its aims and objectives.

The purpose of this guidance is to ensure:

- YEF shows exemplary stewardship of public funds
- Researchers understand:
 - which costs can and can't be recovered;
 - that YEF does not operate a Full Economic Costing model; and,
 - where to go to with queries.

Summary of overall approach

Direct Costs

These are costs that are explicitly identifiable as arising from the delivery of a project. These direct costs need to be fully described in the YEF budget template. They include:

- **Staff:** payroll costs, inclusive of salary, national insurance, and pension, for full or part-time staff who will work on the project. These staff costs should be fully accounted for in the YEF budget template. In each budget template submission, we would generally expect an appropriate balance of staff allocation, with the most senior staff members providing supervision and quality assurance rather than data analysis and day-to-day project management. All staff time spent on the project can be included, including appropriate proportions of senior management time, and similar. We discourage researchers to avoid having their most experienced (and expensive) staff involved in too many of the day-to-day activities on the project.
- **Travel and Subsistence:** funds for travel and subsistence for use by staff who work on the project where these are required by the nature of the work. These should be directly attributable to project work, such as attending meetings. YEF will not typically fund participation at academic conferences. We expect researchers to make every effort to keep travel and accommodation costs to the minimum and will not reimburse first class travel.
- **Equipment:** YEF will fund reasonable equipment costs, where the work cannot be executed without these items. However, standard office equipment such as laptops, telephones or furniture cannot be charged without explicit agreement. Any significant capital expenditure items must be identified within the budget. The completed budget

template will need to provide justification for all equipment requested in the justification of resources document.

- **Data collection and access:** As the focus of this call is secondary data analysis, we do not expect data collection to be a significant cost. However, for projects where a small amount of primary data collection may be necessary, this can include the administration and access to standardised tests and incentives for taking part in research. Most secondary data accessed is likely to be made available free of charge. However, projects may also incur costs hosting and accessing datasets. Any costs for this would need to be clearly justified.

Indirect/overhead costs

YEF will fund some contribution to indirect/overhead costs – including the costs of administration, such as personnel, finance, library, office costs and some departmental service. However, these should not exceed 20% of staff costs.

The treatment of indirect costs/overhead costs is the main difference between YEF as a charity and other central government funders which often operate Full Economic Costing (or a relatively high percentage of Full Economic Costing such as 80%). This is not the approach we follow.

Guidance on specific budget issues

Increases to budgets

We encourage researchers to fully work through and allocate resources at the beginning of the project. The research budget we agree with successful applicants will be presented to Directors and treated as final. YEF will rarely, if ever, increase budgets because of researchers not adequately allocating costs for the activities that are described in research guidance.

However, we appreciate that research does not always go according to plan and that changes to design and methods may, on occasion, need to be made. We expect researchers to first explore accommodating these changes within the existing funding envelope.

Where additional costs are incurred due to circumstances beyond the researchers control, we will consider requests. We have a formal process for requesting changes to budgets, including researchers completing a variation request. Material changes to budget, such as those more than 10% of the total budget, will only be agreed to in exceptional circumstances.

With data research projects, significant time and resource can be required in requesting and obtaining access from relevant data owners. Researchers should plan adequately for this. YEF will not consider increases in budget due to a failure to anticipate how long this may take.

Phases of work

All data research projects have three funded phases:

1. production of a full research protocol and securing access to data;
2. completion of the initial analysis and production of an initial interim report; and,
3. completion of the final analysis and write-up of the final report.

During the **first phase**, projects will be funded through an initial design phase, where they will develop a detailed research protocol and analysis plan and complete any steps necessary for gaining access to their data. By the end of this phase, along with submitting an agreed protocol (which will be published on the YEF website), projects will need to demonstrate that they're on track to gaining access to the required data. This may include evidence of approval from data owners.

During the **second phase**, projects will receive their data and conduct any initial descriptive analysis and feasibility testing of the research design, underlying assumptions and/or alternative approaches as agreed in the research protocol. An interim report will be completed and signed-off with the YEF. These are typically internal documents for YEF to review progress against the agreed research questions.

During the **third phase**, projects will complete their full analysis (building off of the preliminary analysis and decisions taken throughout the second phase) and produce a final report, addressing each of the research questions in full. These will be published on the YEF website, following external peer review (a process funded and managed by YEF).

When completing the budget template, applicants should ensure budgeting is grouped around each of these three distinct phases.

Value Added Tax

YEF's position on VAT is like that of other What Works Centres. YEF commissions research grants, not service contracts, in most cases. This is because the research we commission is for the public benefit and is made freely available to the public via our online toolkit, guidance and other reports.

Since we commission our research and structure our relationship with researchers as a grant, the activity is not subject to VAT. However, input VAT is the value added tax added



to the price when you purchase goods or services that are liable to VAT. If researchers are including equipment or other items in their budget, and those items include input VAT, that input VAT can be charged to YEF and should be included in the budget template.

More guidance can be provided on how we've reached this position on request.