

## Review of Post-award Support: Restructure and Funding Model

### Introduction

A proposal to restructure post-award support was submitted and approved by UPRG following consultation to understand concerns and risks in moving to a new model of funding.

The proposal was discussed at meetings in FST, FASS and LUMS and individual meetings undertaken with Heads of Department (HoDs) in FST and FHM. This valuable process helped to unpick in more detail some of the concerns raised. There was also consultation with the unions and with staff directly affected by the proposed changes.

### 1. Rationale and main drivers for the proposed changes

There has been a significant increase in the quantity and complexity of research grants at Lancaster and the post-award support team in Research and Enterprise Services (RES) is struggling to cope with this increased and more complicated workload. The need for additional resource is becoming critical, evidenced by a significant backlog and feedback from researchers, departments and faculties. Issues affecting workload include increases in:

- Size and diversity of our grant portfolio: more awards and diverse funders
- Complex funder requirements: variances between schemes from the same funder and increasingly complex and more frequent reporting requirements
- Collaborative research: increased external and internal collaborators

A series of post-award process improvements was implemented and realised some efficiencies but the team's ability to drive further process and systems improvements is severely restricted due to current resource constraints. An innovative and sustainable approach to funding research support is needed that directly relates to the size and complexity of the research portfolio.

### 2. Details of the proposed change

[An innovative approach to funding research support](#)

A **new directly allocated (DA) costing model** for post-award support will be introduced from 1 October 2019 to enable a more flexible and responsive support structure for awarded research projects. Instead of being a very small element of our indirect costs, the cost of research post-award support staff will be attributed as directly allocated costs across the externally funded research portfolio. This will result in additional net research income to the University that will provide proportionate resourcing for post-award support and eventually reduce the level of core funding for this support.

Under the new model, research post-award support will be appropriately costed in research applications as a directly allocated pool admin cost.

A detailed template to estimate the admin load underpins a set of principles (Appendix 2) for applying an appropriate and justifiable admin cost to projects. This will inform the amount of time necessary to support a particular award and the application of the costs to the bid price will also take into account eligibility and any funder intelligence (e.g., expectations in the call text, information gathered at town hall meetings, grey intelligence). Three scenarios will apply:

- Pool admin costs eligible – included in both cost and price to the funder;

- Pool admin costs *not* eligible - costed but will not contribute to price. At the award stage, if there is recovery of estates and indirect costs the pool admin costs will be offset against these.
- Pool admin costs *not* eligible and where there is no recovery of estates and indirect costs - these will be included as £0 in both cost and price (to enable monitoring and reporting).

As grants are awarded, the directly allocated cost will be recovered through the duration of the project and the available staff resource will be deployed across the research grant portfolio.

Directly allocated income for support posts on awarded grants will contribute to a flexible pot so that in time, additional staff can be recruited, as support needs increase in line with research activities. It will enable the development of a pool of expert research administrative staff providing research admin support across a portfolio of grants, or as specific project administrators on large/complex collaborative grants. A version of this model has been running effectively in the School of Computing and Communications (SCC) for a number of years. This approach has been audited by UKRI and the European Commission and is acceptable to other funders where these costs are eligible.

These DA admin costs will be included in submitted research applications from 1 October 2019, although it will take a number of years for the DA costs to be recovered from awarded grants due to the lead-time between applications and awards and for the existing portfolio of grants, which do not include these costs, to end.

#### Risks and mitigations

During the consultation phase, concerns were raised about the move to a DA funding model. Many of these concerns centered on the increased visibility of the costs and the main concerns and risks included opinions that:

- Any DA pool admin cost visible on bids would make Lancaster look very expensive, therefore value for money (VFM) will be more difficult to evidence, especially when there is a need to make grant applications competitive;
- Certain panels within EPSRC might deprioritise Lancaster applications because the costs don't represent VFM, thus negatively affecting success rates;
- There is a danger that referees on Research Council applications take exception to the costs and mark down scores but without referring to the costs in the text, making any negative impact on success rates difficult to evidence;
- There is a need to account for sub-disciplinary differences – one size does not fit all;
- There is a corporate risk with this funding model, as other HEIs do not use it.

Advice was sought from the UKRI Deputy Head of Funding Assurance and with our EPSRC regional contact on our plans to move to a DA funding model. Even so, there is an element of institutional risk in moving to a new funding model, even one that has been proven to work in SCC.

Consequently, the implementation plan will include elements to help mitigate some of the risks and regular monitoring and reporting will be undertaken.

#### Training and guidance

A set of principles for applying an appropriate and justifiable admin cost to projects will underpin the approach (Appendix 1). This takes into account criteria that contribute to the level of administrative load required to support awarded research projects and will inform the amount of time that is considered appropriate and necessary on a particular bid.

The costing team, supported by colleagues in the wider development and pre-award team, will be trained to calculate and apply the costs using a detailed template based on the principles (Appendix

2 provides an example). The application of these costs to the bid price will also take into account eligibility and any funder intelligence (e.g., expectations in the call text, information gathered at town hall meetings, grey intelligence). Research Development Officers (RDOs) will advise on the correct wording for the justification of resources to ensure robust justification of the costs that adheres to funder guidance. Standard text that has successfully been used in SCC for a significant number of years will be adjusted (if necessary) to suit specific circumstances.

Principal Investigators (PI) are encouraged to seek advice from RDOs, when responding to any subsequent reviewers comments on the matter of value for money or on any aspect of project support and cost.

#### Reorganisation of post-award team

There will be a restructuring of the wider post-award support across campus with line-management of a small number of existing post-award/research administrative posts in FST departments transferring to Research Services with effect from 1 October 2019. The resulting team structure would involve central line-management through Professional Services, with local deployment to maintain existing relationships and to target support more effectively. New posts will be added to the overall team as resources become available through the funding model.

The resulting team of post-award staff has the benefit of coordinated leadership of a cohesive team. The team will use approved standard operating procedures (SOPs) in a consistent approach to improve resilience, agility and responsiveness. As the new model evolves over time there will be a more defined career structure for individuals, improved support for PIs on awarded grants, increased research income, improved cost recovery and improved cash flow for the University.

On the advice of UPRG, a further period of consultation with key Principal Investigators will review the proposal to recruit new directly incurred (DI) project administrator posts into the team as projects are newly awarded. The proposal recommends using a suite of job descriptions and person specifications developed to provide a consistent approach to recruitment, induction and training and to ensure candidates have the necessary skills and experience to undertake required project admin roles. PIs would be involved in the recruitment and selection of these new project staff and they would be located in departments/institutes to enable them to develop a close and trusted relationship with the PI and the project team.

Directly incurred staff currently employed on existing projects will not move over to Research Services as part of the restructure but will remain on their respective projects until their contract end dates.

### 3. Contributions to the University Strategy

The Research and Enterprise Services Division is committed to delivering effective and efficient support to enable the achievement of the University's strategic goals. This proposal will best support the institutional drive to increase and diversify our research income and contribute to the achievement of the goals and the values outlined in our Strategic Plan by:

- Providing a flexible and responsive post-award services with appropriate and proportionate support to enabling our researchers to **deliver excellent research**;
- **Increase and improve our reputation** with funders by providing, compliant, accurate and timely information, reports and claims;
- **Improve cash flow and Increase research income** by recovering more of the cost of the post-award support and ensuring full use of awarded grants through more regular reviews.

The new DA costing model and reorganisation of current roles will allow continuation of a good standard of service to academic colleagues as research awards and income increase, with aspirations towards sector-leading standards of service once the model matures and becomes fully developed and embedded.

The restructure and innovative post-award model will align with our core Divisional values and the **One Lancaster** approach as we strive to support staff, provide development and progression opportunities through a graded hierarchical structure and limit the use of fixed-term contracts.

#### 4. Monitoring the changes

The new DA funding model will be reviewed regularly to monitor progress and assess the risk and impact of adopting the new methodology. These measures will include:

- Reviewing referee comments for every Research Council bid to identify if the DA costs are being picked up and affecting reviews in a negative way;
- Producing cost recovery reports of the DA pool costs to evaluate the level of direct recovery and analysis of the impact on departmental fEC recovery rates;
- Reporting on changes to research income.

Senior managers in RES and Finance will analyse reports to inform any necessary adjustments or revisions to the model, both in terms of structure and funding and to minimise risk on success rates or cost recovery. There will be an initial annual review at 12 months and progress reports for the TRAC and FEC Steering Group. Periodic updates will be provided to faculties and departments.

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## Appendix 1: Principles for applying directly allocated post-award costs to research applications

	Internal Partners	External Partners	Value of award	Funder reporting requirements (including some examples)	DA post-award admin load over life of project*
Green	None - only the lead department	None	< £600k	Low (e.g. final expenditure statement only)	Typically between 15 - 50 hours DA post-award
Amber	1-2 LU departments (in addition to the lead department)	< 5	£600k - £1m	Medium (e.g. foreign currency, audit required, annual statements, or semi-regular reports)	Typically between 50 – 250 hours DA post-award
Red	> 3 LU departments (in addition to the lead department)	> 5 and/or > 1 international partner	> £1m	High/ frequent (e.g. EC cost statements, NIHR statements, quarterly claims or regular reconciliations, GCRF, grant coordinator)	Typically > 250 hours DA post-award or justifiable DI project staff

\*The admin load applicable is the result of the combination of the level indicators with the highest level generally taking precedence. More than one red box might indicate that dedicated directly incurred project staff are required.

## Appendix 2: Pre-award checklist: Guidance and calculation of DA admin load required

Example of an 'amber' project with both internal and external partners

Post Award Admin Load Assesment (PAALA)				Length of proposal:	
				36	Months
				Hours per year	
				Grade 5	Grade 6
1)	15 hours of Post Award time are allocated to every grant and proposal as standard as the minimum time needed to support any award		No action needed - standard amount of hours automatically applied	15	0
2)	Will this grant be allocated more than one code? (Is there more than one department listed on the proposal?)  i.e FEC codes or linked codes, subcodes or multiple workpackages?	Please select Yes/No If yes, how many linked codes?	Yes <3 linked Internal Codes	3.75	0
3)	Does the proposal have any external partners and funding is being awarded directly to Lancaster? i.e other universities, industry or international partners?	Please select Yes/No If yes, how many external partners?	Yes <5 UK partners (external)	15	7.5
4)	What is the total value of the grant?	Please select a value	600k-1million	30	0
5)	Is the grant European Commission funded?	Please select Yes/No What is the value?	No N/A	0	0
6)	<a href="#">Does the funder/type of grant appear on the complex list</a>	Please select Yes/No Which list does the grant appear on?	Yes N/A	0	0
7)	Is the grant awarded in a currency other than Sterling?	Please select	N/A	0	0
8)	Is this grant UKRI/GCRF/ISCF funded and therefore requires additional admin support?	Please Select	N/A	0	0
			Total hours to be added to the proposal (Per Year)	63.75	7.5
			Total proposal hours - Grade 5 Pt 19	191.25	
			Total proposal hours - Grade 6 Pt 26	22.5	