

North-South Research Programme

Grant Management Guidelines

Budget Reallocation

Purpose

This document sets out the specific rules and governance of the North-South Research Programme (NSRP) delineated in the Call document, Letters of Offer and associated documentation and provides grant management guidelines arising from the same.

Governance

The Administrative and Governance Lead Institution in Ireland is responsible for the administration and governance of the project. The administrative lead is the primary point of contact and is responsible for all communication with the HEA.

As part of the Research Agreement, an agreement on the use of funds by the consortium must be in place and must be observed by the project team.

Who must apply the NSRP Budget Reallocation Guidelines

These guidelines apply to all projects receiving funding from the NSRP. The project's Financial Controller or person responsible for the oversight and management of the project's finances must ensure adherence to these guidelines and notify project members who administer project finances.

Terms & Conditions

The NSRP project's budgets and proposed revisions must adhere to the terms and conditions¹ as stipulated by the **Call Document**, **project proposal as submitted to the programme** and **Letter of Offer**:

- Funding is provided, and may only be used for the project, as set out in the proposal, and in the approved budget in line with conditions specified in the Call document, and letter of offer.
- Only the agreed funding amount, as per the Letter of Offer, will be made available to this project by the HEA and no other additional resource will be provided.
- Funding release is dependent on an agreement to reporting requirements. Funding can only be continued where reporting requirements are fulfilled, and satisfactory progress is demonstrated.
- The use of all contingency funding is subject to approval by the HEA and appropriate progress reporting. Unused funding may not be moved into the category of 'Contingency Funding'.
- A maximum of 50% of any award, including contingency costs, may be allocated to NI partners.
- All funding granted must be applied by awardees and their host institutions in a manner fully compliant with [State Aid Legislation](#) and [Export Control Regulations](#).

¹ The provisions of the Letter of Offer and all applicable HEA Policy and Guidance Documents form an integral part of the award conditions and have as full effect as if they were incorporated in the body of the Call document.

Audits of all projects will be carried out once a project is complete and when the final report is submitted and analysed.

Budget Changes and Reallocations

Parameters for reallocations

In order to adapt and react to post-award challenges, the HEA acknowledges that a degree of flexibility in the management of budgets is required for projects to achieve their research objectives, as set out in the approved proposals.

Budget reallocations must be requested in writing for the HEA to review and/or approve.

1. Budget Movement < 10%

The HEA will allow for up to 10% of the budget to be moved between and within categories provided budget caps within categories are observed. If the requested changes are within this 10% cap, the previously approved budget must be updated to include these changes and submitted it to the North-South Research Funding Programme team (research@hea.ie).

All reallocations should be tracked by the project and cumulatively amount to a maximum of 10% of the overall budget over the lifespan of the project, following the guidelines set out for the types of reallocations and approval levels. Should additional revisions be required, going over 10%, these need to be justified and approved by the HEA to ensure that the objectives and nature of the project are not altered.

2. Budget Movement > 10%

Requests for budget changes greater than 10% must be adequately justified and endorsed by the VP of Research in the Lead Administrative Institution in Ireland as well as in the Lead Institution in Northern Ireland, before a new budget version can be considered by the HEA. Such requests will be considered on a case-by-case basis. Any approvals of budget changes greater than 10% will be exceptional.

Budget Reallocation Type	%	Between or Within Budget Categories	Approval Levels
Minor	≤10%	Movement within Category	HEA does not have to be informed prior to the movement being made, however, an updated budget must be versioned and submitted for filing.
	≤10%	Movement between Categories	HEA must be informed to ensure caps are observed and an updated budget must be versioned and submitted for filing.
Major	>10%	Movement within Category	HEA requires justification and will provide approval on case-by-case basis, an updated budget must be versioned and submitted for consideration.
	>10%	Movement between Categories	HEA requires justification and will provide approval on case-by-case basis,

			an updated budget must be versioned and submitted for consideration.
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Conditions to request a reallocation:

- Any budget reallocation request must be clearly justified in the context of the objectives of the funded research.
- A request for a budget reallocation must be made by the award holder through the modification form no less than 3 months before the End Date of the award and must always be made prior to committing or incurring expenditure in excess of that allowed in the Letter of Offer and approved budget.
- Any revision must ensure that the overall total is equal to the budget amount confirmed in the final budget version approved by the North-South Research Programme at the Award stage. It must not exceed the budget approved in the original Letter of Offer or extend past the approved end date of the award.
- No transfer of funds is allowed between the indirect (overheads & contingency) and direct cost categories of an award under any circumstances. The amount in overhead costs may require adjustments if a budget revision affects pay costs as seen in the staff category.
- Terms and Conditions specified in the Call document and Letter of Offer should be consulted and adhered to when requesting a budget revision.

Requesting Access to Budgeted Contingency Costs

The Terms and Conditions of the North South Research Programme 2021 provided an opportunity for projects to budget for contingency costs during the proposal stage: *‘Provision should be made for contingency costs at up to 10% of the overall budget. Use of this contingency fund, should it arise, will require prior approval by the HEA.’*

Definition of Contingency Costs

As set out in the [FAQs](#) for this call, *‘Contingency for research projects under this funding call is intended to mitigate against risk and to provide for a future event or circumstance, such as sick leave, which is possible but cannot be predicted. Contingency is not to be used for research activity essential to the project which should be calculated in the budget.’*

When considering requests for approval, the HEA will reference the risks outlined in the projects’ approved proposal and those listed in the risk matrix in annual reporting.

How to make a request

As projects are progressing and managing their budgets there may be justified means for use of budgeted contingency costs.

Please note that where underspend on budgeted costs exists and funding is required to mitigate against risk, these available funds are to be reallocated for use in the first instance. Any budget reallocation must follow the guidelines outlined in this document.

Specific requests to access contingency costs can be made **no later than 3 months before the end of a project.**

Any request to access contingency costs must be made **in writing** to the HEA via the [Modification Request Form](#) and must include clear justification. Select the following option in the Minor Modifications Section: “Request for the use of Contingency Costs”.

Should the project have encountered any challenges or additional risk-related costs that may affect the completion of the project as set out in the approved proposal, the project may highlight these reasons in their request.

Conditions for approval

The [FAQs](#) state that *'Budget spend will be monitored through annual progress reports, interim reports. Where the budget allocated to contingency costs is unused, the consortium may request to use the allocation for activities related to the award that will **build on project impact and/or contribute to reinforcing the sustainability of the project beyond the duration of the award.** In such circumstances, no further extension to the award will be granted.'*

A portion or the entirety of the budgeted contingency costs may be requested for use. In the case of projects proposing to use contingencies to build *'impact and/or contribute to reinforcing the sustainability of the project beyond the duration of the award'*, this may be suggested as part of a project's interim report, mindful that a proportion of contingencies set aside in the projects approved budget must be retained to the end of the project to absorb any potential risks that may arise in the remaining duration of implementation. Please note that any amount requested will have to be justified. At the end of a project's duration, all unused funds will be recouped by the HEA.

Where all available budget has been used, requests to access contingencies will be considered for the following reasons on a case-by-case basis:

- To cover costs linked to the occurrence of recorded or unforeseen risks such as sick leave, maternity leave, etc...
- To absorb increases arising from inflation and rising costs;
- For activities related to the award that will build on project impact and/or contribute to reinforcing the sustainability of the project beyond the duration of the award;

Final Payments

Yearly payments made to projects exclude the contingency portion of the budget. This is to facilitate the calculation of the final payment of 10% (including the use of contingency costs if budgeted and approved for use by the HEA), which is processed following the review and approval of final reports, completed to the satisfaction of the HEA. Final reporting deadlines are set two (2) months after project completion, where underspends (if any) are to be confirmed.

Projects expecting to require access to their contingency costs must take note of their end dates and submit their requests in a timely manner (no later than 3 months before the end date).

Please note that annual NSRP payments are processed in September/October with an additional payment period to be noted in December 2024 to facilitate the end of Strand I projects and the submission of final reports for this strand.