



STEG

**STRUCTURAL TRANSFORMATION
AND ECONOMIC GROWTH**

SMALL RESEARCH GRANT (SRG)

BUDGET GUIDELINES

2021 – 2025

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Introduction

This document summarises the STEG Budget Guidelines for Small Research Grants ('the Guidelines'). The current version of the Guidelines is applicable to all open Small Research Grants.

Applicants for Small Grants are required to submit a detailed budget together with their project proposal. The Small Grant budget template is available on the [STEG website](#).

The STEG Selection Committee reviews the scientific proposals as a whole. The budget included in the proposal is reviewed by the Selection Committee as part of its value for money consideration. However, the final budget is subject to negotiation with the STEG Grants Coordination Team once the proposal is recommended for funding. During this process, the grantee may be required to make changes to the budget to submit a more detailed overview of projected expenditures and to remove items that are not considered as eligible costs. The budgets will again be evaluated on the basis of value for money. Applicants are advised to be mindful when preparing their budget of how to demonstrate value for money. Some brief guidance on this issue is provided in Section 9.

The formal approval of the budget proposal by the STEG Grants Coordination Team is a prerequisite for the preparation and signature of the Funding Agreement between STEG and the Applicant.

General Rules

- Grant funds contribute towards the costs of the research for which the funds were awarded and must be in accordance with the STEG Budget Guidelines for Small Grants.
- Funds must be used effectively and economically and any expenses incurred must be essential for the research for which the funds are awarded.
- Please ensure you only fill in those categories that are relevant to your project.
- The examples in the budget justification template are for guidance only. Item descriptions and justifications should be specifically tailored to your project and the examples given should be deleted from the final budget version.
- All expenditure should be listed in GB Pound Sterling (£). For the submission of financial reports, you will be required to use the exchange rate of the day the cost was incurred, i.e. the date on your receipts. Alternatively, the exchange rate of the last day of the reporting period could be applied to the entire report. Grantees should be consistent in their choice of exchange rate method. If an item requires a currency conversion, please apply the appropriate rate based on data obtainable from <https://www1.oanda.com/currency/converter/>.
- No administrative charges or institutional overheads may be included in the budget. This includes management and administration costs including admin and management personnel costs; costs of office space, including rent, depreciation of buildings, equipment, electricity, water, gas, maintenance, insurance; communication costs such as postage, and network connection charges; and any costs for an audit of project expenditure that your institution may be required to carry out to comply with its own auditing regulations.
- All costs must be broken down (i.e. per day/month or per item). Details must be included in the 'Justification' section, as well as in the budget narrative section of the proposal.
- Transfers of funds between budget headings are permitted. For deviations up to 20% of the original funds allocated within a budget heading, no approval is needed. For deviations over

20% from the approved budget, a formal request must be submitted. This formal request must include a narrative description and justification for the proposed changes.

- Unless specified in the call you are applying for, budgets should be in the range of £10,000 - £25,000.
- No additional funds will be made available to grantees to cover currency exchange losses over the course of the grant.
- When submitting financial reports, grantees will be required to submit all documents and receipts proving expenditure. Any costs found to be ineligible will be rejected.
- Applicants are advised to be mindful when preparing their budget of how to demonstrate value for money. Some brief guidance on this issue is provided in Section 9.
- CEPR reserves the right to request changes to or seek further clarification of the project budget after the grantee's proposal has been accepted by the STEG Scientific Committee.

Category: Data Acquisition/Field Work

The items included in this category should relate only to expenditure that is directly linked to the scientific process of data acquisition.

Eligible costs:	<ul style="list-style-type: none"> • Data purchase • Survey running costs (e.g. materials, communication tools) - survey costs should be justified and the method of selecting the firm conducting the survey should be described in the 'Justification' section of the budget. CEPR reserves the right to request copies of any institutional policy on procurement of any such services • Data entry • Data analysis tools (e.g. software) • Salaries for field staff (should be able to demonstrate that staff are directly involved in the acquisition of data) • Subscription costs for databases
Non-eligible costs:	<ul style="list-style-type: none"> • Travel, accommodation, and subsistence costs should not be included in this category even if the expenditure is incurred while collecting data. These items should instead be listed under the 'Travel' section • Equipment costs (e.g. phones and laptops) • Salaries for PI and Co-Is and Research Assistants

Category: Travel

This category should contain all items that relate to travel, accommodation, and meals. These can be linked to different parts of the project and should be split accordingly (e.g. travel to the field location, travel to conferences and workshops). Travel, accommodation, and subsistence costs should be listed as separate entries in the budget justification template and the total cost for each figure should be broken down e.g. cost per night x number of nights.

Applicants should actively seek value for money where it is practical and feasible, or if appropriate, the lowest price. All travel, accommodation, and subsistence claims must be supported by receipts and/or tickets.

Eligible costs:	<ul style="list-style-type: none"> • Travel (e.g. flights, trains, taxis, car rental, fuel) • Meals and accommodation
Non-eligible costs:	<ul style="list-style-type: none"> • Please see below

Please note that CEPR will only reimburse economy-class flights and second-class train travel. CEPR requests that participants electing to travel by train must take advantage of early booking fares where this is cheaper than purchasing tickets near to departure. Where travel by public transport is impossible or impractical, applicants may request funding for travelling by car. Note that funding is limited to renting costs of the vehicle, and expenses for fuel and parking.

Expenses should be recorded including the start and end points of the journey (addresses or landmarks) and the number of miles travelled. Miles can be reimbursed at 45p per mile up to 10,000 miles. Above 10,000, miles are reimbursed at 25p a mile. More information on mileage allowance can be found [here](#).

When overnight accommodation is required, it is expected that applicants will obtain accommodation at the most economical rate available. Applicants may claim the cost of meals when it is necessary for them to stay in overnight accommodation provided they are of a reasonable cost.

Please note that the prices entered for accommodation and subsistence should not exceed reasonable values. Use [UK Gov Subsistence rates](#) to see what such values are in each country.

Category: Research Stipend

This category should include research stipends to be paid directly to the Principal Investigator (PI) and Co-Investigators (Co-I). The daily rate and number of days to be charged for the research stipend must be supplied for each researcher.

Eligible costs:	<ul style="list-style-type: none"> • Daily rate for the Principal Investigator's research stipend • Daily rate for the Co-Investigator's research stipend
Non-eligible costs:	<ul style="list-style-type: none"> • Fees paid to Research Assistants and support staff • Expenses for the PI and Co-I (e.g. travel, meals) • Recruitment costs

Research Stipends are eligible costs under STEG to the extent that PI's and Co-I's are directly involved in providing services to the project. Stipends should only be requested if they allow the researcher(s) to reduce teaching/administrative duties and therefore free up time for research. Individual eligibility depends upon seniority and location. Stipends for senior researchers working in upper-middle and high-income countries are not funded under the SRG programme. Stipends are capped at £12,000 for PhD students in programmes located in high-income countries and the PPP equivalent for PhD students in programmes located in low- and middle-income countries. Stipends for up to 9 months of time are allowed for researchers in lower-income countries. All research stipend costs will be evaluated for value for money and may require further justification or amendments before approval.

Category: Research Assistance

This category relates to the costs incurred for employing Research Assistants and academic support staff. The daily rate for each Research Assistant and the number of days to be spent on the project must be supplied.

Eligible costs:	<ul style="list-style-type: none"> • Daily rate for Research Assistants and support staff
Non-eligible costs:	<ul style="list-style-type: none"> • The Principal Investigator's research stipend • The Co-Investigator's research stipend • Costs for field staff • Recruitment costs

Research personnel are eligible costs under STEG to the extent that the research staff are directly involved in providing services to the project. All research personnel costs will be evaluated for value for money and may require further justification or amendments before being approved by CEPR.

For both Research Stipend and Research Assistance categories, only actual hours/days worked by the personnel exclusively on the project may be charged. If the person does not work exclusively on the project, is working part-time or working only part of the year on the project, a *pro rata* calculation must be made based on the hours/days worked on the project.

Research stipend and assistance costs should be recorded through timesheets for all employees working on the project. Once declared, the personnel costs cannot be adjusted/changed due to a recalculation of the daily rate. CEPR reserves the right to ask for proof of expenditure in the form of payslips and payroll data, or other means of tracking personnel costs such as signed statements from personnel confirming receipt of money.

Category: Other

This category should contain all project-related costs that do not fit into the other categories. They must be clearly defined and described.

It is expected that researchers and institutions will provide their own IT equipment such as tablets, mobile phones, laptops and computers for the duration of the project. In exceptional circumstances, these can be included in the budget, but strong justification will be required.

Eligible costs:	<ul style="list-style-type: none"> • Equipment (e.g. notebooks, online storage, support software) – laptop and tablet costs are limited to £500. • Dissemination activities (including venue hire, catering, speakers' honoraria (where applicable), travel and accommodation of participants (when absolutely necessary), conference fees) • Publication costs (including printing workshop/conference materials, costs related to the publication of research results, costs associated with open access of outputs)
Non-eligible costs:	<ul style="list-style-type: none"> • Indirect costs (e.g. overheads and institutional fees) • Contingency costs

Non-eligible costs

The following costs cannot be reimbursed by STEG:

- Administrative charges or institutional overheads. Please see above for more information;
- Any identifiable indirect taxes;
- Interest owed;
- Provisions for potential future losses;
- Exchange losses;
- Excessive expenditure;
- Transaction fees; and
- Recruitment costs.

Value for Money

Value for money (VFM) means that we maximise the impact of each pound spent to improve people's lives. VFM does not simply mean minimising the cost of the project but also involves making judgements about the results we expect to achieve. In this regard, the 3Es framework may be helpful:

- **Economy** Does the proposal plan to buy inputs of the appropriate quality at the right price? (i.e. cost minimisation)
- **Efficiency:** How well does the proposal plan to convert inputs into outputs? (i.e. is the value of the final research output high relative to the cost)
- **Effectiveness:** How well are the outputs from an intervention achieving the desired policy outcome and, ultimately, poverty reduction? (i.e. is the value of the final outcome high relative to the cost)

The VFM of proposals will be assessed on these three criteria. It is important to note that while the research output is substantially under the control of the research team, it is recognised that the policy outcome and its ultimate impact on poverty reduction are subject to many other factors. Nevertheless, evaluators will assess the quality and credibility of the policy impact plan to judge whether the project is likely to be effective in the sense of achieving policy change.

Conflict of Interest:

Applicants must take all measures to prevent any situation where the impartial and objective implementation of the project is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest ('conflict of interests').

A 'conflict of interest' exists if shared interests:

- influenced the consultants/subcontractor/partner organisation's selection/award procedure;
- influenced the consultants/subcontractor price and this does not correspond to the market price; or
- affected the project's performance, as measured by the appropriate quality standards.

If there is a (risk of) conflict of interests, the applicant must inform CEPR so that steps can be taken to resolve or avoid it.

If you have any questions, please contact the STEG Team at steg@cepr.org.