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NHS Foundation Trust



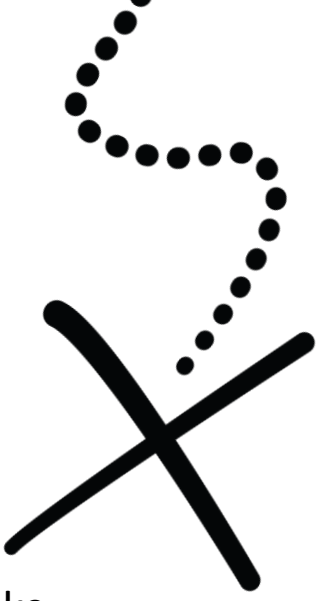
Research Finance

What Every PI Needs to Know

Research Finance Team – Nov-26

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Welcome to Research Finance



Congratulations on being awarded funding to undertake research! The Research Finance team is here to support you throughout your research journey. For any queries, please reach out to Research.Finance@gosh.nhs.uk

As a researcher, you're not just managing the research, you're now also a budget holder managing funds entrusted to Great Ormond Street Hospital by funders, charities or taxpayers.

Good financial management helps you:

- Deliver the research you've promised
- Avoid overspending
- Maximise the use of available funds
- Ensure compliance with funder terms and conditions



You don't need to be an accountant. But you do need to understand your budget and ask questions early.

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Setup Process

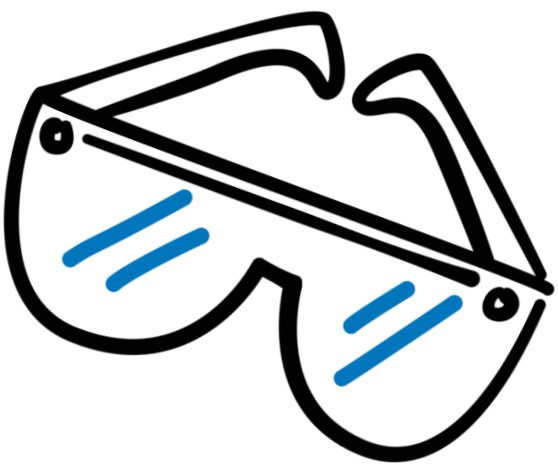
To ensure the timely setup of your project within our finance system please follow the below process:

Contract Signed

Send an email to Research.Finance@gosh.nhs.uk with the subject: New Signed Contract for Project (R&D Number)

A member of the team will get in touch to confirm the requirements of your project, staffing time, consumables that will need to purchased etc

We will open a cost centre that matches your R&D Number. This will need to be quoted on all communication with Research Finance.



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Understanding Your Project Budget

Research budgets are broken down into two main categories, Pay and Non-Pay

Pay

- Clinical Fellows
- Research Assistants
- Project Co-ordinators/Managers
- Data Managers
- Technicians

Non-Pay

- Equipment
- Consumables
- Travel
- Participant Expenses
- Monitoring Visits

Some projects will also have ‘Indirect Costs’ – these are costs that support the research, but aren’t directly attributable

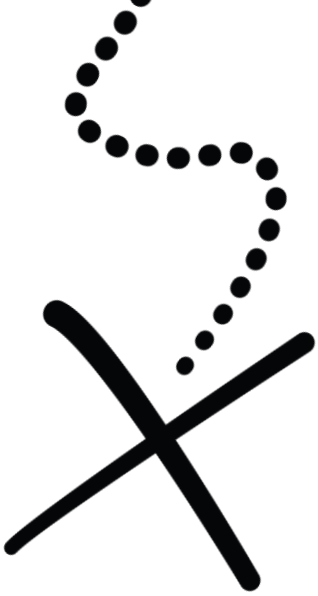
Indirect

- Estates
- Facilities
- IT Support
- General Administration

Remember: Just because money exists in one budget line doesn't mean it can automatically be moved elsewhere.

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Your Responsibilities as a PI



You're Responsible For:

- Understanding available budget
- Authorising expenditure
- Recruiting within your budget
- Monitoring project spend
- Ensuring costs are allowable

You're Not Expected To:

- Process invoices
- Reconcile ledgers
- Understand every finance rule
- Memorise funder guidance



That's what we're here for!

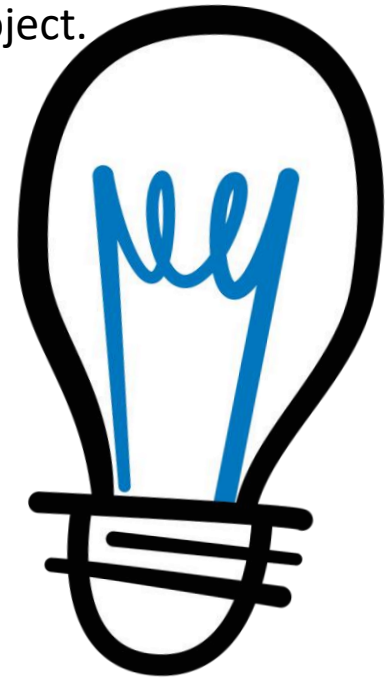
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Common Causes of Overspend – be aware!

Most Project overspends come from people rather than purchases

Staffing Changes

People are often the largest cost on a research project.



- Annual pay awards and incremental increases
- Staff working additional hours
- Contract extensions
- Delays in staff leaving the project
- Cover for sickness, maternity, or other leave

Unbudgeted Purchases

- Additional equipment
- Software licences
- Specialist services
- Consultancy support
- Unexpected travel requirements

Always check funding rules before committing to expenditure.

Inflation and Cost Increases

Prices can change significantly over the life of a project.

- Consumables
- Laboratory supplies
- Travel and accommodation
- Equipment maintenance contracts

No surprises. If you're planning a change to staffing, timelines, project scope, or expenditure, let the finance team know as early as possible. The sooner we're aware, the more support and options we can provide to ensure there is no overspend!

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Questions to Ask

Before committing to spend, you should ask:

1. Is it budgeted?

Was it included in the original award?

2. Is it allowable?

Does it fall under the terms and conditions?

3. Is there enough budget remaining?

Check the current spend before committing!

4. Is there a deadline?

Grants will often have a cut-off for purchases

5. Have I spoken to Finance?

If you are unsure about any of the above – please reach out!

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Understanding Finance Reports

In discussions with Finance, you may see the following terms:

Term	Meaning
Budget	Approved funding
Actuals	What has been spent
Commitments	Future approved spend
Forecast	Expected future spend
Variance	Difference between budget and actuals or forecast
Balance Remaining	Funding left available



Understanding Underspends

An underspend is not always a positive result.

It may indicate:

- Delays in recruitment
- Delays in project delivery
- Planned activity not yet undertaken
- Costs not yet processed

Some funders may require approval to carry forward unspent funds or may not allow underspends to be retained.

Understanding Overspends

An overspend occurs when actual or forecast spend exceeds the available budget.

Common causes include:

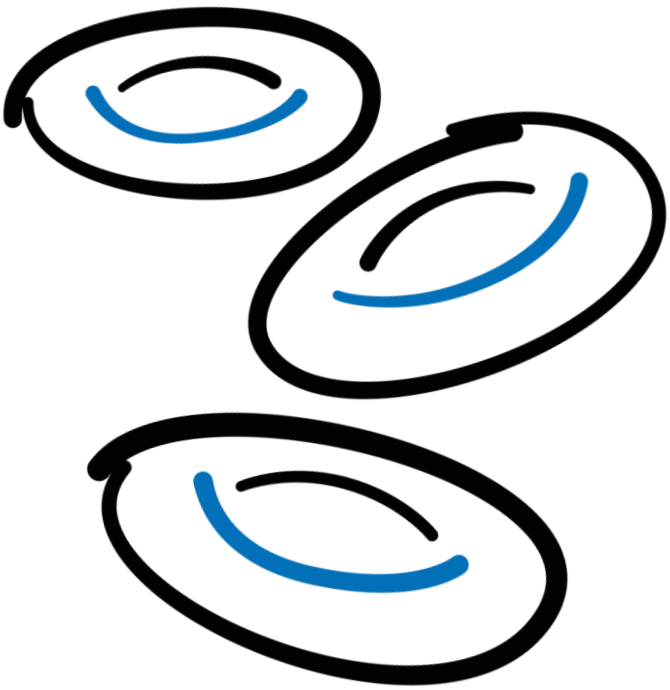
- Staffing costs higher than expected
- Contract extensions
- Unplanned expenditure
- Inflationary cost increases
- Delays that increase project duration

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Red Flags – Contact Us in Advance!

Please reach out to us if:

- Staff need to be extended – we can forecast staff costs
- Recruitment is delayed
- Project end dates change
- You need to purchase items not included in the award
- Funder changes payment arrangements
- You are unsure if a cost is allowable
- You will need to purchase items after the end date of your project
- You have any concerns regarding finances – we are here to help!



Remember: Early conversations create solutions. Last-minute conversations create problems

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What We Need to Support You!

We are here to support you on your research journey. But to support you, we also need to know:

Project Staffing

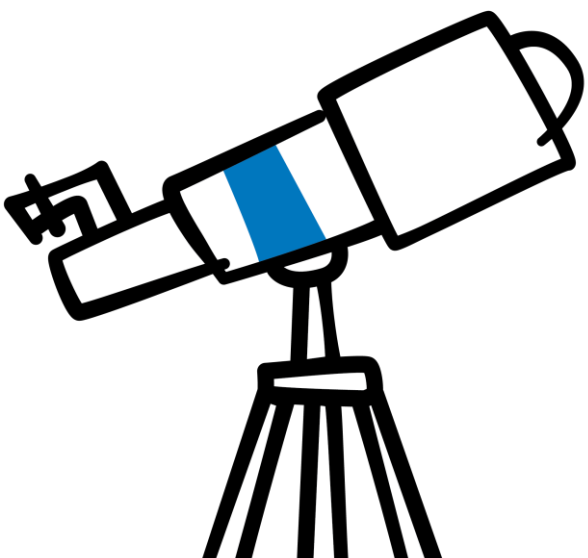
- If you're recruiting staff let us know – we are not made aware of new starters or funding so let us know ASAP
- Any contract extensions, changes in FTE, Maternity/Paternity Leave, long-term sickness and staff leaving the project

Supporting Documentation

- Our ledgers don't always show the full story, so your record keeping is fundamental to good financial management
- Keep records of expense receipts, travel records, participant payments

Tell us about changes to the project

- Scope changes
- Extensions
- Changes to milestones
- Additional funding opportunities
- Project closures



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Who Can Help?

Research Finance – Research.Finance@gosh.nhs.uk

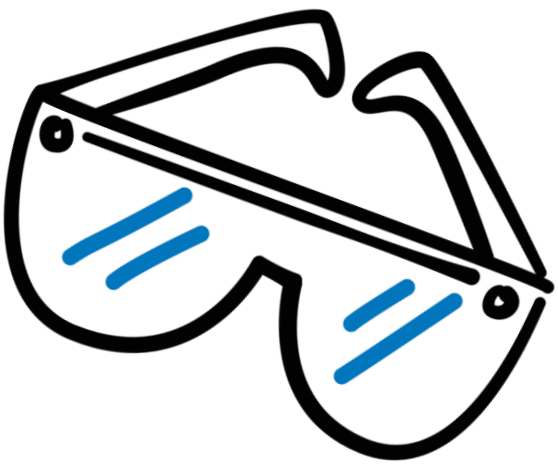
- Budget Queries
- Financial Reports
- Forecasts
- Funder Terms and Conditions
- Procurement setup

HR Team/Service Managers:

- Recruitment
- GEARs Changes
- Bank Shifts
- Out of Hours

Research Office (Governance) – Research.Governance@gosh.nhs.uk

- Award Management
- Contract changes
- Ethics
- Amendments



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Operational Need to Know

While we are a joint research office working with UCL-ICH, if you're funding is held at GOSH, please ensure all invoices are addressed to:

Great Ormond Street Hospital for Children NHS Foundation Trust

FAO: Research Finance Team

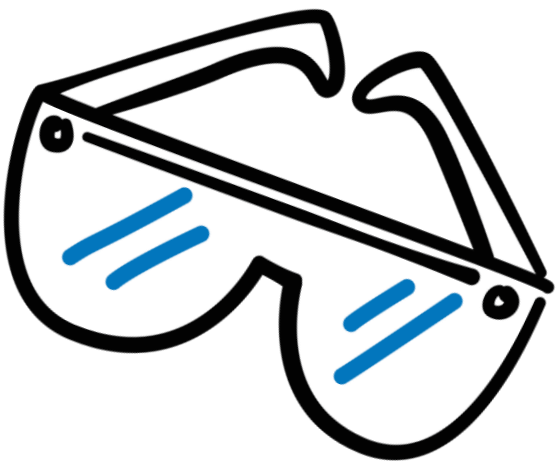
Great Ormond Street

London, WC1N 3JH

United Kingdom

If you need to purchase any non-pay items, please sign up to the Trust's procurement system and request PECOS training: https://nhspps.uk/ or email: helpdesk@nhspps.uk

If you will incur expenses on this project, please check out the attached link: Research and Innovation expense form - Our GOSH



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Acronym Buster

Acronym	Meaning	Plain English
AASI	Academic and Academic Support Income	Income from academic activity
AR	Accounts Receivable	Money owed to us
AP	Accounts Payable	Money we owe
PI	Principal Investigator	Lead researcher on a grant
Co-I	Co-Investigator	Supporting researcher
R&D	Research & Development	Research activities
RCUK/UKRI	UK Research & Innovation	Major UK research funder
NIHR	National Institute for Health and Care Research	Major health research funder
MRC	Medical Research Council	UKRI health research funder
TRAC	Staffing Recruitment Tool	
DA	Departmental Allocation	Internal budget allocation
OH/OH Recovery	Overheads	Indirect costs recovered from grants
IDC	Indirect Costs	Costs supporting research but not directly attributable
DI	Directly Incurred	Costs charged directly to a grant
DA	Directly Allocated	Shared costs apportioned to grants
PO	Purchase Order	Authorised commitment to spend
FA	Fixed Asset	Long-term asset
GL	General Ledger	Main accounting record
CC	Cost Centre	Departmental budget code
FC	Fund Code	Funding source identifier
YTD	Year to Date	Current financial year cumulative position
FY	Financial Year	Accounting year
VAT	Value Added Tax	UK sales tax
SLA	Service Level Agreement	Agreed service standards
COV	Close Out Visit	Final study monitoring visit
WTE	Whole Time Equivalent	
TMF	Trial Master File	Study documentation repository
CRN	Clinical Research Network	NHS research support network
MTA	Material Transfer Arrangement	Moving samples between sites
Virement	Moving budget	Moving money from one budget line to another