



## **National Institute for Health Research**

### **RESEARCH CAPABILITY FUNDING**

#### **Introduction**

The vision of the National Institute for Health Research (NIHR) is to improve the health and wealth of the nation through research.

This document sets out how the NIHR's Research Capability Funding (RCF) will contribute to this vision and should be read in conjunction with the frequently asked questions document.

All recipient organisations are required to use their RCF allocation for the purposes set out in this document and in the funding Agreement.

#### **Aim**

NIHR Research Capability Funding aims to:

- Help research-active NHS organisations to act flexibly and strategically to maintain research capacity and capability.
- Support the appointment, development and retention of key staff undertaking or supporting people and patient-based research.
- Contribute towards costs of hosting research funded by the NIHR, or its funding partners, that is not currently fully covered across NIHR's programmes, and that are not met in other ways.

#### **Benefits**

RCF offers the following benefits to NHS organisations:

- Access to flexible funding.
- A means for developing and sustaining research capability, meeting the costs of key research support staff not funded in other ways.
- Helping build critical mass, as increased research capacity attracts additional NIHR research income and so attracts a greater share of RCF.
- Providing a financial contribution towards the costs incurred through research-active NHS organisations hosting research funded by the NIHR, or its funding partners.
- Funding for developing research management capabilities in those Trusts where R&D departments have been reconfigured within NHS research support services (see briefing document 5.1 Faster, Easier Clinical Research).

## Eligibility

The NIHR Research Capability Funding is allocated by the Department of Health to research-active NHS bodies or NHS health care providers in receipt of NIHR income.

## Overview

RCF allows NHS organisations to support the salaries of their researchers, particularly NIHR Faculty members, in a flexible and strategic manner. This helps NHS organisations to create and maintain a sustainable capacity for people and patient-based research and facilitates success in attracting NIHR research grants and other funding.

In addition, RCF may be used to contribute to the costs of hosting NIHR-supported research, or of research included in the NIHR CRN portfolio, as specified below, where these specific costs are not covered in other ways. Please note that special provisions apply to the costs of hosting research funded by medical charities (as set out in the latest Department of Health guidance on cost attribution). It should also be noted that, RCF should not be used to pay the costs of carrying out research (“research costs”).

Organisations in receipt of RCF based on NIHR income are expected to use the funding strategically in support of their R&D strategy; for more information see the FAQs.

Organisations awarded an RCF allocation in 2017/18 due to the factoring-in of their NIHR Senior Investigators (SIs) are expected to ensure that SIs have a say in, and access to, the use of that allocation, in line with the agreed uses of NIHR RCF.

Organisations that receive the *de minimus* allocation of £20k based on recruitment may not possess a formal R&D strategy, but they should still use the allocation in line with the terms of the Agreement and within the spirit of this briefing note. For CCGs in receipt of the *de minimus* allocation this will usually mean that the best use of the RCF allocation is to support and maintain research capacity at general practice level.

## Research Capability Funding Allocations

The Chief Scientific Adviser (CSA), Professor Chris Whitty and the Science Research and Evidence (SRE) Directorate Senior Management Team have reviewed the 2017/18 NIHR research budget in light of a number of arising needs, including the cost to the NIHR of implementing the new Junior Doctor’s contract. The RCF budget has therefore been reduced by £5m (from £80m in 2016/17) by capping the maximum RCF allocated to any organisation to £4m.

The amount of RCF allocated to each NHS organisation is in proportion to the amount of other NIHR income received in the previous calendar year to that NHS organisation, and the number of Senior Investigators associated with the organisation in post at the start of the new financial year.

NHS organisations potentially eligible for RCF qualify to receive funding under two circumstances:

- Either they received sufficient NIHR income during the previous calendar year to reach a threshold to trigger an RCF allocation of at least £20k.
- Or they recruited at least 500 individuals to non-commercial studies, conducted through the NIHR Clinical Research Network (CRN), during the previous NIHR CRN reporting period of 1 October - 30 September.

NHS organisations whose NIHR income is insufficient to trigger RCF of at least £20k, may receive a fixed payment of RCF (set at £20k for 2017/18) provided they have met the recruitment target. Recruitment will be based on data provided by Trusts as part of regular reporting to the NIHR Clinical Research Network Coordinating Centre (CRNCC).

Each type of NIHR income will be weighted to reflect the nature of the various NIHR funding schemes:

- Research grants (projects and programmes) will be given the highest weighting to take account of the relatively short duration and relative inflexibility of project and programme grants.
- Other funding (Centres and Infrastructure) attracts a lower weighting to reflect its relative stability.
- Senior Investigators also earn an allocation to the primary NHS organisation with which they are associated, on a *per capita* basis.

*(More information on the weightings used this year can be found in the FAQ document- Q4).*

**NHS organisations receiving RCF must also comply with the requirements of the Research Support Services, to continue to receive the funding.**

RCF may be used to support the costs of some or all of the following:

- The research-related component of an NIHR Faculty member's salary<sup>1</sup> of their researchers and research support staff working on clinical and applied health research, which is not covered by other funding sources.
- Salary costs of new staff, who are expected to be Faculty members, but who have not yet obtained funding from other NIHR sources; this could, for example, include setting up short-term fellowships to allow clinicians time to use SPAs to work on research proposals.
- Salary costs of existing Faculty members who are 'between grants'.
- The time of Faculty members in contributing to the wider research endeavour (e.g. membership of peer review panels).
- The research-related time of NHS-employed scientific, administrative and secretarial staff who support Faculty members in their NIHR-related work.

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<sup>1</sup> Throughout this briefing note the term "salary" means payroll costs, comprising salary plus employer's superannuation and national insurance.

RCF may also be used to **contribute** towards the following costs:

- Meeting the accommodation costs, finance management costs, and human resource management costs incurred in hosting NIHR-funded research, where these costs are associated with staff leading or undertaking research<sup>2</sup>. In the case of finance and human resource management costs, these costs must relate to dedicated and identifiable people providing these services.
- Meeting the cost of the time of Faculty members in preparing grant proposals.
- The net costs incurred by a host organisation in meeting the salary of an individual supported by NIHR, while on maternity, paternity or long-term sick leave, less any recoverable statutory pay that the employer is entitled to claim (see FAQ 13). RCF should only be used to fund the share of costs that relate to the proportion of a person's WTE that NIHR meets through either a research grant or centre or infrastructure funding (Local Clinical Research Networks should cover this through core Local Clinical Research Network funding); or back-filling key NIHR-grant funded posts left temporarily vacant during the award period by a member of staff taking maternity, paternity, or long-term sick leave, where absence will seriously compromise success of NIHR-funded research.
- The cost of training in research management and governance for staff of the Trust's R&D Office, provided the Trust can demonstrate outcomes showing that the Trust is using the national standards, systems and operating procedures described in the NIHR Research Support Services (RSS) framework. RCF may also be used to train R&D Office staff so that the Trust can establish the base capability needed to begin to demonstrate such outcomes.
- Where the Trust is meeting RSS standards, contributing towards the sponsorship and governance costs associated with research included in the NIHR CRN portfolio, where these costs are not met in other ways.

Host organisations may use part of their RCF allocation to contribute towards equivalent costs incurred by other centres collaborating in NIHR-funded research, provided these are NHS organisations.

Host organisations will need to balance the advantages of short-term flexibility with the need for a strategic approach to developing and sustaining capacity and capability.

There will be a signed letter of agreement between the Department of Health and each recipient NHS organisation.

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<sup>2</sup> Equivalent costs associated with staff supporting research led by others ('support staff') should be met from core Network funds.

### **Ineligible costs**

Research Capability Funding may not be used to extend an existing award, except as bridging support between NIHR awards. Any proposals to extend existing NIHR awards, either in time only or with additional funding, must be submitted to the relevant NIHR Coordinating Centre for consideration. If such an extension is not agreed, the study should be terminated.

Other ineligible costs include costs already supported in others ways by NIHR or others, as a research cost, a service support cost, or a treatment cost; and insurance or indemnity costs.

Research Capability Funding may only be used to support costs not met from other sources.

### **Reporting**

The NIHR will advise NHS organisations on how the use of individual RCF allocations will be monitored. Each Trust CEO or Finance Director will be expected to sign off Trust RCF reports, confirming that all funds have been used exclusively for the purposes defined in this plan. The Department of Health reserves the right to audit RCF expenditure.

### **Further information**

Further details about Research Capability Funding are available on the [NIHR Website](#)

### **Department of Health Lead:**

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