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**Activity-Based Budget Guidance**

**for Implementers**

This Activity-Based Budget (ABB) Guidance is developed to serve as an external guidance for SPF project implementers when constructing the ABB and when assessing cost options for a range of cost categories including expert fees, venue hire fees, travel and accommodation, etc. The detailed cost guidance on the available cost range for each category is provided in the ABB template.

Good value for money is one of the key criteria for selection of successful bids (use of resources to save cost, time and effort). To ensure a project is good value for money, it is essential that project implementers construct the activity-based budget carefully and discuss with project managers to ensure balance between project outcome and cost effectiveness.

***NOTE:***

***The Prosperity Fund will only pay for costs that have been agreed in advance in the ABB. Any additional costs through the lifetime of the project will need to be approved in advance by the Prosperity Project team (for example publication costs, additional experts etc).***

***A cost range has been set for each category. Any ceiling rate proposed by implementers will need to be justified to the Prosperity Fund project team.***

**Cost options assessment**

* **Expert time**

The Prosperity Fund does NOT pay staff time of implementing organisations but will pay for experts time if needed for the project. Expert’s fee is provided in the range from £10 person/day to £500 person/day depending on qualifications and experience needed for project delivery. Details of scales please refer to the ‘guidance’ tab of the ABB sheet. The level and length of expert’s fee charged shall reflect the nature of work and the seniority of the implementer. The number of expert days shall equate total actual working hours needed for project delivery.

***NOTE that the Prosperity Fund will only pay for expert’s time that has been agreed in advance. If other payments to experts are needed during project implementation this must be cleared with the Prosperity Fund project team in advance.***

***The Prosperity Fund does NOT pay for government officials’ time.***

* **Accommodation and subsistence**

Accommodation and subsistence package includes hotel accommodation and all meals on a business travel day. For travel in London, the ceiling rate is £180 person/day; for travel in Beijing, Shanghai and Guangzhou, the ceiling rate is £110 person/day; for travel in cities other than Beijing, Shanghai and Guangzhou, the ceiling rate is £80 person/day.

* **Flights**

You are entitled to economy class for both domestic and international travel. Booking in advance is encouraged so lower rates can be secured. For example, normally the return flight between Beijing to London is between £700 and £1,500, depending on the seasons and if booking in advance. Costs in excess of the economy class will need to be met from other sources.

* **Event venue**

The event venue package refers to the highest baseline standard per person per day which includes: 1 meeting conference room for 8 hours; 1 buffet lunch; 2 coffee+snack breaks; basic audio-visual equipment; pen, writing pads, and iced water etc. For event in Beijing/Shanghai, the ceiling rate is £65 person/day; for event in cities other than Beijing and Shanghai in China, the ceiling rate is £50 person/day. This rate should only be applied on events that involve (key) external stakeholders. For example, we wouldn’t expect internal working meetings need to use the same package

* **Others**

Other costs such as translation or website maintenance can be found in the cost guidance in the ABB template. However, the Prosperity Fund does NOT support the following categories:

* Equipments and facilities including desktops, laptops, printers, scanners, cameras, etc;
* Office rental;
* Government official time for meetings, seminars. If Officials are needed as experts for the projects then please send in written justification which will need to be approved by the Prosperity Fund.

**When constructing the ABB**

The ABB is the main tool for budgeting reference and it reflects key project activities on a monthly basis in order of the designated project outputs. When completing the ABB template, implementers are expected to describe the main activities according to each output and provide the profiled monthly spending with calculation details in consistence with cost guidance. When constructing the ABB, implementers should:

* Ensure good value for money for all activities
* Group the spending lines into different expenditure categories for ease of reference; include all costs (including project administration costs if needed)
* Ensure correct setting of (excel) formula that calculates the monthly project allocations, quarterly allocations and total annual allocation
* Provide separate ABB details and indicate responsibility owners in the Activity Description column if there are co-implementers (when invited for full bid development)

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| **FCO SPF Programme Cost Guidance for Implementers** | | | | | | | | |
| **Cost Category** | **Cost Range** | **Standard Price** | **Note** | | |  |  |
| Desktops, laptops, printers, scanners, cameras, etc | N/A | | The Prosperity Fund does not support this category. If project needs to purchase items in this category, please seek funding from other sources. | | | | | |
| Office rental | N/A | | The Prosperity Fund does not support this category. If project needs to purchase items in this category, please seek funding from other sources. | | | | | |
| Salaries | N/A | | The Prosperity Fund does not pay staff salaries but instead the time they are needed by the project, followed the hourly rated requested below. | | | | | |
| officials to attend meetings, seminars, etc. | N/A | | The Prosperity Fund does NOT support this category. | | | | | |
| Principal consultant  (expert who provides essential international expertise needed for the research/study) | £300-£500 | | The level of pay across the project team should reflect the nature of work and seniority of implementers. | | | | | |
| Senior consultant  (expert who provides key consultancy and analytical work for the research/study) | £150-£300 | |
| Consultant  (expert who provides general consultancy and analytical work for the research/study) | £100-£150 | |
| Junior consultant  (personnel that provide entry-level analytical and consultancy work for the research/study) | £60-£80 | |
| Assistant to consultant  (assist the consultants to collect information, carry out research, interviews, etc.) | £30-£60 | |
| Project manager | £30-£60 | |
| Admin assistant | £10-£30 | |
| The person day consultancy cost shall be based on accumulative basis. For example, if the person spends 2 hours a day for SPF project and rest of 6 hours on non-SPF work, the total consultancy cost for 4 working days shall be calculated in ABB as 1 person day (counting 8 working hours as 1 full working day). | | | | | | | | |
| Accommodation and Subsistence per person.day (Beijing, Shanghai and Guangzhou) | £80-£110 | | This package covers both accommodation and daily subsistence for meals, taxi travel, ect. Reimbursable upon actual invoices. | | | | | |
| Accommodation and Subsistence per person. day (other cities in China) | £50-£80 | |
| Accommodation and Subsistence per person. day (overseas accommodation such as UK or US) | £120-£180 | |
| International return flights to UK or US | £700-£1,500 | | All needs to take economy class for both domestic and international flights. | | | | | |
| Domestic return flights | Varied depending on the destinations | | All needs to take economy class for both domestic and international flights. | | | | | |
| Event venue cost per person. day (events in Beijing, Shanghai, Guangzhou) | £45-£65 | | This should be the baseline standard that includes: 1 meeting conference room for 8 hours; 1 buffet lunch; 2 coffee/snack breaks; basic audio-visual equipment; pen, writing pads, and iced water etc. | | | | | |
| Event venue cost per person. day  (events in other cities) | £20-£50 | |
| Consecutive interpretation per day | £200-£600 | | This applies to interpretation carried out within China and internationally | | | | | |
| Translation | £20-£40 | | Chinese to English per 1000 Chinese characters | | | | | |
| Website maintenance (Web domain purchase and website content update) | Website cost shall be detailed into ABB with calculation as number of days x daily cost | | If the website needs to be updated only half a day a month, the time of cost for 2 months shall be counted as 1 working day | | | | | |
| **Note 1: Please provide the budget details in the form of:** | | | | | | | | |
| Number of days x day rate Number of people x rate for hotel and subsistence (in China or UK) Number of people x price of a flight Where a venue is hired and how many people this is for | | | | | | | | |
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| **Note 2:** Non-Chinese implementers are required to confirm the VAT status of their services before the Accountable Grant contract is signed.  The FCO does not cover VAT for services delivered in China. However, please notify us if you will sub contract to partners operating outside of China, or if you will be paid in sterling pounds. | | | | | | | | |
| **Note 3: Administrative cost should be no more than 5% of the total budget** | | | |  |  | |  |