

Administration Costs Guidance

For most projects, the combined total of management fees, overheads and administration costs should not exceed 10% of the overall project budget. Note that 10% is not a target, but a limit.

We do not accept ABBs with “contingency” or “risk” or “miscellaneous” costs.

Running costs associated with an implementers offices, such as office equipment, building reparation & repairs, fixing/maintaining boilers/generators etc should not fall to the project budget as separately itemised direct costs. These costs are associated with running the business, not delivering the project. They are part of the overheads of the organisation. As such they should be part of any indirect admin charge that the implementer adds to the direct costs of delivering project activities and outputs.

Management Fees should be reflected as a fixed sum and not as a percentage of the budget.

We can legitimately pay costs for implementing agency staff who are directly involved in delivering the project. These can be separate and in addition to the admin charge. But please be sure to:

- Provide a detailed breakdown of staff costs so that we can see how many and which staff are assigned to the project
- Embassy marker hotels should be the starting point when accommodating anyone who is involved in the project. Please ask the Embassy about established reasonable costs.
- Where overseas travel is involved, the FCDO travel policy must be followed (use Economy or Premium Economy Class)