
Apportionment Policy

Policy Area	Apportionment Policy
Policy no.	Policy no. 13
Policy version	Version number 1
Policy operational date	22.01.2024
Policy review date	22.01.2026

Objective of Apportioning Costs

The objective in apportioning central costs is to charge each funding stream / programme with the proportion of the costs that fairly reflects their usage of the related facility.

Staff Costs

- Where a group apportions salary costs by making a calculated estimate of time spent on individual funding streams/ programmes (e.g., 50% Programme A, 50% Programme B etc.), they must be able to demonstrate the basis for the percentage costs charged to the individual budgets e.g., by regularly keeping accurate time records for a typical week or month, on which the percentage applied to the relevant Programme expenditure returns is then calculated.

Direct Costs

- Directly attributable costs are charged in full to the related funding streams / programmes.
- Groups should use any opportunity possible to separate the costs of the funding streams / programmes managed, (e.g., dedicating particular telephone lines to particular workers, etc.).

Indirect Costs

- Overhead costs such as rent, light and heat, stationery is apportioned.
 - By reference to actual recorded usage.
- Each method is equally valid as per allocation of funds at end of year – see financial report.
- Each group use's their own judgment in selecting the method that is most appropriate to them, is fair and logical, and is fully justifiable in the event of audit.
- Only actual costs incurred can be apportioned.
- The method of apportionment of overheads is agreed in consultation with the Programme Staff Heads and agreed in writing with the relevant programme.

Review

This policy will be reviewed in three years or sooner if circumstances change.

Signed: _____ (Chairperson)

Date: _____

Signed: _____ (FRC Manager/CEO)

Date: _____

Revision History

Revision No.	Approval Date	Document Reference and Changes Made	Name