

Annex 1.2a – Materiality

The following table represents the comprehensive Transparent Approach to Costing (TRAC) requirement for materiality.

Materiality
When confirming compliance with the TRAC requirements institutions can apply materiality.
A 'TRAC Requirement' need not be fully complied with if:
a) by itself it has an impact of less than 10%, AND b) a combination of all points of non-compliance (irrespective of their individual impact) has an impact of less than 10% on either of the following: i. any individual rate for Research – the indirect cost rate, the laboratory estates rate, the non-laboratory estates rate, a facility rate, or a laboratory technician rate; or ii. the total Research costs of full-time-equivalent staff costs included in all the Research rate calculations;
AND c) the 'TRAC Requirement' by itself has an impact of less than 10% on any of the following: iii. the total income or costs of any one of the following – Publicly Funded Teaching; Non-Publicly Funded Teaching; Research (institution/own funded Research, Postgraduate Research students, Research Councils UK, other Government departments, European Commission, Charities, and Industry); or Other; or iv. the total costs of Research Councils and institution/own-funded Research (together); or v. the total costs of Support; or vi. the total costs of each of the three groups of departments (i.e. clinical, science, and non-science).
d) However, if non-compliance with any 'TRAC Requirement' has an impact of more than 5% but less than 10% on the rates defined in (i) and (ii) above then institutions should address this over an appropriate time period, drawing up an action plan to do so.

