

Personal Development Accounts

What are they?

Funds can come from;

- Consultancy work when a member of staff elects to transfer the funds to a PD account instead of taking an additional payment. (This should be detailed and authorised in the Project Approval Form (PAF) paperwork for the Consultancy Project).
- Research or other projects which generate contribution

These examples are subject to the agreement with the appropriate person within the School or Department i.e. Dean or Head of Department.

Why would you do it?

A personal payment would incur tax so this method is tax efficient in that the whole amount transfers to the PD account. To ensure that the University is following the law the funds are clearly still the Universities and any subsequent purchases belong to the University and anything bought using these funds has to further the academic work of the member of staff.

It is a mechanism for School's to incentivise members of staff by assigning some funds from grants or external work undertaken back to the individual to continue their work.

What can they be used for?

The funds are to be used to assist the member of staff in their academic activities. This could take the form of funding a research trip, to attend a conference, buying in some research assistance or purchasing equipment. These examples are not exhaustive but a reasonableness test should be applied if in doubt i.e. would a reasonable person agree that the type of expenditure incurred could assist the member of staff in their academic activities.

Another test is that should these funds come from another source i.e. the main University budget would the expenditure still be incurred?

What rules govern them?

- The funds held in the accounts belong to the University
- Any purchases made using them belong to the University
- Should the individual leave the University the funds return to the University general reserve. For tax reasons it is not possible for the member of staff to take funds out of these accounts at a later date. The decision to credit this account is irreversible once made.
- Accounts are unique to an individual or a clearly defined research group
- Accounts will only be setup when there is income to be credited to them
- Accounts should never run in deficit