Innovate UK - Accelerated Knowledge Transfer

(AKT)

Cost Guidance

This document will be hosted on the following webpage
https://www.ktp-uk.org/accelerated-knowledge-transfer/

This document may be updated throughout the duration of the competition.

As part of your application, we will ask for all of your project costs.

It is the responsibility of the knowledge base to ensure that this information is supplied along with indications of additional business contributions, which should also be entered on the application. Incomplete or inaccurate submissions will be withdrawn from the competition.

The requested budget cannot be changed once the competition has closed. If you receive a grant offer and discover you have calculated your budget incorrectly, the knowledge base or business will be required to meet any shortfall. If this is not possible your grant offer will be withdrawn.

![UKRI Innovate UK logo]

Budget management

Your project will establish a sensible approach for your partnership, which will control the costs according to the grant offer letter. You will be required to provide a forecast of spend upon acceptance of your grant offer and for projects lasting over 3 months in duration, an interim report of spending will be required.

You will be required to keep records and evidence regarding costs incurred and during the claims process, you may be asked to provide this evidence. This could include timesheets for the individuals whose costs are claimed as part of the grant, as well as receipts for other expenditure.

Cost categories

Applicants should read this document thoroughly as it defines what are considered eligible costs within the Innovate UK AKT scheme.

Your project costs may include:
- employment costs for AKT associate
- costs for the knowledge base supervisor
- travel and subsistence, consumables, and estate costs
- additional associate support costs

The information in the KTP costs guidance forms the basis for many of the principles for costing an AKT, and these may also be reviewed to help you prepare your costs. Applicants should follow the KTP costing model for Knowledge Base Supervisor, Associate and Additional Associate Support costs https://www.ukri.org/councils/innovate-uk/guidance-for-applicants/costs-we-fund/costs-guidance-for-knowledge-transfer-partnerships/

There is no upper limit to project costs, but the maximum grant that can be awarded is for £35,000. Any costs over £35,000 must be met by the business partner, in addition to their 10% of project costs.

Up to £3500 of the total grant can be used for Travel & Subsistence, Consumables and Estates. Typically, this will be no more than 10% of the total project budget.

The total eligible costs for an Innovate UK – AKT project depend on the following parameters:
- duration
- the nature of the work to be undertaken
- costs of the knowledge base

The associate and supervisors must be employed by the knowledge base and work directly on the project. All listed staff should be on your payroll, subject to PAYE and be present in the UK for the duration of the project.

Once you have established what your project is trying to achieve, you'll need to set out the tasks; this will allow you to understand which individual costs you can claim.

Calculating your costs

If your knowledge base uses the FEC methodology, you must use this when calculating your costs.

Associate Employment costs

All costs should be based the on gross employee costs, and should be calculated based on your PAYE records. They should include gross salary, employer National Insurance (NI), and employer pension contribution.

The Associate can be employed up to 1 FTE, based on the usual working pattern for your knowledge base. They must be employed by the knowledge base. Up to 2 associates can work on a project up to a maximum of 1FTE.

Supervision Costs

The Supervisor is typically engaged in the project for 0.5 days per week (minimum of 0.25). They must be employed directly by the university. It is typically expected that only 1 academic will be supported via the grant.

We also need to understand the length of time your organisation is working on the project. This is not necessarily the length of the total project as your organisation's involvement may only be for a defined period of time.

Ineligible employment costs include:
- time spent not working directly on the project (for example sick, non-productive time or training days)
- overtime
- time off in lieu
- dividend payments
- forecasted pay increases

Travel and subsistence, consumables and estate costs

Project costs allocated to travel, consumables and estates may not exceed £3,500. As a guide these 3 budget items should be approximately 10% of the total project cost. There is no upper limit in any of these three sections, however, costs must be itemised and justified within the application. Where the 10% guide is exceeded this may impact the score received from assessors

Travel and subsistence

Travel and subsistence can be claimed for:
- the knowledge base supervisor to visit the business
- associate travel vising the business in relation to the delivery of the project

The cost of standard class peak rail tickets may be used when preparing travel and subsistence budgets.

You must take into account the environmental impact of your travel and be prepared to justify your choices. In order of preference you should consider:
- walking and cycling
- public transport
- vehicles, including pool, hire and private cars
- taxis
- flying

International travel costs are not eligible.

Consumables

This only covers consumable items that are essential to carry out and complete the project. By definition, consumables are unlikely to exist or will be significantly transformed, after their use.

AKT does not cover the following costs: software licences, IT hardware including laptops, desk tops computers, servers, physical storage units and tablet computers, mobile phones and contracts, commercial cloud computing and online data storage services or equipment that is likely be used by the business partner after the project has completed.

Items must not:
- have already been purchased
- have been included in other costs categories
- be purchased from the business partner

Funding from the grant may not be used to incentivise participants in trials, focus groups or similar. The grant may not be used to purchase branded goods or promotional materials.

Travel, Consumables and Estates costs must be claimed excluding VAT; VAT is not eligible to be recovered by the grant.

Estate costs

This includes the use of existing facilities and anything chargeable within the knowledge base including the use of specialist facilities and equipment that are chargeable (often by the day or hour) within the knowledge base, such as wind tunnels or electron microscopy.

Additional associate support

These are the costs for managing the associate, such as computing, personnel admin, learning resources and project management support. The calculation of these costs varies for FEC and non-FEC projects.

Non-FEC and FEC Costs

Applicants should refer to the KTP Costing Model and examples for FEC and Non-FEC https://www.ukri.org/councils/innovate-uk/guidance-for-applicants/costs-we-fund/costs-guidance-for-knowledge-transfer-partnerships/

Calculating FEC-specific costs

Knowledge base supervisor

Your knowledge base supervisors' costs will vary depending on their current salary and the overheads levied by the knowledge base.

Additional associate support

Additional associate support costs include indirect costs and the costs of providing project administrative support.

Project costs for FEC

The **principle behind FEC funding** is that knowledge bases need to indicate the full economic cost of a project.

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As a knowledge base using FEC, you'll have a breakdown of your costs readily available because the UK government requires you to calculate them as part of TRAC (the Transparent Approach to Costing). These costs will have been audited and approved.

Providing your FEC certificate

You must provide a current certificate when applying. A valid FEC certificate is required covering the date of the funders panel for this competition, up to and including 31st January 2024.

If your certificate will not be valid on this date, a valid FEC certification must be emailed to **akt@iuk.ktn-uk.org** a minimum of 10 days before the funders panel on 31st January 2024.

Your certificate must:
- confirm that your proposed finances only include costs that are authorised to be recovered and that have been audited
- list those costs in the certificate, with clear subheadings
- have the certificate signed by your finance manager or an appropriately authorised member of the finance staff
- confirm you will charge your business partner in full for its contribution to any project expenditure, and that the sums charged match your application
- submit the certificate with every new application, as does not keep a copy of your certificate

The project assessors will be able to view your FEC certificate (also known as an FEC letter) and must be satisfied that only these audited and approved costs are included in your project's budget.

Your certificate will include these indirect costs:
- vice chancellor and pro vice chancellor's office
- health and safety office
- internal audit
- registrar's office
- legal costs
- library
- IT services
- development office
- human resources
- corporate communications
- strategic planning and change

- academic office (postgraduate research activity)
- international office (postgraduate research activity)
- research and economic development support services
- treasurer's department
- interest payable
- treasury charges
- department indirect costs
- cost of capital adjustment

Estate costs will include these costs:
- buildings depreciation
- equipment depreciation
- insurance
- infrastructure adjustment
- utility costs
- building maintenance
- garden and grounds
- laboratory technicians
- departmental space costs
- other chargeable costs for use of equipment or facilities

Project costs for non-FEC

For knowledge bases that do not use the FEC methodology, use your standard methodology to price the cost of the project. You may be asked to provide evidence of your calculations.

Academic and secretarial support is a fixed rate of £15,000 per year. This can be applied pro-rata to AKT applications.