

Version: V3.1
Date: 21/06/2024



Innovate UK - Accelerated Knowledge Transfer

(AKT)

AKT Round 3 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. This guidance relates to AKT Round 3 ONLY and cannot be applied retroactively to any Round 2 projects.

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 Incomplete or inaccurate submissions will be withdrawn from the competition.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 If this is not possible your grant offer will be withdrawn.

Version: V3.1
Date: 21/06/2024



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 (90 days) in duration, an interim report of spending will be required at 2 months.

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
- associate development costs
- travel and subsistence
- consumables
- costs for the knowledge base supervisor
- associate 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:

<https://www.ukri.org/councils/innovate-uk/guidance-for-applicants/costs-we-fund/costs-guidance-for-knowledge-transfer-partnerships/>

Within the AKT eligibility, there are some differences to the KTP model, this includes both the eligibility of certain costs, and the thresholds in cost categories.

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.

The Funding Level for AKT projects is 90% regardless of Business Partner Size.

Up to £3,500 of the total project costs can be used as a combined total for Travel & Subsistence, Consumables and Estates. Typically, this will be no more than 10% of the total

Version: V3.1
Date: 21/06/2024



project budget. Any costs above this amount must be added to the additional Business Partner costs.

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.

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 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.

Associate Development costs

This supports the associate's personal and professional development, providing:

additional developmental training that is specifically required for the project

training that helps the all-round development of the associate

The maximum associate development costs are £50 per month of the project (for example a 3-month project will have the maximum amount of £150). There are no exceptions to this maximum. The business partner is solely responsible for associate development costs that exceed this amount.

During the project the associate cannot use this on fees for a higher degree or any subscriptions.

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

Version: V3.1
Date: 21/06/2024



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 visiting 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:

Version: V3.1
Date: 21/06/2024



- 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.

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

Additional associate support

Version: V3.1
Date: 21/06/2024



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/>

There are 2 costing methodologies used by knowledge bases:

FEC (full economic costing method) used by higher education institutions

non-FEC (standard costing method) used by further education colleges, research and technology organisations (RTOs) and catapults.

When completing the application form in IFS, for AKT projects, all applications must select the FEC model and follow the guidance below for non-FEC on how to complete this section.

Project costs for FEC and non-FEC

For AKT, below are the standard costs for a project. You must calculate the figures for your project on a pro rata basis:

- associate employment more than 16 miles away from Charing Cross, London – £55,000 / 12 months
- associate employment within 16 miles of Charing Cross, London – £58,000/ 12 months
- associate development – £50 / month
- travel and subsistence – £3,500*/project
- consumables – £3,500*/project
- associate estates cost – £3,500*/project

*A maximum of £3,500 is the combined total across the following cost categories: travel and subsistence, consumables, associate estate costs, the maximum thresholds in each category can only be applied where the other two categories are not being utilised.

knowledge base supervisor – varies for FEC and non-FEC

Version: V3.1
Date: 21/06/2024



additional associate support – varies for FEC and non-FEC

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.

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 11th September 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 11th September 2024.

Calculating non-FEC specific costs

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.

Version: V3.1
Date: 21/06/2024



For AKT applications, please select the 'FEC model' in the project funding section of your application. In Lieu of a valid FEC certificate, you will be required to upload an exemption certificate outlining the calculations for your Knowledge Base Supervisor and Additional Associate Support costs.



Completing Your Finances on the AKT3 Application Form

All applications MUST select the fEC model when completing this section

Your fEC model

Will you be using the full economic costing (fEC) funding model?

This is used to calculate your project costs. An fEC certificate will be required.

Yes No

Non-fEC Knowledge Bases must upload the Exemption Certificate available [here](#)

The funding rate for AKT is 90%, when selecting funding sought, please enter this amount.

Your funding

Are you requesting funding?

Yes

Select a funding level
This field cannot be left blank.

%

No

Completing Company Finances on the AKT3 Application Form



Unlike in KTP, we do not require the same level of information to be submitted from the company in AKT. The company must still be invited to collaborate on the application and complete all the usual steps as they would for KTP. There is no requirement for uploads such as of accounts of supporting letters.

There are two mandatory areas to consider in the application form:

- Companies must complete the section regarding Employee data.
- Companies are not required to provide the commercial impacts, however, there are two questions mandatory to be completed in the normal KTP in this table, 'additional income stream' and 'in project profit or loss', this can be completed such as below if there is nothing to be reported.

Commercial impact

Profit or loss after year of completion

| Additional income stream | In project profit or loss (£) | Year 1 (£) | Year 2 (£) | Year 3 (£) | Y |
|--------------------------|-------------------------------|------------|------------|------------|---|
| | | | | | |
| N/A | 0 | 0 | 0 | 0 | |
| Total | £0 | £0 | £0 | £0 | |

Employee data

| Section | Latest period | Last audited year | Prior audited year |
|---|---------------|-------------------|--------------------|
| Number of full time employees in your company | | | |
| Number of full time employees in your corporate group (if applicable) | | | |