

## International Partnership Space Programme FAQs

### 1. Does the UK Space Agency have a regional focus to the Programme?

*A: We are not being prescriptive with companies. We are keen to receive a broad church of proposals with international partnerships. We are particularly interested in those countries that do not currently have extensive experience of using space or satellite technology as part of their core infrastructure.*

### **50% Funding**

2. There are a number of issues that have been raised around the 50% funding rule which involve legal and convention rules around what bodies are eligible to receive. In general IPSP are looking for projects that as a **whole** have at least 50% matched funding from industry, as this will represent best value for money for the tax payer and these projects will score highly on the VFM criteria. Alongside this, there are state aid rules that companies have to comply with to receive Science and Technology grants. Under these rules universities (not for profit) and small and very small companies under the GBER state aid exemption under the Science and Technology Act, which IPSP is using to make awards, can legally receive more than 50% funding alone or as part of a consortia (60/70% for small or very small companies or universities can receive their normal 80% FEC). This means consortia with small companies and universities in them can under state aid rules receive more than 50% funding (see below examples), but this does not mean that these projects will represent the best VFM in the IPSP competition. That said, we want to encourage projects from as diverse a range of bodies as possible and do not want to put these organisations off applying because they cannot afford to match fund projects and so will not rule them out. This is a competition so we urge all consortia to put in the best projects with the strongest partnerships that they can. Note IPSP will not be answering further questions on this point.

**3. The document states ‘All projects will receive a maximum of 50% funding although medium or small companies can receive up to 60/70 % respectively.’ – But ordinarily we fund university research at 80% Full Economic Costs, in line with Research Council standards – Is this the case here too?**

*A: 50% is applicable to the project as a whole- so if the University involved receive 80%, the amount available for companies will be less- this is in line with InnovateUK (formerly the Technical Strategy Board).*

*If the proposal only involves universities then they can receive their normal 80% FEC in line with other grants.*

**4. Can Match Funding contribution be in kind through existing equipment/facilities?**

*A: It has to be legitimate expenditure that can be audited but does not have to be cash.*

## **5. How should we calculate our overhead rate?**

*The UK Space Agency has not given a specific formula to calculate overheads; the methodology used by InnovateUK could be followed (as described below).*

*Overheads can be applied as a percentage to the direct labour costs calculated for the project. The overhead percentage is calculated by dividing the eligible business costs by the profits (plus any employee labour costs). These figures should come from the previous year's profit and loss account. If you do not have previous year's figures, you should show how you have estimated the overhead rate that you have used for this project.*

*However overheads are calculated, they should be explained and demonstrated in the proposal.*

## **6. Our methodology for calculating overheads is too complex to present in the finance form provided by UKSA. What should we do?**

*A: Assessors must be able to understand how overhead costs are calculated based on the information provided in the form.*

## **7. If we have received other grant funding (e.g. from InnovateUK) can we also apply for IPSP funding? If so, under which State Aid article?**

*If you have received other UK public funding, you can still apply for an IPSP grant. The Article under which you apply would depend on which Article the other aid was awarded under.*

*Article 22 is awarded per company – up to a maximum grant of €0.8m or €1.2m, depending on the location of the company.*

*Article 25 is awarded per project, so a company may receive more than one award, so long as it is for different project costs.*

## **8. Our project is “collaborative” Does each company have to complete their own IPSP Finance spread sheet?**

*A: Where an application is collaborative between two or more partners, each partner (irrespective of size or share of the project) should complete a Finance Form. A better method may be for a project to be delivered by a lead company with other partners treated as sub-contractors rather than partners and in this case a single form should be included with any sub-contractors appearing on the sub-contractor sheet within it.*

## **9. Do we need to complete a collaboration agreement before we submit a collaborative application?**

*A: Yes as stipulated in point 4 of the draft Grant Offer Letter.*

## **10. Understanding Split funding between a large and small company**

*If there is a large company working with a small company, the funding will be split, i.e. 50% to the large company and 70% to the small company. This will be dependent on how much each organization has contributed. A simple example to illustrate:*

*If total project cost is £3m and the large company contributes £2m and the small £1m:*

*Total funding received will be £1,700,000*

*Large company will receive £1m (50% of £2m)*

*Small company will receive £700,000 (70% of £1m)*

**11. Is access to my application restricted?**

*A: Access to your proposal is restricted to individuals involved in the management of the IPSP. Your application will only be viewed by the UK Space Agency and those working with the UK Space Agency as part of the assessment process.*

*We have asked applicants to provide an abstract of their project which UKSA will use to publicize the outcome of their assessment process.*

*Please refer to point 22 and 23 in the draft grant offer Letter where UKSA may publish information relating to the grant on its website and in any other ways it deems appropriate. Prior to publication, the Secretary of State will consider any reasonable representations you may make about information you consider being commercially sensitive.*

**12. What is the maximum intensity of grant that UK Space Agency can award a UK university?**

*A: In line with Research Council standards we will fund up to 80% full economic costs.*

**13. How do we confirm our status as a “young innovative enterprise”?**

*A: A young innovative enterprise must be:*

*A small enterprise as defined by the EU, in existence for less than 5yrs, with R&D expenses representing at least 10% of total operating expenses in at least one of the three years preceding the date of application or in the case of a start-up enterprise without any financial history, in the audit of its current fiscal period, as certified by an external auditor.*

**14. Is the UKSA funding for this programme classified as "overseas development assistance", and if so, is it expected to meet OECD DAC criteria?**

*A: This funding is not ODA and so not expected to meet OECD DAC criteria.*

**15. Can you tell me the timelines for selection and notification of successful applicants?**

*A: UKSA will aim to notify successful applicant by mid-January 2015.*