

International Partnership Space Programme (IPSP) FAQs for Round 2

1. What are the prime aims of the programme?

A: The programme aims to show, through developing international partnerships, the additionality that UK satellite or space technology can provide over terrestrial solutions in terms of societal or economic benefits. Projects funded under both calls will be used to provide sufficient evidence (in terms of benefit and output) to build a case for a longer term programme in this area. Bearing this in mind, all proposals have to be able to clearly show what output they provide on project completion and what this means in terms of societal or financial benefit.

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

A: Yes but the regions are broad. Ideally, but not exclusively, we seek proposals from South America, Middle East and Asia-Pacific although we will consider others especially those associated with the HMG Newton Programme. 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.

HMG Newton Programme countries include; Brazil, China, Chile, Colombia, Egypt, India, Indonesia, Kazakhstan, Malaysia, Mexico, Philippines, South Africa, Thailand, Turkey and Vietnam.

3. Is the Agency only interested in Earth Observation, Space technology, Life Science and Planetary Science proposals?

A: In order to get a balanced portfolio of work, the UKSA is seeking proposals from the above topic areas. This will not exclude proposal topics which focus purely on Navigation or Communications, but due to receiving a large amount of proposals focussing on these two areas in call 1, preference will be given over these areas to the under-represented topics.

4. What does the Agency mean by measurable benefits?

A: A benefit is the effect the project has on its completion. Project deliverables such as new IT systems, new buildings or new ways of working deliver no benefits in themselves; the benefits come from the application of those products in the wider environment and the extent to which those contribute to achievement of strategic goals. Benefits can either be tangible, ie objective and clearly measurable, or intangible which are of a more subjective nature. However there must be clear metrics to judge the overall success of the project. The focus of every project should be on the benefits and not the deliverables. The project deliverables and products are the vehicle upon which the benefits are delivered.

An example of this may be the installation of a space based broadband system into a remote area for hospital or school use. The project goal maybe to install, test and certify the system but the project benefit will be the effect the system has on the school/hospital service and the corresponding effect

on the society. Due to the compressed timescales of IPSP, the focus should be given on tangible measurable benefits rather than intangible ones

5. 50% Funding

A: In general IPSP is 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.

6. Understanding Split funding between a large and small company

A: 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)

Business applicants, which includes industry and all other organisations that do not qualify as Research Organisations, or Charities/Public Sector Organisations undertaking research, will be able to have their individual eligible costs funded at the following rates:

Applicant Business Size	Fundamental Research	Feasibility Studies	Industrial Research	Experimental Development
Micro/Small	100%	70%	60%	35%
Medium	100%	60%	60%	35%
Large	100%	50%	50%	25%

The definition of micro, small and medium-sized enterprises used by UKSA is contained in the European Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (2003/361/EC), which took effect on 1 January 2005 or any subsequent definition provided by the Commission. This can be found at:

http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm

"large enterprise" means any enterprise that is not an SME

7. 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. Contributory IP will not be looked upon as a legitimate matched funding source. Where overseas partners are providing funding, a confirmation letter must accompany the proposal stating how much and what kind of funding will be provided from the overseas partner

8. How should we calculate our overhead rate?

A: 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.

9. 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.

10. 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?

A: 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.

11. 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.

12. 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.

13. 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.

14. 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.

15. 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.

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

A: UKSA will aim to notify successful applicant by end of March 2015.