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Knowledge Transfer Partnerships (KTP)

Costs and Costing
Update

October 2026

Background

Last major application form update 2023

New government

- Industrial Strategy
- UKRI Strategy
- IUK Prospectus

New direction including IS6 and High performing teams

Costs last updated 2023

Cost of Living crisis / Inflation

Competition update

Funding round	Open date	Close date	Budget
KTP round three, 2026 to 2027	29 June 2026	14 October 2026	£12.5m
KTP round four, 2026 to 2027	19 October 2026	<u>27</u> January 2027	£12.5m
KTP round one, 2027 to 2028	8 February 2027	21 April 2027	tbc
KTP round two, 2027 to 2028	26 April 2027	23 June 2027	tbc



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New Costs - update

Budgets per 12 months

Budget category	Previous	Budget	Can be exceeded?	Pro Rata?
Associate Employment (outside of London)	£55,000	£60,000	With Business contribution	Yes
Associate employment (in London)	£58,000	£63,000	With Business contribution	Yes
Associate Development	£2,000	£2,500	With Business contribution	Yes
Travel & Subsistence	£1,500	£2,000	With justification	No
Consumables	£2,000	£3,000	With justification	No
Knowledge Base Supervisor	variable	variable	Based on FEC	Yes
Estate Costs	£10,000 project maximum	£5,000 including £1,250 for specialist computing services	With Business contribution	Yes
Additional Associate support	variable	variable	Based on FEC	Yes

Full Economic Costing

Budget category	Previous	Budget	Can be exceeded?	Pro Rata?
Associate Employment (outside of London)	£55,000	£60,000	With Business contribution	Yes
Associate employment (in London)	£58,000	£63,000	With Business contribution	Yes
Academic and secretarial support	£15,000	£20,000	With Business contribution	Yes
Associate Development	£2,000	£2,500	With Business contribution	Yes
Travel & Subsistence	£1,500	£2,000	With justification	No
Consumables	£2,000	£5,000	With justification	No

Non Full Economic Costing

- **Costs Guidance Overview**
<https://ktp1975.blogspot.com/2026/10/costs-guidance-for-knowledge-transfer.html>
- **FEC Costing Guide**
<https://ktp1975.blogspot.com/2026/10/cost-categories-for-ktp-fec-projects.html>
- **Non FEC Costing Guide**
<https://ktp1975.blogspot.com/2026/10/cost-categories-for-ktp-non-fec-projects.html>
- **Application Form**
<https://ktp1975.blogspot.com/2026/10/application-form-questions.html>

Key changes (Fec & Non Fec)

- Associate employment
 - Increased to £60,000 per 12 months or £63,000 with London weighing
- Associate Development
 - Increased to £2500 per 12 months
 - Participation at Associates Conference and Innovation Strategy course
 - Maximum of 2 academic or business conferences and trade shows

Key changes (Fec & Non Fec)

- **Travel and subsistence**
 - £2000 per 12 months - Applicants may request funding in excess of this limit; however, a clear and robust justification for the total amount requested must be provided.
 - Clarity over costs used when creating budget and what can be claimed for
 - When additional trips may be considered
 - Virtual businesses can now claim for more, based on meeting location

Key changes (Fec & Non Fec)

- Consumables

- £3000 per 12 months - Applicants may request funding in excess of this limit; however, a clear and robust justification for the total amount requested must be provided.
- The maximum eligible cost for a computer is £3750 per Associate, but specification must be justified.
- Standard IT peripherals may be purchased

Key changes (Fec only)

- Other costs
 - No change
- Estate Costs
 - Associates are expected to spend the majority of their time within the Business rather than on Knowledge Base premises
 - Now charged annually, per associate
 - Now allows up to 25% of of this budget may be allocated specifically to cloud computing services, tokens, API licences and software subscriptions not already included within the Knowledge Base's basic provision under Additional Associate Support
- Additional Associate Support
 - No Change

Key changes (non Fec only)

- Academic and secretarial support
 - Increased to £20,000 per 12 months
- Consumables budget
 - Increased to £5000, including a 25% allowance for specialist computing services (see fec)



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Any Questions?



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New Questions - update

Please note that question numbers referred to in this presentation, may be different in the final version of the application form

Preliminary Questions Q1-10

3. International collaboration	Does your proposed work involve any international collaboration or engagement?	You must provide details of any expected international collaboration or engagement. This includes overseas ownership of the business, group or businesses within the group. You must include a list of the names and the countries, any international project co-leads, project partners, visiting researchers, or other collaborators. You must also include details of any subcontractors or service providers. – Innovate Standard and not applicable to KTP If your proposed work does not involve international collaboration or engagement, your answer must confirm this.
5. Trusted Research and Innovation	Explain whether your proposed project work relates to UKRI's Trusted Research and Innovation (TR&I) Principles, including any dual use or national security considerations.	You must explain if your proposed project work relates to UKRI's Trusted Research and Innovation (TR&I) Principles, including: • a list of any dual-use (both military and non-military) applications to your research • a list of the areas where your project is relevant to one or more of the <u>17 areas</u> of the UK National Security and Investment (NSI) Act • whether an export control license is required for this project under the <u>academic export control guidance</u> and the status of any applications • a list of any items or substances on the UK Strategic Export Control List If your proposed work does not relate to UKRI's TR&I Principles, your answer must confirm this. We may ask you to provide additional TR&I information at a later date, in line with UKRI TR&I Principles and funding terms and conditions.
7. Application of technology	How does this project apply to the 6 sectors described within the industrial strategy?	Which of the following best describes how the project will apply technology, which we define as the application of knowledge for practical purposes. Select one of the following: • Adoption of technology • Development of technology • Both adoption and development

About the project Q11- 24

20. High growth potential	What characteristics does the business or business unit possesses that suggest it has high growth potential?	Describe the current : • Business model • Leadership • Technical capability • Pipeline of ideas • Growth trajectory • Availability and access to funds
21. Business description:	What does the business do now?	
22. Business strategy	Where does the business see itself in the future?	
23. Description of the idea or innovation	What is the problem or opportunity this idea or innovation intends to address and how will this approach help resolve it?	Provide a description of the problem or opportunity and outline how your idea addresses it. Explain: • Potential scale • The consequences if the problem or opportunity is not addressed • Why is this approach innovative to the business? Highlight any evidence that supports your response. Do not include any hyperlinks in your answer.
24. Knowledge gap	What knowledge does the business lack to deliver this innovation?	

The partnership and market opportunity Q25 - 30

25. Embedding	How will new knowledge be embedded within the business?	Explain how the new knowledge, technology or expertise will be embedded in the business for use beyond the lifetime of your project
26. Reason for partnership	Why does a KTP suit this idea and what alternatives have you explored?	Explain why the KTP structure and funding is necessary to achieve the desired outcomes.
29. Market opportunity	What is the market opportunity and the market size for your idea? Additional information on calculating market size is provided by British Business Bank .	Describe • Your current market share. • Who will pay for your innovation and why? • What are the key characteristics or needs of your main customers? For your new idea or innovation provide an evidence based assessment of: • The Total Addressable Market (TAM): This is the total market demand for a product or service. It's the maximum revenue opportunity available if 100% market share was achieved. • The Serviceable Obtainable Market (SOM): The portion of the addressable market that can realistically be captured by your idea. It factors in constraints like competition, geography, pricing, and how easily you can go to market.
30. Market opportunity	How will market opportunity quantified by TAM and SOM be realised ?	Explain: • Your proposed route to market, including key potential customer, channels, business models, and marketing • Who are your key competitors and what market share do they have? • What are the obstacles to market entry?

Commercial Impacts and Commercialisation Q31- 40

31. Commercial impacts	What are the expected commercial impacts, revenues and assumptions?	Explain how the project will deliver commercial impacts. Describe each distinct source of revenue and profit generation as presented in the Commercial Impact Template. Within your response, include the following figures generated in the Commercial impacts template as 2 bullet points • Cumulative revenue £ XXX • Net Profit before tax £XXX You must download the latest commercial impacts template, complete it and upload as a PDF with a file size of up to 10MB. The font must be legible at 100% zoom. Within the template explain: • the income generating activities arising from the KTP • the assumptions you used to generate the revenue and profit figures in the commercial impacts table • the formulas you use to calculate the revenue and net profit before tax figures
34. Project funding	How does the business plan to address the funding of this project and commercialisation?	Explain: how are you going to fund the costs of your project the likely cost within and beyond the project, of commercialising your innovation how you are going to fund the costs of commercialising your innovation the additional actions required beyond the project You do not need to provide detailed figures of project-related costs in this section, those should be included within the Additional Company Cost Estimate table, detailing any additional contributions required from the business during the life of the project. Where funding the costs of the project rely upon the raising of additional funds, letters of support or a description of the type of funding being sought should be attached to the application.

Associate Supervision Q41 - 42

41. Associate supervision	Confirm the associate or associates supervision complies with the KTP model.	Associate supervision is essential to the success of the partnership. The associate must spend the majority of their time working within the business. Supervision must be provided by: • Business partner supervisor: Provides daily guidance and support at the business location. • Knowledge base supervisor: Delivers at least half a day of supervision per week (typically online). • Joint responsibility: Both supervisors support the associate in delivering the project workplan and progressing their Personal Development Plan (PDP). If the associate spends time at the knowledge base, daily supervision from the knowledge base supervisor is also required. The business supervisor must continue to supervise the associate during this period. In addition, the knowledge base supervisor must meet face to face on a monthly basis, with the associate and business supervisor at the business location to review progress and provide supervision. All supervisors and leads from both the knowledge base and business are expected to attend Local Management Committee (LMC) meetings in person. All partners acknowledge the authority of the Knowledge Transfer Advisers as the representative of Innovate UK within the project and recognise that non-compliance may result in claims not being approved. Do you confirm the partners agreement to the above: You must select one option: • Yes • No If your answer is no, your application will be rejected and not progressed any further.
42. Associate arrangements	What additional support measures will be included as part of associate supervision?	Explain: • The associates working arrangements? office based, hybrid or virtual • How the associate's working arrangements will be managed • Any variation from standard terms of associate supervision • Any additional requirements If no additional support measures are required, you may respond 'none'



Supervisors Background Q44 - 46

44. Business partner supervisor's background	How does the business partner supervisor's experience makes them suitable for this role?	Explain why their experience makes them suitable for this role. Your response must: • give their name • give their job title Explain the business supervisor's suitability to: • work in a team with the knowledge base supervisor and the associate • give day to day support to the project • offer guidance and mentoring support to the associate • provide links to information and expertise available within the business • drive embedding and commercialisation activities within the business • work across the project team to ensure the business complies with knowledge base regulations to support the associate's wellbeing It is expected that the supervisor will ensure that the business gives consideration to any request for resources or training of business personnel required for the project to succeed and for its outputs to become embedded within the business. If your project has more than one business partner supervisor, you must give the background details for each person and indicate who is the primary lead for associate wellbeing.
46. Knowledge base supervisor's background	How does the background and experience of the knowledge base supervisor's make them suitable for this role?	For each knowledge base supervisor, your response must: • give their name • give their job title • describe how their subject knowledge, academic interest and experience are relevant to the challenges in the project • give evidence that they have the necessary skills to contribute to the successful delivery of the project • outline how they will work with the business partner to support the associate's wellbeing If your project has more than one knowledge base supervisor, you must give the background details for each person.

Previous projects Q50

50. Previous funding and projects	Have any of the partners applied for or received other funding that relates to this application?	Innovate UK cannot fund a project that duplicates work previously supported through another grant or that is already receiving funding from another source. Provide details of any grant applications made within the past five years that are linked to this project. This should include any funding received or applied for through UKRI or other funding organisations. Applicants must separately list any KTP or AKT applications submitted by the business partner within the last five years , including the project numbers. Applicants should also describe the impacts of previous KTP projects of any age, and additionality of the current application. When two or more applications from the same business or group are made to the same round of KTP, each application must contain details to highlight the other submission. You must explain the reason for the multiple applications. Applicants may also use this section to describe changes contained within this application when compared to previously rejected applications. You are reminded that a business may receive funding for no more than four concurrent KTP projects and that Innovate UK compares applications across its entire portfolio for repetition and duplication. You must not leave this answer blank. If no previous funding or projects state 'None'
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Declaration Q54

54. Conformation of KTA support and declaration of accuracy	Confirm that the information provided is accurate and complete.	You must agree to the following declaration. The partnership confirms: • the nominated Knowledge Transfer Adviser has reviewed the application and supports its submission into the competition • that all proposal partners are aware of the information provided by Innovate UK as part of the application process including, but not limited to, Innovate Funding Service competition and application supporting information, KTP guidance, KTP costs guidance, Associate and Supervisor handbooks, and the Associate Recruitment guide • that the partnership agrees to abide by the rules and guidance contained within these documents and agree that subject to the terms of the Grant Offer Letter, in all matters, the decision of the KTP Programme is final • that the proposal meets the overarching criteria for KTP and, to the best of their knowledge, the information provided in this grant application form is accurate and complete You must select one option: • Yes • No If your answer is no, your application will be rejected and not progressed any further.
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