

## Circular Economy for SMEs – Innovating with NICER – Round 2

Questions and Answers from drop-in webinar sessions 13/10/22 and 22/10/22

(Questions anonymised and answers paraphrased from live session)

### **Is the funding open to groups of SMEs, ie. Cluster?**

- Yes. A single SME would have to be the lead applicant, but they could represent a cluster, or include other companies as project partners (and the partners do not need to be SMEs).

### **Are large companies eligible for funding as a collaborator? Providing there is an SME lead**

- Yes. Note that different sized organisations are eligible for different funding rates. See the full eligibility criteria [here](#)

### **What needs to be included in the letter of support?**

- The NICER centres and hub have templates for their letters of support, allowing some differentiation between projects that are working at the fringe of the NICER programme themes, and those that are more at the core of themes and could bring extra added value and learning to the programme. The letters of support are written by the centres/ hub, but there is also an additional question where applicants have to describe in their own words how they will add value to the programme.

### **Since recycling is within scope, as an SME can we lead with a global manufacturer as a potential partner to exercise our tech and demonstrate its results?**

- Yes. The addition of such a company as a partner could help demonstrate a credible route to commercialisation.

### **Can you explain what level of spend evidence is needed where a partner's claim is <£50k. Above £50k I understand an auditors report is required. Also does that threshold apply to the actual project costs or the claimed funding (i.e. the 70% claimable)?**

- Any partners with individual total project costs of up to £50k must provide evidence with a 'statement of expenditure'. It's calculated on cost levels, not claim levels. Above \$50k requires the Independent Accountants Report (IAR).

### **Which centre is relevant for re-use/ recycling of office electrical equipment?**

- Depending on whether the focus is on the technology metals within them (MET4TECH centre), or the bulk metals that they are made of (Circular Metals). There is already one project from Round 1 that is looking at elements of electronic equipment recycling (finding

the point at which it is better to repair or recycling) – this is included in the pre-recorded briefing.

**If the centres do not possess the technical/equipment capability, how can people still apply for this funding?**

- Collaboration with the NICER centres is not a mandatory part of the of the eligibility criteria. You could run the project as a single SME, or collaborate with other academic/ business expertise. However, you would still need the NICER centre/hub letter of support to confirm that the theme is aligned and that you would be adding something to the programme (e.g. learning, data).

**Can you explain a bit more about how the 'portfolio of projects' works in practice? Does that mean you are looking at a consistent number of projects or value of funding awarded across each of the centres?**

- We are not operating on the basis of having a set number of projects for each centre. However, we may use portfolio balancing to ensure that a single centre is not over-committed on resources with similar projects. We would also not promote a low scoring proposal above our standard quality threshold.

**You are looking for break through high impact risky initiatives. Is organising a CE event, launching a new label for CE, organising a collection scheme, or assessing a specific stream of devices in the scope of funding?**

- An event for its own sake would not be in scope, but an event (eg workshop) could be incorporated to engage with stakeholders. Marketing (eg new label launch) is not in scope. Collection of products could be included as part of a pilot, but not just as part of normal commercial operations. Assessing a specific stream of products could be part of a pilot project.

**What are you expecting in the application: length, endorsement, studies, bibliographies? Is it a 10-page application or longer?**

- All details of the application questions are on the competition page [here](#). Innovate UK applications are generally much shorter than those required for collaborative EU grants, with no more than a few hundred words for each question. The questions have been refined from Round 1, so those that applied previously should make sure they check the questions carefully and not just paste in previous answers. The Innovate KTN [Good Application Guide](#) is an excellent place to go for general advice on filling out these applications.

**Is the total project costs being funded max 70% for SMEs, like most other Innovate UK funding?**

- Yes, but note this percentage also varies depending on the type of research and development you are doing. Lower percentages apply for activities that are closer to market. More details are in the eligibility criteria [here](#)

**If we apply for £100k and are eligible to claim 70%, does the collaborator share that 70% with us?**

- No. All partners should add up the *total cost* needed to do their work. This total should not exceed £150k. Provided organisation details are entered correctly into the application form, the precise grant that would be received by each partner is then automatically calculated (for example, a large company would only receive 50% of their costs as a grant for feasibility studies).

**Would valorisation of protein rich agricultural waste streams be in scope?**

- No, this is not one of the focus resource flows.

**Would development of an electric motorcycle be in scope?**

- Only if the project was focused on the circularity of the materials in the motorcycle (ie the bulk metals or technology metals in the motor, and/or the business model for ownership to maximise circularity).

**Would consumer habits and behaviour related to fashion be in scope?**

- The centres are interdisciplinary and consumer interaction with clothing is within the themes of the Textiles Circularity Centre. However, it would be best to speak to them directly and/or consider a broader collaboration to bring your expertise to those who are working with the materials/ textiles development.

**Would development of natural grown materials for use in construction to replace mineral-based construction materials be in scope?**

- No, we are not looking for projects that substitute away from the focus materials for this competition.

**Considering the budget, how many projects are you expected to fund? And how many applications did you have last time?**

- In round 1 we funded 16 projects. We are expecting a similar number this time (between 10-20). Although we had ~200 applications started, around 55 got through to completing a full

application. Given the requirement for a letter-of-support, this has meant a higher success rate for those who submitted, versus our standard funding opportunities.

**How long will it take to get a letter of support? Should we start work on the application in the meantime?**

- Centres will be considering project proposals on a first-come, first-served basis, with the soft guarantee to consider enquiries by 16<sup>th</sup> November. However, if you leave it to this date, there will likely only be the time for a light-touch letter of support, rather than more in-depth collaboration with the centre. Please note, if you are unsuccessful in securing a letter of support or getting funding, there are several other Innovate UK funding opportunities that include Circular Economy as a theme. See: <https://ktn-uk.org/opportunities/>

**What level of involvement from the centres has there been in Round 1? Is this in addition to the max funding?**

- Roughly half the projects have NICER centre involvement, but we have a slightly tighter scope definition for round 2. This involvement ranges from full, grant claiming, project partner, to providing a non-funded advisory role. Any grant for centres comes out of the project total costs, but can only be up to 30% of the total. NICER centres also receive core research funding from the broader NICER programme budget, hence you may be able to access some of this research within your project.

**Is the cost of registering patents eligible to be paid for by the funding?**

- Patent costs can be included in the project budget, but only up to a limit of £7,500 per partner and this must only be for IP generated by your project, not for R&D done prior to the project. More details on costs eligibility are available here: <https://www.ukri.org/councils/innovate-uk/guidance-for-applicants/costs-we-fund/costs-guidance-for-non-academic-organisations/>

**Can universities be assigned as subcontractors rather than collaborators?**

- As with all subcontractors, we need you to justify why they wouldn't be full project partners. More details on the requirements for subcontracted costs are in section 1.5 of the costs guidance: <https://www.ukri.org/councils/innovate-uk/guidance-for-applicants/costs-we-fund/costs-guidance-for-non-academic-organisations/>

**Is this grant under de minimus?**

- No. Details of the subsidy levels are in the eligibility section of the competition details: <https://apply-for-innovation-funding.service.gov.uk/competition/1310/overview/915ed7d3-c659-4eee-b877-49ab7d92be78#eligibility>

**Could there be a conflict of interest collaborating with a university that is also part of a NICER centre?**

- All academic collaborations are done with specific universities, rather than the centres as a whole. There may be instances where your project is in a competitive field to other projects that researchers are working on with industry. In these instances, we'd recommend working with alternative academics, but you should still qualify for a letter of support (providing you meet the criteria for thematic alignment).

**Is the outcome of this call for the NICER centres to take the research and work on finalisation to commercialisation, rather than the SMEs?**

- No. SMEs should be outlining their own pathway to commercialisation from these projects. Projects may, however, identify areas where researchers or other businesses could build on in future. Both direct and indirect commercial exploitation is in scope.

**If we succeed in getting funding from NICER, can we apply for more funding elsewhere?**

- Your application should not be dependent on you getting funding from elsewhere that you have not already secured. Your project could lead to further development being funded from elsewhere, but you should make sure that you are not double-counting for the same work (timesheet evidence is required at each reporting period). Please also note that these grants are paid in arrears at the end of each quarter.

**Can you clarify what needs to be done by 16<sup>th</sup> November?**

- This is the soft deadline for contacting the NICER centres or hub to request a letter of support to guarantee sufficient time for them to consider your request. We do, however, advise contacting them as soon as possible, particularly if you are looking to collaborate with the centres as project partners.

**Is there any other support to help with applications?**

- Innovate UK KTN have sector specialists who may be able to provide additional advice on applying to the competition, including finding collaboration partners and highlighting whether there are [other funding opportunities](#) that may be a better fit for your innovation idea. The KTN contacts are:
  - o Chemicals - [michael.burnett@ktn-uk.org](mailto:michael.burnett@ktn-uk.org)
  - o Construction - [mike.moseley@ktn-uk.org](mailto:mike.moseley@ktn-uk.org)
  - o Textiles and metals: [stephen.morris@ktn-uk.org](mailto:stephen.morris@ktn-uk.org)

For further questions or clarifications, please contact [support@iuk.ukri.org](mailto:support@iuk.ukri.org)