

UKRI COVID-19 Grant Extension Allocation - FAQs

Contents

1	Objectives.....	5
1.1	What is the aim of the UKRI COVID-19 grant extension allocations?.....	5
1.2	Where has the money come from?	5
1.3	Will there be an impact on core UKRI funds going forwards?.....	5
2	Calculation of organisational grant values.....	5
2.1	How have you calculated the allocations? What grants have been included/excluded? 5	5
2.2	How has the total value of these awards been arrived at (i.e., £180 million for new block grants and £80 million from the existing grant portfolios)?	6
2.3	Is there a direct correlation between projects included in the financial algorithm and eligibility for use of the money?.....	6
2.4	Why have you excluded certain types of grant?	6
2.5	Can we see a breakdown of the grants which have been used to calculate our allocation?.....	6
2.6	How has our disciplinary balance been calculated and how much discretion do we have to deviate from the figures quoted in our award?.....	6
2.7	We are a small organisation with very few UKRI grants. Our discipline balance is skewed by only one grant funded by a certain council, which will not need additional support, so we are unable to meet the disciplinary balance quoted in our award. How can we approach this situation?	7
2.8	Can we appeal the methodology used to calculate our award, or the level of award? 7	7
2.9	Why hasn't our organisation received an allocation?.....	7
2.10	Is the allocation to each organisation going to be published?.....	7
3	Grant holders.....	7
3.1	I have a current UKRI grant, can I apply for a costed extension through this scheme? How do I check if my grant was included in the calculations made by UKRI?.....	7
3.2	My organisation has not given me any additional funding through this scheme, can I still apply to UKRI directly for a costed extension?	8
3.3	How will receiving a costed extension impact on any reporting requirements for my current award?	8
3.4	Are UKRI Fellowships covered?.....	8
3.5	My work is co-funded by another UK government funder / charity / business. How do I claim support from them or are UKRI going to coordinate this?	8
3.6	UKRI has already approved a no-cost extension for my grant but my organisation has not allocated me a costed extension.....	9
3.7	What is UKRI's position on no-cost extension for non-ODA projects?.....	9
3.8	What is UKRI's position on no-cost extension for ODA projects?.....	9
3.9	My organisation is allocating me funding through their allocation. Do I also need to request a no-cost extension?.....	9
4	Use of the allocation.....	10
4.1	Who will be the Principal Investigator?	10

4.2	Who can benefit from the allocation? Which grants?	10
4.3	How can the money be used?.....	10
4.4	Can the university spend the money on a project that has not been used to calculate the award?	10
4.5	Can the allocation be used to support staff who are furloughed?	10
4.6	What is the UKRI expectation for dealing with requests from grants where only part of the research is undertaken at the lead organisation (e.g. Hubs or Centres)? Should funding be issued from this allocation to other universities in line with collaboration agreements? ..	10
4.7	Are GCRF and Newton awards able to benefit from this funding?.....	11
4.8	Is it possible to continue to use the University's CoA funding to support ODA projects affected by the reductions in ODA funding?	11
	The UKRI Covid-19 Grant Extension Allocation (CoA) awards are funded through UKRI's . 11 core funding and not through ODA funds. Our ODA allocation from BEIS is capped meaning	11
	UKRI is not allowed to seek alternative UKRI budget sources to support GCRF and Newton	11
	activities. The CoA should only be used for its original intended purpose as outlined in the 11 original terms and conditions. This means that we are not able to increase the flexibility to 11 support ODA projects affected by the reductions that don't fall within the usual CoA eligibility	11
	requirements. The restriction that support available from the CoA is limited to UK based ... 11 organisations and their employees will continue.....	11
4.9	How should suspended grants be considered?	11
4.10	What are the expectations for ensuring equality, diversity and inclusion?	11
4.11	How can we report against protected groups if we do not collect data on protected characteristics?	12
5	Specific Information for Innovate UK grant holders	12
5.1	I want to use the allocation to complete an Innovate UK project: do I have to submit a claim to Innovate UK for both the grant extension allocation and my original award? I submit claims to a set schedule, on incurred and defrayed basis, into IUK's _Connect grant platform, has this changed?	12
5.2	Do the grant extension allocation terms and conditions replace the terms and conditions set out in Innovate UK's grant offer letter?.....	12
5.3	How does the grant extension allocation impact on my state-aid status in relation to Innovate UK projects I am a participant in?	12
5.4	The scope of my project has changed as a result of COVID-19 and this additional funding. How do I check if I am eligible to carry on?.....	12
5.5	What role will the project monitoring officer have going forward if the project is being funded both from Innovate UK and EPSRC grant extension allocation?	13
5.6	Which Innovate UK grants have been excluded?	13
5.7	Are KTPs eligible for CoA support?	13
5.8	What do you mean by Directly Incurred Costs, Directly Allocated Costs, Estates Costs and Indirect Costs?	13

6	Change of use of funds	13
6.1	What does change of use mean specifically for RC funding?	13
6.2	What does change of use mean specifically for Innovate UK funding?	13
6.3	Which grants are eligible for a change of use?	14
6.4	What percentage of each individual grant can be permitted to have a change in use? Are there any limits on change of use, or any additional actions or permissions that need to be sought?	14
6.5	How does UKRI expect organisations to manage the change in use funding?.....	14
6.6	How does change of use work in practice?.....	14
6.7	Can I move funding from suspended grants?	15
7	Use of the funding	15
7.1	Can we use the funding for estates costs, indirect costs and capital?.....	15
7.2	As the CoA is being funded at 100% fEC how do we deal with indirect costs?	15
7.3	If we choose to prioritise Directly Incurred staff costs and fund this at 100%, would we be permitted to charge a contribution to overheads (Indirect/Estates) as a simple % of staff costs, rather than use TRAC rates?.....	15
7.4	Where we wish to charge Indirect costs to the CoA, must this be specific to individual projects, or can it be done more generally across the fund to cover necessary and legitimate infrastructural support rather than being project specific?	16
7.5	How do we account for, and report on use of, the funds to offset irrecoverable costs in BSUs and other core facilities relating to the COVID-19 delay of work on UKRI grants?	16
7.6	If someone is part-funded through the CoA do they need to complete a timesheet?	16
7.7	Can the purchase of purchase of laptops, printers, headsets, chairs etc. to enable staff to move to home working be charged as a exceptional cost under the CoA?	16
7.8	Can I use money to fund my overseas Co-I/ collaborator/ partner if they are listed in the original grant?	16
7.9	How should we distribute CoA funding to collaborators and support co-investigators? 17	
7.10	How should we support Co-Investigators from other organisations?	17
7.11	Do we have to spend the funding by 30 September 2021 or can we keep some back in case we need it later to support COVID-19 related issues?.....	17
7.12	Should we be looking to support students funded on research grants?.....	17
7.13	Can the money be used to extend students who have a job within the RO on a UKRI grant but can't start it yet due to non-completion of the PhD?	17
7.14	How long can a costed extension be?	17
7.15	Can we request an extension to the end date of the CoA funding?.....	17
7.16	Can this funding be used to support COVID-19 protection within the organisation e.g. PPE?	18
7.17	Will any of the restrictions on this funding apply to the loans part of the Government support package?	18
7.18	Does this mean that the whole of the Change of Use flexibility that an organisation could use will count against any future grant, or only the Change of Use funding that we actually utilise?.....	18

8	Process	18
8.1	How will UKRI approve the Governance Plan?	19
8.2	Can we start delivery work as soon as the offer letter is received?	19
8.3	Can we have an extension to the 28 days to submit the Governance Plan?	19

31 July 2020 update: Questions 2.1, 3.2, 6.1, 6.2, 6.3 have been updated. Questions 2.5, 2.6, 2.7, 3.7, 3.8, 4.5, 4.10, 5.7, 5.8, 7.3, 7.4, 8.1, 8.2, 8.3 have been added to provide further clarity.

19 August 2020 update: Questions 3.3, 3.7, 3.9 and 8.1 have been updated. Questions 3.8, 6.6, 7.2-7.7 and 7.16-7.17 have been added for further clarity.

25 August 2020 update: Question 3.7 has been updated.

17 December 2020 update: Questions 2.3, 2.6 and 2.7 have been updated.

18 January 2021 update: Question 3.7 has been updated. An additional question has been added at 7.15.

19 March 2021 update: Questions 3.7 and 7.15 have been updated.

14 April 2021 update: An additional question has been added at 4.8.

UKRI COVID-19 Grant Extension Allocation - FAQs

1 Objectives

1.1 What is the aim of the UKRI COVID-19 grant extension allocations?

The aim of the UKRI grant extension allocations is to provide UK organisations with resources to sustain UKRI grant-funded research and fellowships affected by the COVID-19 pandemic. This can include support for research and technical staff and research infrastructures during the period of pandemic disruption and its immediate aftermath.

The objectives are:

- **To ensure that UKRI grant outcomes continue to be met, and the value of grant investments is realised** by enabling research projects to complete, recognising the challenges faced by the research community during the pandemic disruption;
- **To secure the key talent pipeline of research and technical staff**, securing short-term employment and maintaining the talent pool essential for long-term recovery and growth of the sector, underpinning the post-pandemic national recovery.

We aim to:

- **Provide organisations with flexibility** to:
 - deploy resource rapidly in response to the pandemic disruption recognising that organisations are best placed to judge which projects are most vulnerable, and where support is most needed;
 - adjust the allocation they receive to support those grants most at risk given the variability of COVID-19 impacts. This includes those where there are multiple funders and where those other parties are withdrawing their support.
- **Reduce bureaucracy** in administering this allocation both for grant recipients and for UKRI.

1.2 Where has the money come from?

The impact of COVID-19 has impacted delivery plans for some activities and this has enabled us to re-prioritise resources to address COVID-19 pressures.

1.3 Will there be an impact on core UKRI funds going forwards?

The package is affordable within UKRI current financial allocation.

2 Calculation of organisational grant values

2.1 How have you calculated the allocations? What grants have been included/excluded?

The allocation is calculated by looking at the value of payments that organisations are profiled to receive between 1 April 2020 and 31 March 2021 for competitively awarded grants with a planned end date during the same time period. The total allocation funding will be awarded to organisations pro rata to the total value of profiled payments. There are some grants that have been excluded (see below 2.4).

2.2 How has the total value of these awards been arrived at (i.e., £180 million for new block grants and £80 million from the existing grant portfolios)?

The £180 million figure for the grant extension allocation is based on a number of factors, including the proportional balance of grant expenditure currently held per organisation in the UKRI system (for grants that end between 1 April 2020 and 31 March 2021) and assessments of the level of disruption in the research base created by COVID-19. It should allow organisations to target and support those grants most at risk of completing their planned research activities.

2.3 Is there a direct correlation between projects included in the financial algorithm and eligibility for use of the money?

No. Given the hugely variable impact of COVID-19 on projects and people in a rapidly evolving situation, UKRI considers that organisations are best placed to judge which projects are most in need of additional support. In making assessments organisations will need to bear in mind:

- The funding maintains the broad disciplinary balance that is reflected in the distribution of an organisation's grant funding ending between 1 April 2020 and 31 March 2021 by Council.
- That at least 35% of the funding is used to provide for directly incurred costs.
- The funding maintains the balance of an organisation's 2020/21 grant funding by protected characteristics, and seeks to mitigate any disadvantages to protected groups if they have been incurred through the pandemic and its impacts.
- Support for co-funded activities is proportionate to UKRI contributions.

If tensions arise between the above considerations, priority should be given to allocate funds first to most vulnerable projects, second to maintain the balance of the organisation's 2020/21 grant funding by protected characteristics and third to maintain the disciplinary balance as stated in your organisation offer letter, even if that means not maintaining all the above requirements simultaneously, but justification will have to be provided in the Final Report. However, at least 35% of the total cost must be used towards directly incurred costs.

2.4 Why have you excluded certain types of grant?

Some grants have been excluded from the pool of grants used to determine the allocation and the allocation should not be used to fund these activities. These are activities that are subject to restricted or non-competitive renewals, such as block grants with automatic renewals, strategic funding for Institutes, facilities, NERC National Capability, capital funding calls, and services, or activities that have been provided for separately such as studentships.

2.5 Can we see a breakdown of the grants which have been used to calculate our allocation?

We will not provide information on grant-by-grant basis and would not expect grant-by-grant information to be submitted in your Governance Plan.

2.6 How has our disciplinary balance been calculated and how much discretion do we have to deviate from the figures quoted in our award?

The disciplinary balance is based on the payment value of awards from each council that organisations are profiled to receive between 1 April 2020 and 31 March 2021 for competitively

awarded grants with a planned end date during the same time period. It is not based on the total number of projects from each council that an organisation holds. There is no direct correlation between projects included in the financial algorithm and eligibility for use of the money.

A 10% variation of the organisation's disciplinary balance is acceptable so, for example, 40% for one council can be allocated at anything between 30-50%. The 10% variation can also be utilised to support projects from councils not listed in your disciplinary balance shown in the offer letter and you should outline the rationale for this within your Governance Plan.

Notwithstanding, priority should be given to allocate funds first to most vulnerable projects, second to maintain the balance of the organisation's 2020/21 grant funding by protected characteristics and third to maintain the disciplinary balance as stated in your organisation offer letter, even if that means not maintaining all the requirements simultaneously (as described in question 2.3), but justification will have to be provided in the Final Report. However, at least 35% of the total cost must be used towards directly incurred costs.

2.7 We are a small organisation with very few UKRI grants. Our discipline balance is skewed by only one grant funded by a certain council, which will not need additional support, so we are unable to meet the disciplinary balance quoted in our award. How can we approach this situation?

You should explain within your Final Report the reasons behind this decision and highlight that because this is the only project supported by this council that it makes it impossible for you to keep to the disciplinary balance.

See questions 2.3 and 2.6 for more information.

2.8 Can we appeal the methodology used to calculate our award, or the level of award?

This is a specific approach to address issues arising in the sector as a result of a national emergency and there is no specific process in place for appealing the methodology. The standard complaints route remains open <https://www.ukri.org/about-us/policies-and-standards/complaints-policy/>

2.9 Why hasn't our organisation received an allocation?

Based on the data used to inform the allocations you may not be due to receive sufficient funds in this financial year to be included in the allocation. Only UK based organisations are eligible to receive funding. The calculation was based on grants that end and have expenditure in the year to 31 March 2021 and not on historical or future funding.

2.10 Is the allocation to each organisation going to be published?

Yes. We will use our normal processes to make grant funding values publicly available.

3 Grant holders

3.1 I have a current UKRI grant, can I apply for a costed extension through this scheme? How do I check if my grant was included in the calculations made by UKRI?

If your grant has been affected by the COVID-19 pandemic, it is possible that you could benefit from this scheme. You should approach your organisation to find out. Each organisation will be following a process agreed with UKRI to inform their allocation of funding. UKRI expects organisations to prioritise support for projects ending by 31 March 2021.

3.2 My organisation has not given me any additional funding through this scheme, can I still apply to UKRI directly for a costed extension?

UKRI considers organisations best placed to make the decisions regarding need and allocation. UKRI will not consider any direct requests for costed extensions for grants that have been disrupted by the COVID-19 pandemic during the period covered by the allocation. Requests for no-cost extensions can be made at any time. For extensions beyond 30 September 2021, investigators should approach the Council concerned. We encourage this to be within the final 3 months of the grant to enable you to fully understand the additional time that will be required to complete the project objectives.

3.3 How will receiving a costed extension impact on any reporting requirements for my current award?

You should continue to report your outputs and outcomes through Researchfish as normal. A costed extension request is not needed (see FAQ 3.2) and your grant will finish by the original end date with your Final Expenditure Statement to be submitted as normal via Je-S.

CoA expenses must be captured, auditable and reported separately in the Final Report, that should be submitted as an attachment to the CoA Final Expenditure Statement by 31 December 2021.

For Innovate UK award holders, please see Innovate UK specific information further below in section 5.

For ODA grants organisations are required to provide an interim report, by the end of December 2020, outlining the funds that have been utilised in 2020 from the CoA on ODA projects, to enable UKRI to comply with BEIS annual reporting requirements on ODA expenditure. ODA expenditure will also be required to be reported on separately as part of the CoA Final Report at the end of the award.

3.4 Are UKRI Fellowships covered?

Yes, all Fellows based at a UK organisation in receipt of an allocation may benefit if their Fellowship has been affected by the COVID-19 pandemic. Fellows should approach the holding organisation in the first instance to find out. Each organisation will be following a process agreed with UKRI to inform their allocation of funding. UKRI expects organisations to prioritise support for projects ending by 31 March 2021.

3.5 My work is co-funded by another UK government funder / charity / business. How do I claim support from them or are UKRI going to coordinate this?

UKRI is not in a position to make commitments on behalf of other funders who may be subject to different constraints and pressures. Whether it is possible to claim support from another funder is a matter for that funder to decide.

3.6 UKRI has already approved a no-cost extension for my grant but my organisation has not allocated me a costed extension.

There is no direct relationship between UKRI having awarded a no cost extension and being allocated a costed extension for the same grant. Each organisation will be following a process agreed with UKRI to inform their allocation.

3.7 What is UKRI's position on no-cost extension for non-ODA projects?

UKRI understands that grants requesting a no-cost extension need more time to complete the research and not more economic support. However, we also understand that due to the COVID-19 pandemic, grants may have been under exceptional disruptions and may also need extra economic support to meet their grant outcomes.

- i. If UKRI has already accepted a request for a no-cost extension for a project, it may receive CoA support if the organisation considers the project a priority for receiving funding from the allocation.
- ii. Projects that end before 30 September 2021 will not be able to benefit from a no-cost extension *and* charge costs against CoA, if UKRI has not approved the request for no-cost extension by 31 July 2020, with the exception of no-cost extension requests to accommodate parental leave or sickness or in cases where staff have undertaken secondments to provide support for the UK Government response to the COVID-19 pandemic (for example, working in the NHS Test and Trace Laboratories or vaccination service). This exception does not apply to those individuals working on a COVID-19 research or innovation project.
- iii. If you have submitted a no-cost extension request, which has not yet been approved, and now wish to receive CoA funding, please notify us that your no-cost extension is no longer required. You should ensure that you notify us before the original end date of the grant.

No-cost extension requests will exceptionally be considered by Councils for non-ODA projects ending before 30 September 2021 that involve pre-clinical, clinical trials or medical research with human participants, if CoA support combined with remaining grant funds over an extended time period allows ethical or regulatory responsibilities to be met. This exception does not apply to COVID-19 research or innovation projects. Please contact the Council concerned.

3.8 What is UKRI's position on no-cost extension for ODA projects?

ODA projects ending before 30 September 2021 that request a no-cost extension before 31 October 2020, will be able to benefit from a no-cost extension and charge costs against the CoA. When submitting a no-cost extension request for an ODA project organisations should indicate within their grant maintenance request on Je-S that the project in question is an ODA project.

The period of the no-cost extension is subject to the original grant T&Cs, and so original grant funding utilised within the no-cost extension period *can* be used to cover exceptional costs. Funding utilised from the CoA remains subject to the restrictions outlined in question 4.7.

3.9 My organisation is allocating me funding through their allocation. Do I also need to request a no-cost extension?

If your project finishes before 30 September 2021 you should not request no-cost extension if

you want to benefit from CoA.

4 Use of the allocation

4.1 Who will be the Principal Investigator?

We expect each organisation to nominate an appropriate senior individual.

4.2 Who can benefit from the allocation? Which grants?

The funding is to provide organisations with resources to sustain UKRI grant-funded research, research and technical staff and research infrastructures during the pandemic disruption and its immediate aftermath. The allocation can be used to support costed extensions to grants affected by the COVID-19 pandemic. UKRI expects organisations to prioritise support for projects ending by 31 March 2021.

4.3 How can the money be used?

The allocation provides organisations with resources to sustain UKRI grant-funded research, research and technical staff, and research infrastructures during the period of pandemic disruption and its immediate aftermath. We expect organisations to use funds to ensure that UKRI grant outcomes continue to be met, and the value of its grant investments continue to be realised.

4.4 Can the university spend the money on a project that has not been used to calculate the award?

UKRI considers organisations best placed to make the decisions regarding need and allocation and the use of funds must be traceable to supporting the stated objectives as set out at the start of the document. This will be in accordance with organisational governance agreed with UKRI. The allocation should not be used to support other activities including; generic estates and infrastructure costs not associated with grants, permanent RO administrative staff, studentships or undergraduate activity, research funded entirely by non- UKRI funders, new research, activities subject to uncompetitive grant renewal processes, or gathering preliminary data for new research bids. Funds should not be used for purposes usually categorised as 'exceptional'.

4.5 Can the allocation be used to support staff who are furloughed?

The allocation cannot be used by organisations to support staff that are furloughed in whole or in part, under the Coronavirus Job Retention Scheme: <https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme>. The CoA can be used to support staff who would otherwise be furloughed, and to return staff to full employment from furloughing. These conditions apply generally, irrespective of whether the staff involved are the subject of a grant extension or not. The CoA cannot be used to top up the salary of furloughed staff. This will form part of the reporting and monitoring arrangements to UKRI.

4.6 What is the UKRI expectation for dealing with requests from grants where only part of the research is undertaken at the lead organisation (e.g. Hubs or Centres)? Should funding be issued from this allocation to other universities in line with collaboration agreements?

UKRI expects organisations to already have an appropriate collaboration agreement in place for these types of awards and, in line with this, the lead organisation should consider providing funding to other organisations in order to allow projects to meet their objectives. The process for making decisions related to these types of grants should be outlined in the institute's Governance statement.

4.7 Are GCRF and Newton awards able to benefit from this funding?

Yes, GCRF and Newton awards are eligible for consideration to receive a costed extension. Change of use of funds from these Official Development Assistance (ODA) grants is not allowed under any circumstances. Funds should not be used to support staff employed by overseas organisations, but UKRI should be informed about the impacts on overseas organisations through the usual council contacts for ODA.

4.8 Is it possible to continue to use the University's CoA funding to support ODA projects affected by the reductions in ODA funding?

The UKRI Covid-19 Grant Extension Allocation (CoA) awards are funded through UKRI's core funding and not through ODA funds. Our ODA allocation from BEIS is capped meaning UKRI is not allowed to seek alternative UKRI budget sources to support GCRF and Newton activities. The CoA should only be used for its original intended purpose as outlined in the original terms and conditions. This means that we are not able to increase the flexibility to support ODA projects affected by the reductions that don't fall within the usual CoA eligibility requirements. The restriction that support available from the CoA is limited to UK based organisations and their employees will continue.

4.9 How should suspended grants be considered?

The allocation funding should maintain the balance of an organisation's 2020/21 grant funding by protected characteristics, seeking to mitigate disadvantages to protected groups incurred through the pandemic and its impacts. We expect organisations to include grants suspended due to parental leave, sickness or other long-term absence in their consideration of grants that can receive CoA support. This should be included in the organisation's Governance Plan. Organisations may need to seek additional advice from the appropriate UKRI Council on individual cases where the suspension is for other reasons.

4.10 What are the expectations for ensuring equality, diversity and inclusion?

Our expectation is that the community of researchers (Investigators, postdoctoral researchers, technicians and software engineers, project managers and other research team members) supported by this additional funding will reflect the population funded through UKRI grants, whilst recognising some groups of people or individuals have been disproportionately impacted by the pandemic and so may need additional support.

If the population of researchers to which this additional funding is distributed is less diverse than the population usually funded by UKRI in your institution, please provide a rationale for this reduced diversity. If the population of researchers to which this additional funding is distributed is more diverse than the population usually funded by UKRI in your institution, or if this funding is targeted at researchers who have been disproportionately negatively affected by the pandemic, then there is no need to provide a rationale for this increased diversity.

We expect monitoring to be in line with data you currently hold and in line with the Equality Act

2010.

4.11 How can we report against protected groups if we do not collect data on protected characteristics?

UKRI expects you to report the data that are normally collected and accessible to you. Organisations are themselves best placed to determine the balance by protected characteristics to mitigate disadvantages to protected groups incurred through the pandemic and its impacts. We expect you to have governance and frameworks in place to identify and prioritise funding to the most vulnerable projects and groups to mitigate disadvantages to protected groups incurred through the pandemic and its impacts.

5 Specific Information for Innovate UK grant holders

5.1 I want to use the allocation to complete an Innovate UK project: do I have to submit a claim to Innovate UK for both the grant extension allocation and my original award? I submit claims to a set schedule, on incurred and defrayed basis, into IUK's _Connect grant platform, has this changed?

No. Please keep the administration of the original award and the grant extension allocation separate. You should submit your claim, monthly or quarterly as applicable, on an incurred and defrayed basis, through Innovate UK's _Connect grant system, and separately account for the additional costs against the allocation managed by EPSRC.

5.2 Do the grant extension allocation terms and conditions replace the terms and conditions set out in Innovate UK's grant offer letter?

No. The intent behind the grant extension allocation is to assist in the completion of projects where additional funding is deemed crucial. The allocation does not supersede the rules and regulations as well as obligations, aims and objectives contracted to be delivered in the grant agreement and for example collaboration agreement, during and in some cases after end date of a project. To further illustrate this point: there is still the expectation that an Independent Accountants Report (IAR) will be submitted at end of the project restricted in scope to the original grant. A percentage of grant, as set out in the grant offer letter, will be retained by Innovate UK until the IAR condition is satisfied. If you have been involved in a collaborative R&D project and there is an exploitation agreement the expectation will be for you to act on the results of the project and seek to build on the outcomes of the collaboration between partners.

5.3 How does the grant extension allocation impact on my state-aid status in relation to Innovate UK projects I am a participant in?

State-aid regulation will continue to apply to your project irrespective of whether it is being funded by Innovate UK or the grant extension allocation. In most cases RTOs and HEIs ability to claim costs within the relevant thresholds will remain as is, for example if the aim is still wide dissemination of knowledge on non-discriminatory and non-exclusive basis.

Ultimately it is the responsibility of the grant participant to ensure there is continued compliance with state-aid regulations throughout the life of a project, and to reassess as appropriate, particularly if the funding envelope or the terms change.

5.4 The scope of my project has changed as a result of COVID-19 and this additional funding. How do I check if I am eligible to carry on?

Please speak to your monitoring officer in the first instance. The Innovate UK project change request (PCR) process should be used to advise of a material change, whether financial or otherwise.

5.5 What role will the project monitoring officer have going forward if the project is being funded both from Innovate UK and EPSRC grant extension allocation?

The expectation is the monitoring officer will monitor the project covering Innovate UK's funding, and continue their monitoring to ensure the project is delivered to a satisfactory conclusion this financial year. If this requires additional monitoring the monitoring officer should advise Innovate UK and seek agreement for the additional reporting required, and an estimate of costs. There is no expectation the monitoring officer will sign off claims for the grant extension allocation – the relevant institution is responsible for ensuring compliance with the grant extension allocation's condition of use.

5.6 Which Innovate UK grants have been excluded?

OLEV, ATI, APC and CCAV grants are not part of this scheme. Please approach Innovate UK or the organisation concerned directly.

5.7 Are KTPs eligible for CoA support?

No, KTPs are not eligible for this allocation because they are an agreement between Innovate UK and a business to employ a university member of staff to undertake a project with the salary cost being shared between the business and Innovate UK.

5.8 What do you mean by Directly Incurred Costs, Directly Allocated Costs, Estates Costs and Indirect Costs?

For more information on directly incurred costs, please see: <https://epsrc.ukri.org/funding/applicationprocess/fundingguide/resources/directlyincurredcosts/>. For information on directly allocated costs, estates costs and indirect costs, please see: <https://epsrc.ukri.org/funding/applicationprocess/fundingguide/resources/directlyallocatedcosts/>

6 Change of use of funds

6.1 What does change of use mean specifically for RC funding?

In this instance change of use refers to the ability to transfer funds *from* existing grants *to* the allocation account to be used in accordance to the CoA Terms and Conditions. It is anticipated that this may come from underspends in travel, consumables, etc. Organisations cannot transfer funding from grants with an end date before 1 April 2021. The CoA cannot be used to support COVID-19 related research for which there are other UKRI schemes available.

6.2 What does change of use mean specifically for Innovate UK funding?

In this instance change of use refers to the ability to transfer funding from Innovate UK collaborative (CR&D) grants to support extension of Innovate UK projects under the CoA Terms and Conditions. It is a pre-requisite to gain the approval of all participants in a project before taking advantage of the change of use option. For the avoidance of doubt there can be no unilateral decision to transfer funding. A project change request (PCR) must be submitted to Innovate UK before this option can be used. The first point of contact should

be your Monitoring Officer, and the process will be the same as the fast track 3 month no cost extension already in place. The completion of the CoA Final Report Template in respect of change of use will still be required. Change of use cannot be used to support COVID-19 related research for which there are other UKRI schemes available.

Change of use funding cannot be moved between Innovate UK grants and grants funded by other research councils.

6.3 Which grants are eligible for a change of use?

Any grants that end on or later than 1 April 2021 are eligible for a change of use, except those types listed in the exclusions below. The grants which are being utilised for the change of use don't need to have finished before the end date of the allocation. Grants with an end date before 1 April 2021 cannot be used for a change of use. Change of use of funds from Official Development Assistance (ODA) funded grants are not allowed under any circumstances. Exclusions include studentships, organisational based block grants, strategic funding for Institutes, facilities, NERC National Capability, capital funding calls, services and substantive ongoing investments where there is an expectation of non-competitive renewal. For grants with an ongoing financial contribution from a non UKRI partner, change of use should only be proportional to the UKRI contribution unless there is agreement from the partner. Once change of use has been charged to a grant and transferred to the allocation, organisations must use it in accordance with the Terms and Conditions of the CoA.

6.4 What percentage of each individual grant can be permitted to have a change in use? Are there any limits on change of use, or any additional actions or permissions that need to be sought?

The maximum limit to the change of use of existing funding to an organisation is stated in the Offer Letter document sent via Je-S. There is no specific percentage that should be applied to each grant. The organisation must take into account:

- UKRI does not expect projects to be put at risk by this action.
- Change of use of funds for directly incurred costs must be done with the approval of the Principal Investigator.

6.5 How does UKRI expect organisations to manage the change in use funding?

UKRI will require organisations seeking to change the use of existing grants to make an internal charge against the existing grants and a corresponding internal credit to the allocation. This can only be applied to transfers which do not involve an Innovate UK grant. Any change of use of funds redirected to the COVID-19 grant extension allocation from existing UKRI grants must be auditable. UKRI reserves the right to investigate and review the allocation after it has finished.

6.6 How does change of use work in practice?

Organisations are required to put a manual entry in their FES under the relevant fund heading relating to the underspend for the grant to which they are seeking to direct change of use from. The funding will be drawn down and not recovered by UKRI when the FES is submitted at the end of grant.

The 'change of use account' will be built from the underspend of grants selected to contribute against the change of use, from which credit will be made to grants requiring funding through the allocation. The 'change of use account' can be directed to any fund heading and is not tied

to the fund heading from which the original underspend was taken.

6.7 Can I move funding from suspended grants?

You will need to seek advice from the appropriate UKRI Council on individual cases on suspended grants depending on the reason for the suspension.

7 Use of the funding

7.1 Can we use the funding for estates costs, indirect costs and capital?

Subject to maintaining a minimum of 35% of directly incurred costs, the funding may be used to cover estates or indirect costs if this is deemed appropriate by the organisation (e.g. if related to staffing costs). The funding cannot be used to purchase new equipment. Maintenance of existing research infrastructure and equipment that is required to achieve the objectives of funded projects are included.

7.2 As the CoA is being funded at 100% fEC how do we deal with indirect costs?

For the purposes of the CoA only, Directly Incurred, Directly Allocated and Indirect costs can be recovered at 100%. Organisations should use their current indirect rates per FTE as per standard practice.

7.3 If we choose to prioritise Directly Incurred staff costs and fund this at 100%, would we be permitted to charge a contribution to overheads (Indirect/Estates) as a simple % of staff costs, rather than use TRAC rates?

Alternative methods to apply indirect and estates rates should not be introduced. Organisations should use their current indirect and estates rates per FTE as per standard practice.

The CoA does not operate under FEC for cost recovery (i.e. 80% recovery of DI cost incurred); 100% recovery of DI time is acceptable in this case.

By way of illustration, if you were charging 1.0 FTE of DI staff time for personnel that cost £40k each, you would recover £40k in full from the CoA, not just £32k as would have applied under usual FEC terms.

As for the associated overheads, using TRAC, the 1.0 FTE would also attract an indirect charge of say £55k per annum and £15k for estates, adding £70k to the amount that can be claimed from the CoA. Evidence retained to justify drawing down the £110k would therefore just be the time records to support the DI staff costs and confirmation that the correct TRAC rates were being applied. The table below illustrates this and also confirms that the minimum DI threshold of 35% has been achieved.

	Claimed	%
DI time	£40,000	36,4%
Indirect	£55,000	50,0%
Estates	£15,000	13,6%
	£110,000	100,0%

If you were to recover the DI staff time at 100% and then add on an additional element for

indirect and estates using an alternative to TRAC rates, you would need to retain evidence to support the time charged (as above) but would also need to retain evidence to support the % charge to cover indirect and estates costs. Therefore, using the established TRAC rates is the simplest method to evidence indirect and estates charges to the CoA.

7.4 Where we wish to charge Indirect costs to the CoA, must this be specific to individual projects, or can it be done more generally across the fund to cover necessary and legitimate infrastructural support rather than being project specific?

Where a block charge can be applied, and the allocation/apportionment methodology evidenced, then there is no need to break this down into individual projects.

7.5 How to we account for, and report on use of, the funds to offset irrecoverable costs in BSUs and other core facilities relating to the COVID-19 delay of work on UKRI grants?

Directly Incurred and Directly Allocated charge-out rates for BSU (Biological Services Unit) will have been calculated when the last TRAC submission was compiled. Charging X cages, Y mice, etc. that relate to irrecoverable time at the pre-calculated rates to the CoA allocation would be an efficient methodology to draw down funds from the CoA allocation. A similar approach would work for other TRAC/fEC costed facilities too.

7.6 If someone is part-funded through the CoA do they need to complete a timesheet?

Yes. Time sheets are needed for part-time staff funded from the CoA. For staff hours that are back-dated, it sufficient to report total hours (for example, xx hours in May). For staff hours following the commitment of funds from the CoA, timesheets should be completed in the usual way.

7.7 Can the purchase of purchase of laptops, printers, headsets, chairs etc. to enable staff to move to home working be charged as a exceptional cost under the CoA?

These items should to be covered by the indirect charge.

7.8 Can I use money to fund my overseas Co-I/ collaborator/ partner if they are listed in the original grant?

The additional money can be used to support

- UK organisation employees working overseas during the duration or a portion of the grant
- UK organisation employees working in an overseas centre/ out-post where they are employed by the UK organisation

The additional money cannot be used to support

- Overseas Co-Is, collaborators even if named on a grant, if they are not employed by an UK RO; including GCRF and Newton grants
- Overseas sub-contracts

7.9 How should we distribute CoA funding to collaborators and support co-investigators?

For co-funded activities, organisations are expected to distribute funds in proportion to their contribution and according to the Collaboration Agreements.

7.10 How should we support Co-Investigators from other organisations?

Organisations need to prioritise the grants that will benefit from the CoA and to have procedures in place to support Co-Investigators which should be proportionate to the level of funding which was originally awarded to the partner organisation.

7.11 Do we have to spend the funding by 30 September 2021 or can we keep some back in case we need it later to support COVID-19 related issues?

The funding must be spent by 30 September 2021 in line with the scheme's purpose

7.12 Should we be looking to support students funded on research grants?

No, students are being supported by an alternative process. See <https://www.ukri.org/research/coronavirus/guidance-for-the-research-and-innovation-communities1/#collapse6>

7.13 Can the money be used to extend students who have a job within the RO on a UKRI grant but can't start it yet due to non-completion of the PhD?

No, students are being supported by an alternative process. See <https://www.ukri.org/research/coronavirus/guidance-for-the-research-and-innovation-communities1/#collapse6>

7.14 How long can a costed extension be?

UKRI considers that organisations are best placed to determine the duration of any costed extensions as this is dependent on the project and its specific needs. UKRI anticipate that the needs of projects will vary and so too will the funding extensions they require. The total length of extension cannot extend beyond the lifetime of the UKRI allocation funding.

7.15 Can we request an extension to the end date of the CoA funding?

No, the CoA award will run from 1 April 2020 to 30 September 2021 and cannot be extended.

However, UKRI recognises that some grants supported through the CoA may require extensions beyond 30 September 2021 to accommodate parental leave, sickness or in cases where staff have undertaken secondments to provide support for the UK Government response to the COVID-19 pandemic (for example, by working in the NHS Test & Trace Laboratories, vaccination services or where staff are undertaking clinical work directly related to the pandemic). Following 30 September 2021, organisations will be asked to reconcile their existing CoA and inform UKRI of any underspend incurred for these reasons. This amount will then be returned to organisations in the form of a new CoA running from 1 October 2021 to 31 March 2023 (or an alternative period requested by the organisation, to a maximum of 18 months). This will enable the existing block grants to complete on 30 September 2021 and all expenditure incurred to date to be reimbursed promptly.

Additional allocations will be issued under modified Terms and Conditions, as with the current CoA. Organisations should note that the additional allocations must start on the 1 October 2021 and that the final date for submission of the FES for the additional allocation will be no later than 30 June 2023. Organisations cannot request any supplementary funding through the additional allocations. The total amount of the additional allocation should be no greater than the underspend identified following completion of the FES for the original CoA and should only relate to grants which have been extended for the reasons specified above in this question. Organisations may not request an additional allocation to utilise unspent funds that have accrued for any reason other than the extension reasons specified above.

UKRI will reserve the right to return the original CoA FES for amendment in cases where the total of the FES plus the total of the additional allocation exceeds that of the original CoA. If the value of additional allocation request exceeds the underspend incurred to support the exceptions listed above, UKRI will issue an invoice to recoup the balance.

Organisations should note that the additional allocation cannot be issued until the FES for the original award has been received and reconciled. Prompt return of the FES will ensure that the additional allocation can be issued with minimal delay.

7.16 Can this funding be used to support COVID-19 protection within the organisation e.g. PPE?

The funding may be used to support project specific COVID-19 protection, i.e., where this is required to allow the research receiving a costed extension go ahead. Such costs cannot be classified as directly incurred. ROs will need to balance this requirement with other pressures on the UKRI allocation. The funding cannot be used to support general COVID-19 protection needs within the organisation.

7.17 Will any of the restrictions on this funding apply to the loans part of the Government support package?

No. The Costed Grant Extension Allocation is being managed separately to the rest of the funding package announced on 4th May 2020. There is no particular connection between the terms and conditions of the costed extensions and the conditions that may be attached to any future grant or loan under the support scheme beyond the fundamental need to use these funds to support research activity. Further details of the conditions on the additional grant and loan funding will be published shortly.

7.18 Does this mean that the whole of the Change of Use flexibility that an organisation could use will count against any future grant, or only the Change of Use funding that we actually utilise?

The 'change of use' funds are not included in any considerations of the level of grant funding an institution could receive.

8 Process

8.1 How will UKRI approve the Governance Plan?

UKRI will follow an internal process to ensure that the Governance Plan provides satisfactory assurance and governance framework in the organisation's decision-making process by considering all the criteria listed in the Governance Plan template. We anticipate that decisions on governance plans will be communicated by the end of August at the latest, with the exception of those organisations who were required to register on Je-S and therefore received their offer letters in August.

8.2 Can we start delivery work as soon as the offer letter is received?

The award is contingent on you accepting the CoA Terms and Conditions; and submitting a Governance Plan to UKRI. Funding of the CoA is conditional on review and approval of your Governance Plan by UKRI.

8.3 Can we have an extension to the 28 days to submit the Governance Plan?

No. Extensions to the deadline for the submission of the Governance Plan will be not be permitted. If your Governance Plan is deemed to be unacceptable, you will be contacted by UKRI with feedback. You will have 5 working days to address UKRI's feedback and re-submit your updated Governance Plan.