

## Budget examples and eligible cash contributions

### Example Case 1 (partnership involves a single business)

Total grant value (full economic cost (fEC)): £750,000 for a 3-year grant

EPSRC contribution (80% fEC): £600,000 for a 3-year grant

Matching contribution from the sole business partner: £600,000

- The Business Lead must match EPSRC's contribution with eligible cash contributions. In this specific example, the 80% fEC amount requested from EPSRC is £600,000 so the Business Lead as the sole business partner would have to contribute with a minimum of £600,000
- The Academic Lead can contribute with cash or in-kind contributions however they will not count towards the matching contribution
- Governmental bodies, including national labs, can be project partners however, their contributions will not count towards the matching contribution

**Total project value:** £750,000 (grant value 100% fEC)  
 + £600,000 (matching business contribution)  
 + £0 (additional cash contributions)

**Overall project value:** £750,000 (grant value 100% fEC)  
 + £600,000 (matching business contribution)  
 + £0 (additional cash contributions)  
 + £500,000 + £400,000 (in-kind contributions)

**Table 1:** Worked example of single business.

| Single Business  |               |                      |  |
|--|---------------|----------------------|--|
|  | Contributions |                      |  |
| fEC  | £750,000      |                      |  |
| EPSRC funding (80% fEC)  | £600,000      |                      |  |
| Matching contribution  | £600,000      | Form of contribution |  |
| Business Lead <b>cash</b> contribution                                     | £600,000      | £250,000             | Project manager time   |
|  |               | £200,000             | Staff research time (not Business PI)  |
|  |               | £150,000             | New equipment donated to university with open access for the remaining 50% of the time |
| Business Lead <b>in-kind</b>   | £500,000      | £500,000             | Staff time   |
| Governmental or Academic Body <b>in-kind</b> (not matching contribution)   | £400,000      | £400,000             | Knowledge, expertise, access to data, facilities etc...                                |
| <b>Total project value</b> (fEC + matching contribution)                   | £1,350,000    |                      |  |
| <b>Overall project value</b> (total project value + in-kind contributions) | £2,250,000    |                      |  |

## Example Case 2 (partnership involves multiple business partners)

Total grant value (100% fEC): £750,000 for a 3-year grant  
 EPSRC contribution (80% fEC): £600,000 for a 3-year grant  
 Matching contribution from business partners: £600,000  
 Minimum Business Lead partner contribution: £480,000

- EPSRC’s 80% fEC contribution must be matched by cash contributions from business partners
- The Business Lead is expected to provide at least 80% of this contribution unless it is an SME forming part of a consortium of SMEs. In this specific example we will say the Business Lead is a large organisation. It would therefore have to contribute a minimum of £480,000 cash (which is 80% of £600,000)
- Other project partner cash contributions (excluding those from academic partners or governmental bodies) can cover the remaining 20%, which in this example is at least £120,000 (if the Lead puts in £480,000)
- The Academic Lead and other academic partners can make cash contributions, but these will not count towards the matching contribution
- Governmental bodies, including national labs, can be project partners, but their contributions will not count towards the matching contribution
- All parties can make in-kind contributions but these don’t count towards the matching contribution

**Total project value:** £750,000 (grant value 100% fEC)  
 + £480,000 + £120,000 (matching business contribution)  
 + £0 (additional cash contributions)

**Overall project value:** £750,000 (grant value 100% fEC)  
 + £480,000 + £120,000 (matching business contribution)  
 + £0 (additional cash contributions)  
 + £500,000 + £400,000 (in-kind contributions)

**Table 2:** Worked example for multiple business partners.

| Multiple Businesses  |               |                      |  |
|--|---------------|----------------------|--|
|  | Contributions |                      |  |
| fEC  | £750,000      |                      |  |
| EPSRC funding (80% fEC)  | £600,000      |                      |  |
| Matching contribution  | £600,000      | Form of contribution |  |
| Minimum Business Lead <b>cash</b> contribution                             | £480,000      | £200,000             | Staff research time (not Business PI)  |
|  |               | £130,000             | New equipment donated to university with open access for the remaining 50% of the time |
|  |               | £150,000             | Project manager time   |
| Business Lead <b>in-kind</b>   | £500,000      | £500,000             | Staff time   |
| Other business project partners <b>cash</b> contribution                   | £120,000      | £20,000              | Cash donation  |
|  |               | £100,000             | Researcher’s time  |
| Governmental body <b>in-kind</b>   | £400,000      | £400,000             | Knowledge, expertise, access to data, facilities etc...                                |
| <b>Total project value</b> (fEC + matching contribution)                   | £1,350,000    |                      |  |
| <b>Overall project value</b> (total project value + in-kind contributions) | £2,250,000    |                      |  |

## Contributions

In summary, the gross salary for the staff (such as researchers, postdoctoral research associates, technicians, and the project manager) can be counted as part-matched funding (that is, including indirect costs such as pension, National Insurance, taxes and so on), but business overheads and profits cannot. The salary of a single member of staff (researcher, PDRA, or project manager) can be covered in partnership by the business lead and EPSRC funds in a ratio that best suits the project.

The appropriateness of the time devoted to the project will be assessed by the expert panel during the initial stage.

Please note that the salaries of business lead investigators must be paid by the business and are ineligible as cash or in-kind contributions.

The following is the definitive list of eligible cash contributions. These are in addition to providing an auditable cash transfer to the academic organisations.

## Definitive list of eligible cash contributions

### Researchers' salaries

All or part of the pro-rata, gross salary cost associated with researchers employed by universities or businesses (including co-investigators). The expectation is that researchers will work at least 50% of their time on the Prosperity Partnership.

### Postdoctoral research associates' (PDRA) salary

All or part of the gross salary cost associated with research associates employed by research organisations to work exclusively on the Prosperity Partnership. Research associates can also be employed directly by the businesses in the partnership and claim the gross salary as a cash contribution if they are exclusively committed to working on the Prosperity Partnership.

### Professional project managers' salary

Pro-rata gross salary cost of a professional project manager is an eligible cash contribution if they work at least 50% of their time on the Prosperity Partnership.

### Technicians' salary

Pro-rata gross salary costs of technicians are an eligible cash contribution if they work at least 50% of their time on the Prosperity Partnership.

### Software licenses

New software licences needed for the project and their maintenance cost for the duration of the grant. Software licences or intellectual property (IP) owned by the business which are already accessible by the partners will apply at marginal cost, not at market rate.

### New equipment

Genuine new equipment purchases, please see 'Equipment' section. The equipment should be dedicated to the objectives of the Prosperity Partnership and their utilisation should be critical to deliver the activity.

The access does not have to be restricted to the project members, but EPSRC expects at least 50% of the time to be dedicated to the Prosperity Partnership project. All equipment should be appropriately justified.

### **Equipment produced by the business**

Equipment produced by the business, but only at the cost of manufacture, not market rate.

### **Access to equipment and facilities**

Access to specific equipment and facilities critical to achieve the outcomes of the project (including access to labs and use of lab equipment). If the facility is based at the academic or business Lead, the contribution will be at the internal rate, not market rate.

### **Facilities refurbishment**

Facilities refurbishment can be an eligible research organisation cash contribution if the upgrade will increase the capability of the facilities. This contribution must be justified in addition to any estate costs already factored in.

### **Business cash donation**

Business cash donation which will be provided to the partner universities, for the universities to manage in line with the project objectives.