



Knowledge  
Transfer  
Partnerships

**Review of Funding Models for KTP Offices**  
**Undertaken on behalf of the National KTP Forum**

**September 2010**

# Review of Funding Models for KTP Offices

**British Library Cataloguing in Publication Data.**

**A catalogue record for this book is available from the British Library.**

This publication is for the purpose of training, education and dissemination.

No responsibility is assumed by the author, the National KTP Forum or by Bournemouth University for any injury and/or damage to persons, finances or property resulting from the findings of the research contained in this report.

Published by:

Bournemouth University KTP Centre  
Melbury House  
1-3 Oxford Rd, Bournemouth,  
Dorset, UK, BH8 8ES

ISBN 978-1-85899-275-4

Published in 2010

Printed and bound in the UK

Author: Dr Martyn Polkinghorne

© Bournemouth University. Permission is granted for widespread distribution within the UK KTP.

## **Executive Summary**

Many UK Universities and Colleges delivering KTP have set-up a KTP Office to co-ordinate their KTP activity.

Reflecting issues raised by the recent Knowledge Transfer Partnerships Strategic Review (2010) undertaken on behalf of the Technology Strategy Board by Regeneris Consulting, research was undertaken for the National KTP Forum to explore the funding mechanisms and activities currently being delivered by KTP Offices within UK Universities/FE Colleges.

KTP Offices undertake a very wide range of activities that are pivotal to the successful development and delivery of KTP.

KTP administration and support is currently being funded mainly by University/Colleges and not from the KTP grants themselves.

fEC rates used for KTP are normally University fEC rates for enterprise across the organisation and therefore will not include any extra elements in recognition of the high level of administrative burden necessary for KTP.

Universities/Colleges delivering KTP under fEC funding rules are funding KTP administration and proposal development from other internal and external funding sources.

Reducing the admin burden of KTP will therefore help Universities/Colleges to deliver KTP more cost effectively, but will not justify a reduction in the KTP grant itself.

The average administrative cost of most KTP Offices for supporting each KTP is much lower than anticipated by the Regeneris KTP Strategic Review (particularly in the case of Shorter KTP).

Over recent years there has been a continual process of review relating to KTP, much of which has placed an increased administrative burden on Universities/Colleges.

The findings of this research would suggest that although these changes have been decided centrally, the Universities/Colleges participating in KTP have been forced to pick up the cost of this additional activity.

## Introduction

The Knowledge Transfer Partnerships (KTP) programme is the UK Government's replacement for the Teaching Company Scheme (TCS) first started in 1975. The rationale behind each KTP is the formation of a 3-way partnership between a 'Business' partner, a 'Knowledge' partner and a new 'Graduate' partner that leads to genuine and sustainable benefits for all involved.

KTPs are partly Government funded and aim to help businesses (and other types of organization) absorb and benefit from the knowledge/expertise residing within UK Universities and Colleges.

Many UK Universities and Colleges delivering KTP have set-up a KTP Office to co-ordinate their KTP activity.

Reflecting issues raised by the recent Knowledge Transfer Partnerships Strategic Review (2010) undertaken on behalf of the Technology Strategy Board by Regeneris Consulting, research was undertaken for the National KTP Forum to explore the funding mechanisms and activities currently being delivered by KTP Offices within UK Universities/FE Colleges.

A questionnaire was developed using an on-line survey development tool ([www.surveymonkey.com](http://www.surveymonkey.com)).

The survey was undertaken during August 2010, and was distributed to all UK University and FE College contacts registered on the KTP Centre Managers electronic mailing list delivered through the Joint Information Systems Committee (JISC) electronic discussion/ mailing group for UK KTP Offices (KTP-Centre-Managers@JISCMail.AC.UK).

Only one response per organization was permitted.

## Analysis & Review of Results

Responses were received from 33 Universities.

Together these Universities represented 531 Classic KTPs (those running & recruiting), 56 Shorter KTPs (those running & recruiting), and 76 FTE staff employed to support the development, management and administration of KTP.

The following results were received:

### Q. Are your current KTP grants based upon full Economic Costing (fEC)?

No. Responses	Yes	No	Mixture
33	82%	9%	9%

The next question only applied to those answering positively (yes/mixture) to the previous question

### Q. Does your University/College have a special fEC Indirect rate for enterprise projects?

No. Responses	No	Yes - for all Enterprise projects	Yes - Only for KTP Projects
30	73%	27%	0%

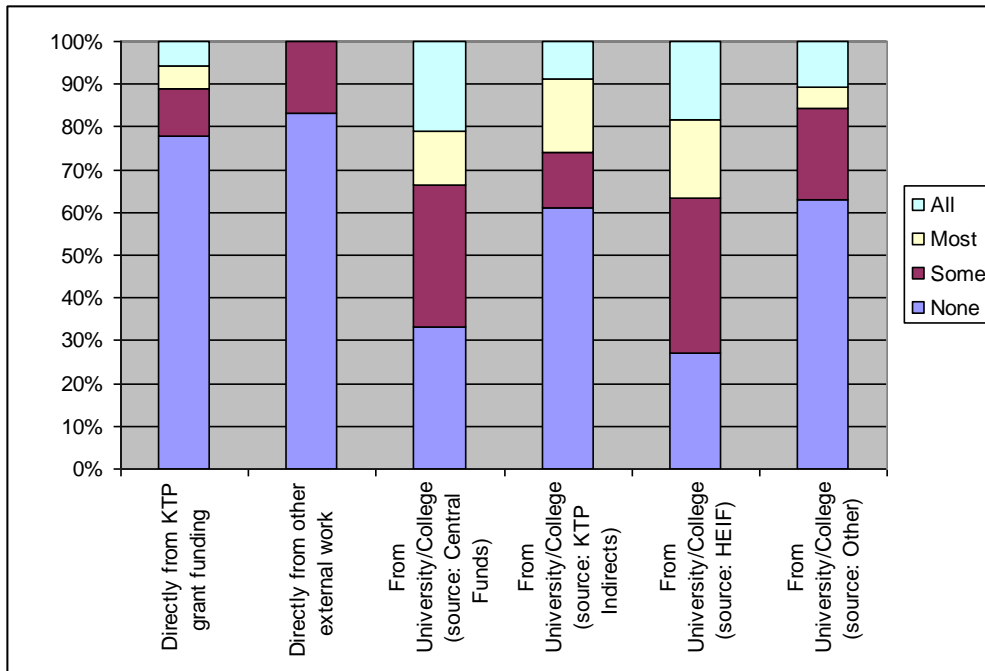
A clear majority of Universities (89%) are currently using fEC for some/all of their KTP applications. In most cases (73%) this is their standard University rate for estates and indirects, with 27% having a specific enterprise rate, and none having a specific KTP rate that would reflect the additional administrative burden of delivering KTP.

**Q. Please indicate how your KTP Office staff costs are funded by indicating the approximate proportions:**

	No. Responses	None 0%	Some <=50%	Most >50%	All 100%
Directly from KTP grant funding	18	78%	11%	6%	5%
Directly from other external work	18	83%	17%	0%	0%
From University/College (source: Central Funds)	24	33%	33%	13%	21%
From University/College (source: KTP Indirects)	23	61%	13%	17%	9%
From University/College (source: HEIF)	22	27%	37%	18%	18%
From University/College (source: Other)	19	63%	21%	5%	11%

Other sources of funding mentioned included:

- West Midlands KT Programme
- EPSRC Collaborative Account
- HEFCW
- ECIF
- Knowledge Escalator
- SFC KT Grant (KTG)
- Charging Academic Departments



**Figure 1 – Funding Options for KTP Office Staff Costs**

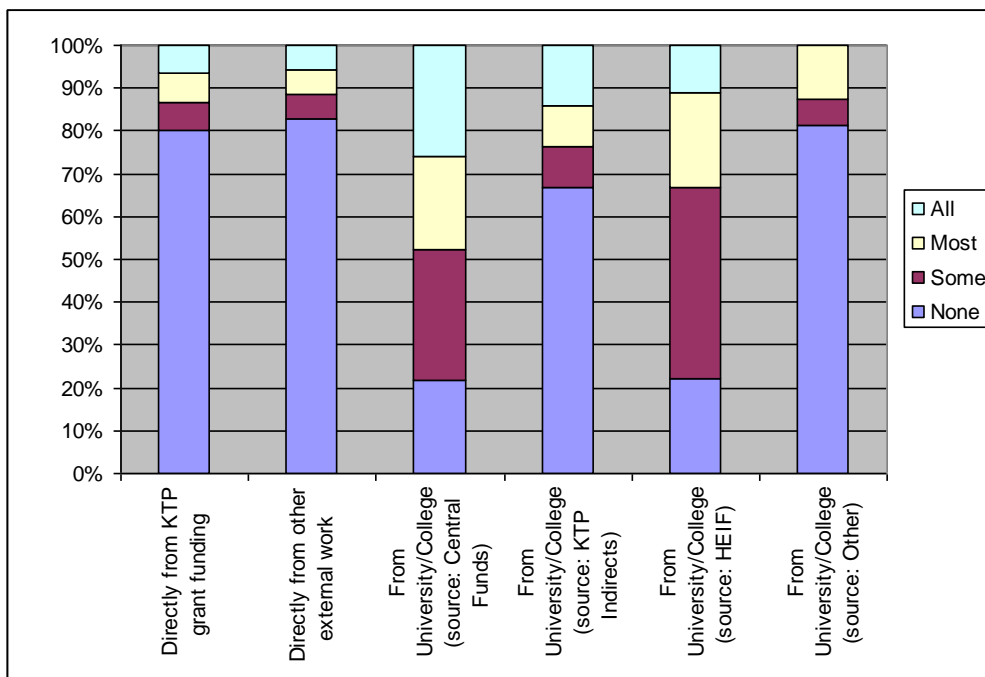
To pay for KTP Office staff costs, results indicate that only a very few KTP Offices (22%) receive any funding at all linked directly to the KTP Grants and of these only 11% receive a significant level of funding. 39% of KTP Offices receive funding linked to the indirects received from the KTP funding (of which 26% receive a significant amount). In most cases (67%) KTP Offices are funded at some level by each University/College using a combination of central funding and HEIF. In 17% of cases a small amount of external work is undertaken to fund KTP Office staff costs.

**Q. Please indicate how your KTP Office non-staff costs are funded by indicating the approximate proportions:**

	No. Responses	None 0%	Some <=50%	Most >50%	All 100%
Directly from KTP grant funding	15	80%	7%	7%	6%
Directly from other external work	16	82%	6%	6%	6%
From University/College (source: Central Funds)	23	22%	30%	22%	26%
From University/College (source: KTP Indirects)	21	67%	10%	9%	14%
From University/College (source: HEIF)	18	22%	45%	22%	11%
From University/College (source: Other)	16	81%	6%	13%	0%

Other sources of funding mentioned included:

- West Midlands KT Programme
- ECIF
- Charging Academic Departments



**Figure 2 – Funding Options for KTP Office Non-Staff Costs**

To pay for KTP Office non-staff costs, results indicate that only a very few KTP Offices (20%) receive any funding at all linked directly to the KTP Grants and of these only 13% receive a significant level of funding. 33% of KTP Offices receive funding linked to the indirects received from the KTP funding (of which 13% receive a significant amount). As with KTP Office staff costs, in most cases (78%) KTP Office non-staff costs are funded at some level by each University/College using a combination of central funding and HEIF. In 18% of cases external work is undertaken to fund KTP Office non-staff costs and in 12% of cases this is a significant level of activity.

**Q. Which of the following activities are undertaken by your KTP Office?**

	<b>No. Responses</b>	<b>Never</b>	<b>Sometimes</b>	<b>Often</b>	<b>Always</b>
Marketing of KTP to attract potential external partners	31	0%	29%	19%	52%
KTP awareness raising sessions for potential external partners	31	7%	16%	29%	48%
Developing relationships with potential external partners	31	0%	10%	39%	51%
Sourcing suitable academics to work on KTP projects	31	0%	10%	26%	64%
Recruitment of KTP associates	31	10%	22%	13%	55%
KTP awareness raising presentations to academic staff	31	0%	6%	23%	71%
KTP training workshops for academic staff	31	23%	23%	16%	38%
LMC arrangements & minute taking	31	6%	16%	7%	71%
Project management and progress chasing	31	6%	13%	13%	68%
Developing processes and procedures	31	0%	10%	20%	71%
Financial reporting & claiming	30	26%	17%	20%	37%
Creation of audit trail and project files	31	19%	3%	13%	65%
Acting as single point of contact for partners	30	3%	7%	10%	80%
Acting as single point of contact for TSB/AEA Group	31	0%	3%	0%	97%
Acting as single point of contact for KTP advisors	31	0%	3%	3%	94%
Writing outline proposals/expression of interest	30	3%	3%	23%	70%
Writing funding proposal (parts A & B)	30	3%	7%	17%	73%
Writing final reports	31	29%	19%	20%	32%
Writing KTP awards entries	32	15%	28%	19%	38%
Writing of PR case studies	30	3%	27%	23%	47%
Writing of news releases	32	6%	28%	22%	44%
Writing of academic papers	30	87%	7%	7%	0%

KTP Offices also mentioned their involvement in the other following activities:

- Undertaking KTP Associate probation and appraisals
- Co-ordinating KTP Associate networking
- Organizing KTP Regional Seminars
- Attending KTP project meetings
- Provision of guidance/policy/info on KTP across University & externally
- Working with careers service to promote KTP to graduates
- Co-ordinating legal and IP contract involvement
- Mentoring other KTP Offices
- Troubleshooting KTP projects

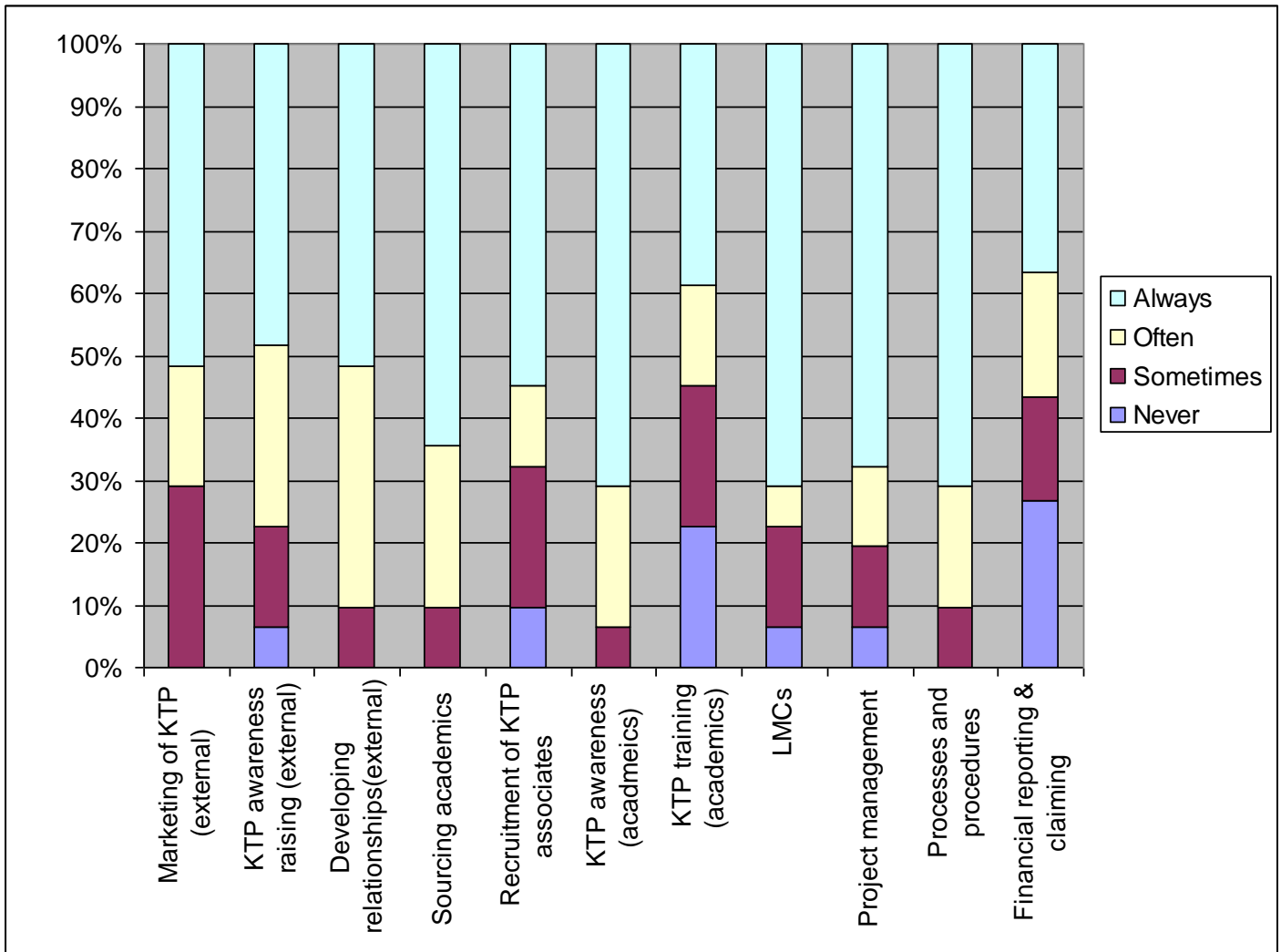
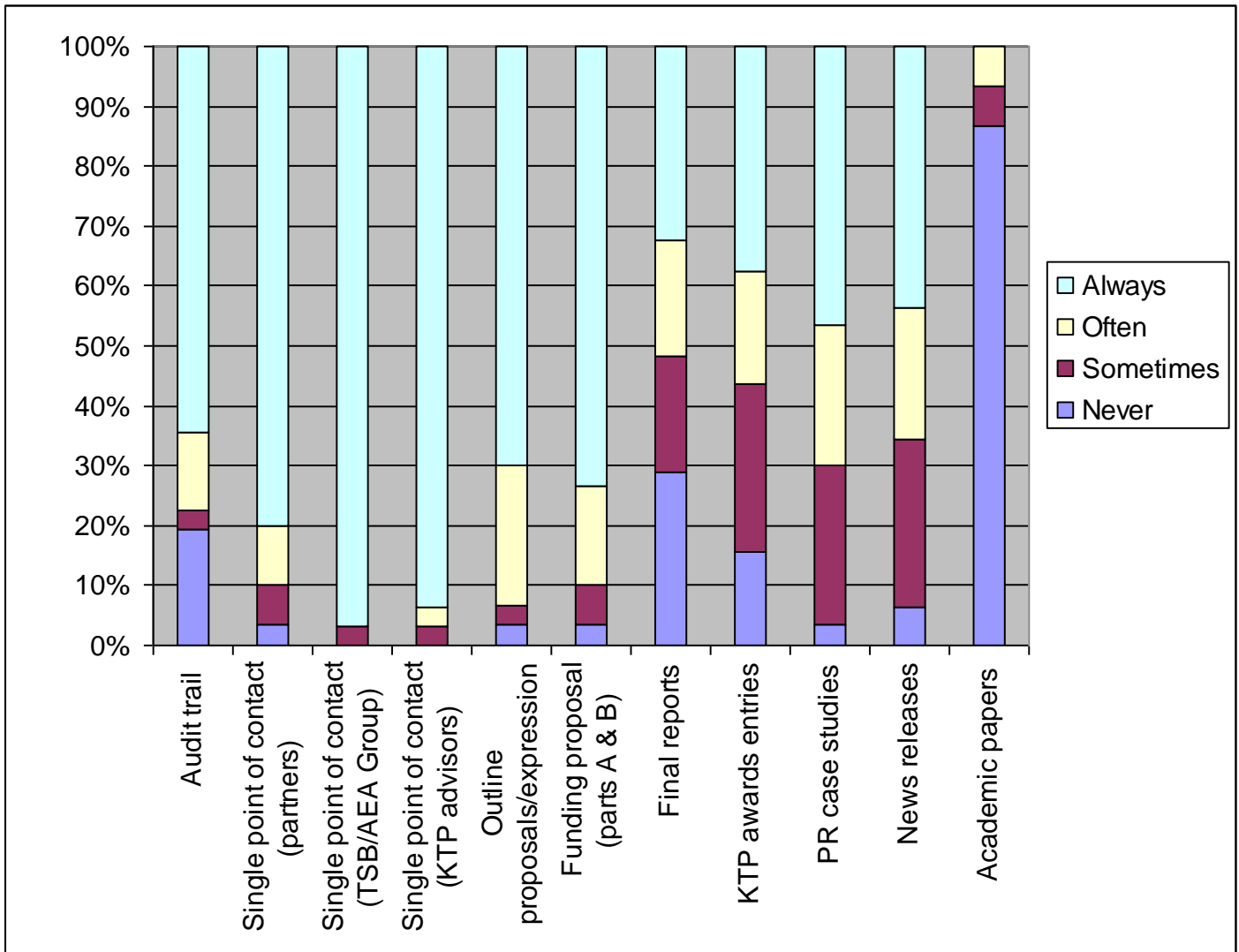


Figure 3 – Activities Undertaken by KTP Offices (Part 1)





**Figure 4 – Activities Undertaken by KTP Offices (Part 2)**

It is clear that KTP Offices undertake a very wide range of activities, and with the exception of writing academic papers, all listed activities are undertaken at some level by at least 60% of KTP Offices.

Whilst the exact nature of the roles undertaken by KTP Offices varies greatly, it is impossible to ignore their valuable contribution to the process of winning and delivering KTP.

In the Regeneris KTP Strategic Review they estimate that KTP Office costs vary from £2k to £38k per partnership, and average circa £10k.

**Q. Do you agree with this estimate of £10k per partnership for Classic KTP?**

No. Responses	Yes	No	Don't Know
28	61%	29%	10%

10 respondents suggested an alternative value for the value of the support they provided to each Classic KTP:

	No. Responses
£4k	1
£5k	2
£6k	2
£7k	1
£9k	1
£10k	1
£20k	1
£25k	1

Whilst the mean average of these responses is £9.7k per Classic KTP (which reflects the £10k estimate quoted in the Regeneris KTP Strategic Review) there is a wide variation with the majority of responses being significantly lower.

**Q. Do you agree with this estimate of £10k per partnership for Shorter KTP?**

No. Responses	Yes	No	Don't Know
27	55%	4%	41%

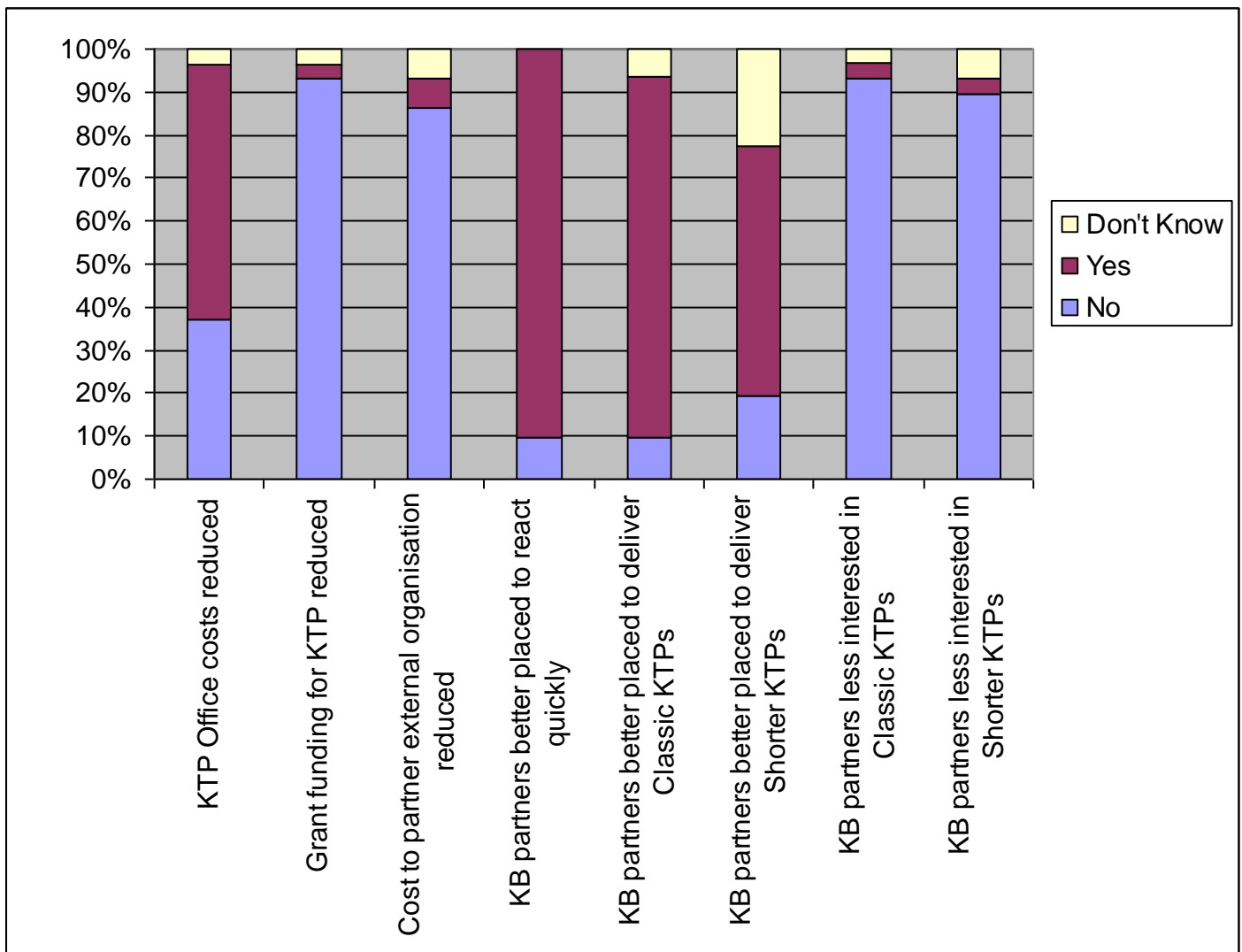
10 respondents suggested an alternative value of the support they provided to each Shorter KTP:

	No. Responses
£1k	2
£2k	2
£3k	5
£4k	1
£5k	2
£10k	1

The mean average of these responses is £4.5k per Shorter KTP which is significantly lower than the £10k estimate quoted in the Regeneris KTP Strategic Review.

**Q. If the admin burden of KTP is reduced, which of the following statements do you agree with?**

	No. Responses	No	Yes	Don't Know
The cost of running the KTP Office would be reduced	27	37%	59%	4%
Grant funding for KTP could be reduced	29	93%	4%	3%
The cost of a KTP to a partner external organization could be reduced	29	86%	7%	7%
Knowledge Base partners would be better placed to react quickly to the needs of external partners	31	10%	90%	0%
Knowledge Base partners would be better placed to deliver Classic KTPs	31	10%	84%	6%
Knowledge Base partners would be better placed to deliver Shorter KTPs	31	19%	58%	23%
Knowledge Base partners would be less interested in delivering Classic KTPs	30	94%	3%	3%
Knowledge Base partners would be less interested in delivering Shorter KTPs	29	90%	3%	7%



**Figure 5 – Potential Consequences of a Reduction in the KTP Administrative Burden**

There was a strong feeling from KTP Offices that if the administrative burden of KTP was reduced, then the cost to the University/College of running a KTP would be lower (59%). 93% of respondents identified that this reduction in cost should not be reflected in a reduction in the grant funding for KTP (possibly as already identified by this research as there is little direct link between support provided for KTPs and the KTP grant funding itself), and similarly 86% agreed that this would not justify a reduction in cost for the external partner.

However, 90% recognized that reduced administration would enable Universities/colleges to respond more quickly to requests from external partners, and that this would particularly assist them with the delivery of Classic KTP (84%).

Respondents were less certain that such a change would help with Shorter KTP which is probably due to:

- a) Shorter KTP already has a much lower level of administration
- b) Several Universities/Colleges responding have little experience of running Shorter KTPs.

There was no feeling that reducing the administration associated with KTP would discourage Universities/Colleges from taking part in either Classic or Shorter KTP. It is thought likely that this is probably because the administration currently provided is an unfunded overhead activity, and not a profit making activity.

## **Conclusions**

KTP Offices undertake a very wide range of activities that are pivotal to the successful development and delivery of KTP.

KTP administration and support is currently being funded mainly by University/Colleges and not from the KTP grants themselves.

fEC rates used for KTP are normally University fEC rates for enterprise across the organisation and therefore will not include any extra elements in recognition of the high level of administrative burden necessary for KTP.

Universities/Colleges delivering KTP under fEC funding rules are funding KTP administration and proposal development from other internal and external funding sources.

Reducing the admin burden of KTP will therefore help Universities/Colleges to deliver KTP more cost effectively, but will not justify a reduction in the KTP grant itself.

The average administrative cost of most KTP Offices for supporting each KTP is much lower than anticipated by the Regeneris KTP Strategic Review (particularly in the case of Shorter KTP).

Over recent years there has been a continual process of review relating to KTP, much of which has placed an increased administrative burden on Universities/Colleges.

The findings of this research would suggest that although these changes have been decided centrally, the Universities/Colleges participating in KTP have been forced to pick up the cost of this additional activity.