



[REDACTED]

21 December 2022

Dear [REDACTED],

**Freedom of Information request: FOI2022/00336**

Thank you for your Freedom of Information request received on the 4 October in which you requested the following:

**Your request:**

*Recently, several UK companies asked us a help or information about the Inn UK Smart Grant funding opportunity. We appreciated the wealth of accurate high-quality information on your website, and I'm writing today to ask just a few final questions to complete the collection of the necessary info and clarify some doubts.*

*Here are my still open items:*

- 1. average success rate for Stream 1 and Stream 2, number of submissions per cutoff for each stream*
- 2. average budget allocated by Inn UK per cutoff: is it on average 25ML?*
- 3. can the obligatory independent accountant in charge of auditing the project costs be non-UK? Or this doesn't really matter to you?*
- 4. Co-funding: I read in the guidelines that:  
"you and any project partners will fund their contribution to the project and ensure that this is in place, ready for the latest possible start date". Is there any obligation of practically showing this financial availability? Will Innovate UK check it and how?*
- 5. Co-Investment: the guidelines and terms of the Grant Agreement say: "we reserve the right to request data relating to co-investment from You on an ongoing basis for the duration of the project, or as otherwise specified by Innovate UK, and for up to five years from the end date of the project. The company and its partners will need to find (from any source) and evidence the remaining 30% of costs over the course of the project." How is the company expected to evidence the co-funding in your experience?  
The questions on co-funding and co-investment are key for us to (re)direct well the potential applicants that ask for a pre-screening.*

*Would it be possible to receive a Word/editable doc file of the application template?*

**Further clarification was received 2 November:**

*Related to Question 1: It would be great to have data from 2019, if possible.*

*Related to Question 2: We always refer to the Smart Grant competition.*

**Our response**

I can confirm that UK Research and Innovation (UKRI) hold information relevant to your request. Please see the information below.

**1. Average success rate for Stream 1 and Stream 2, number of submissions per cutoff for each stream.**

Competition Name	Numbers of Applications Submitted			Numbers of Eligible Applications			Success Rate		
	Stream 1: 6 -18 month	Stream 2: 19 - 36 month	Total Submitted	Stream 1: 6 -18 month	Stream 2: 19 - 36 month	Total Eligible Applications	Stream 1: 6 - 18 month	Stream 2: 19 - 36 month	Combined Streams 1&2
Innovate UK Smart Grants: February 2019	955	318	1273	838	263	1101	10%	4%	9%
Innovate UK Smart Grants: April 2019	787	245	1032	698	205	903	10%	5%	9%
Innovate UK Smart Grants: July 2019	752	213	968	691	175	866	10%	5%	9%
Innovate UK Smart Grants: October 2019	701	185	886	614	137	751	9%	8%	9%
Innovate UK Smart Grants: January 2020	2272	456	2728	2089	351	2440	9%	7%	9%
Innovate UK Smart Grants: August 2020	1814	369	2183	1649	270	1919	4%	4%	4%
Innovate UK Smart Grants: November 2020	1281	220	1501	1149	150	1299	5%	8%	6%
Innovate UK Smart Grants January 2021	2252	417	2669	2066	317	2383	6%	3%	5%
Innovate UK Smart Grants: May 2021	940	203	1143	859	152	1011	7%	7%	7%
Innovate UK Smart Grants: August 2021	698	117	815	629	77	706	10%	13%	10%
Innovate UK Smart Grants: October 2021	1040	221	1266	918	154	1072	7%	5%	7%
Innovate UK Smart Grants: January 2022	1049	186	1235	934	139	1073	25%	10%	23%
Innovate UK Smart Grants: April 2022	793	157	950	685	98	783	9%	7%	9%

**2. Average budget allocated by Inn UK per cutoff: is it on average 25ML?**

The average budget allocation per quarter for the Smart Grants Competition is £25 million.

**3. Can the obligatory independent accountant in charge of auditing the project costs be non-UK? Or this doesn't really matter to you?**

The accountant must be based in the UK if the grant recipient is UK based. If the grant recipient is not UK based, they may then use an accountant with the equivalent qualifications based in their own country. We may request a copy of the auditor's indemnity insurance if required.

**4. Co-funding: I read in the guidelines that: "you and any project partners will fund their contribution to the project and ensure that this is in place, ready for the latest possible start date." Is there any obligation of practically showing this financial availability? Will Innovate UK check it and how?**

The applicant's contribution to the project costs is reviewed by the Project Finance & Assurance Team, which we refer to as 'match funding'. The Project Finance & Assurance Team do not ask to see evidence of funds sitting in bank accounts but require an understanding of how the applicant will fund their

contribution to the project costs, for example, whether it will be by normal business revenue streams or by 3<sup>rd</sup> party investment.

These investments can be by a parent company, external investment, or Directors themselves. All of these will need to be supported by evidence. For example, parent company accounts will be reviewed and a letter confirming the funding from a suitable director from that organisation will be required. Other investments may include some term conditions or stage payments which will be reviewed in line with the project activities and business cash flow statement. Directors will need to supply bank statements or other relevant documents to prove they have the available funds to invest.

- 5. Co-Investment: the guidelines and terms of the Grant Agreement say: "we reserve the right to request data relating to co-investment from You on an ongoing basis for the duration of the project, or as otherwise specified by Innovate UK, and for up to five years from the end date of the project. The company and its partners will need to find (from any source) and evidence the remaining 30% of costs over the course of the project." How is the company expected to evidence the co-funding in your experience?**

The Project Finance and Assurance team will ensure the first quarters funding for all costs are readily available. We look at a various types of evidence from Heads of Terms to balance sheets and cash flows. It will depend on what the company offers and how we work with them, as so many types of businesses apply for our funding. A cashflow forecast for the rest of the project is required.

Data requested after the end of the project could also be requested as part of an ongoing evaluation of our funding. A range of metrics would be established by Innovate UK and questions asked to the grant recipients around these to determine impacts and success. This could include, but not be limited to, econometric metrics such as profit, ROI and Net Present Value.

**Would it be possible to receive a Word/editable doc file of the application template?**

Please see the attached document, *FOI202200336Annex1*.

If you have any queries regarding our response or you are unhappy with the outcome of your request and wish to seek an internal review of the decision, please contact:

Head of Information Governance

Email: [foi@ukri.org](mailto:foi@ukri.org) or [info@governance@ukri.org](mailto:info@governance@ukri.org)

Please quote the reference number above in any future communications.

If you are still not content with the outcome of the internal review, you may apply to refer the matter to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the review procedure provided by UKRI. The Information Commissioner can be contacted at: [www.ico.org.uk](http://www.ico.org.uk).

If you wish to raise a complaint regarding the service you have received or the conduct of any UKRI staff in relation to your request, please see UKRI's complaints policy: <https://www.ukri.org/about-us/policies-and-standards/complaints-policy/>

Yours sincerely,

  
Information Governance  
Information Rights Team  
UK Research and Innovation  
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