



## **CRACK IT Challenges FAQs:**

### **Q: What is a Challenge?**

Challenges are developed by industry and academic Sponsors in collaboration with the NC3Rs and put forward to all industries and academia for solving. Successful applicants receive funding from the NC3Rs and/or Sponsors along with in-kind support from the Sponsors (for example, data, compounds, equipment).

### **Q: Who are the Sponsors?**

Challenge Sponsors define the Challenges, working with the NC3Rs to set out the business case and 3Rs benefits. Typically they come from the pharmaceutical, chemical or consumer products sectors - although Sponsors from the academic sector, including funders and institutions are also welcome. Sponsors do not have to be UK-based. Sponsors are required to provide in-kind contributions and/or funding to help solve the Challenge. In-kind contributions can include access to data, compounds or expertise. In return, Sponsors receive early access to new technologies emerging from the Challenge.

### **Q: Do the Sponsors have any rights on the Intellectual Property (IP) developed within the project?**

Sponsors will not have any rights to Intellectual Property (IP) developed within the project. IP developed within the project is the property of the contractor (Challenge winner) and its sub-contractors. Please refer to section [1.7.1 of the Guide for Participants](#) for further information relating to IP.

### **Q: Can non-European Union (EU) partners be included in the consortium?**

It is possible to include non-EU partners in the consortium but they are not eligible to receive funding through CRACK IT Challenges.

### **Q: Can an applicant from academia be named on more than one proposal per Challenge?**

An academic can be named on up to two proposals for Phase 1. However, for Phase 2 and/or Single Phase Challenges, they can only be named on one application per Challenge.

### **Q: Can an applicant be named on applications for multiple Challenges?**

Yes. Please note that the Principal Investigator (PI) will have to demonstrate in the proposal the time allowance he/she will dedicate to each Challenge/project.

### **Q: Can you provide indicative start dates for Phase 1, Phase 2 and Single Phase awards?**

[Phase 1 awards](#) must start no later than six (6) weeks following award notification. Phase 1 is a six (6) month proof of concept study and the contract end date will not be extended. [Phase 2 awards](#) must start within six (6) months of the confirmation of the award. [Single Phase](#) awards should commence within eight (8) weeks of the confirmation of the award.

**Q: Can Phase 1 work/funding be extended further than six (6) months?**

No, there will be no extensions or supplements to Phase 1 funding. The Contractor is expected to complete the proof-of-concept study and submit a report, final expenditure statement (FES) and, if so prepared, an application for Phase 2 funding before the deadline.

**Q: Could we use the research contract to fund PhD studentships?**

No, PhD students cannot be requested as part of Phase 1, Phase 2 or Single Phase Challenge applications as the NC3Rs has a separate Studentship scheme for PhD projects.

**Q: Do proposals have to be led by a small or medium- sized enterprise (SME)?**

It is expected that Phase 2 and Single Phase contracts are signed with commercial enterprises and not academic institutions. Phase 1 applications, however, can be made by academic institutions as well as SMEs.

**Q: Are CRACK IT contracts subject to Value Added Tax (VAT)?**

All UK CRACK IT contracts are subject to VAT at UK rates. It is the responsibility of the lead applicant to determine whether VAT should be paid.

For applications from organisations based outside of the United Kingdom, please note that a European Union (EU) Reverse Charge of VAT will be applied to your award. This will be charged at 20% and will need to be taken into consideration when costing your application, as the maximum amount that will be paid out, inclusive of VAT and EU Reverse Charges, will not exceed the total award amount available for the Challenge.

**Q: Are the costs based on full economic costing (fEC) following research council's rules?**

CRACK IT contracts are non-FEC and as such, applicants can apply for 100% directly incurred and indirect costs.