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Comhairle Maoineachaidh na h-Alba

SFC CALL FOR INFORMATION

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Return of information on Knowledge Exchange activity in AY 2025–26

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Issue Date:	30 July 2026
Reference:	SFC/CI/06/2026
Summary:	This call for information requests institutions submit knowledge exchange activity data for Academic Year 2025-26 and provides guidance on the completion of the return.
FAO:	Principals / Finance Directors of Scotland’s universities and the general public.
Further Information:	**EMAIL**: keif@sfc.ac.uk

Table of Contents

Purpose

1. This call for information requests institutions submit knowledge exchange (KE) activity data for Academic Year (AY) 2025-26 and provides guidance on the completion of the return. It includes details on updates that will support institutions with the completion of the return.

2. Returns should be sent to SFC by **Monday 30 November 2026**. Earlier returns are encouraged where this is possible.

About the SFC KE metrics return

3. The SFC KE metric return is an established annual data collection. The metrics represent indicators of institutional KE performance and quality. They capture the output of knowledge exchange activity: both the breadth of institutional engagement, including the number of organisations worked with, and the resultant income from these knowledge exchange activities.

4. Submission of SFC KE metric data is a condition of grant for all institutions in receipt of the Knowledge Exchange and Innovation Fund (KEIF), SFC's core funding for university knowledge exchange and innovation. This data is used to inform annual institutional KEIF allocations and, together with KEIF five-year strategies and annual reporting, forms a key element of monitoring the KE&I expectation in SFC's approach to assurance and accountability, the Outcomes Framework and Assurance Model.

5. KE metric return data is published annually at both institutional and aggregate sector level, supporting transparency and providing insight into knowledge exchange activity across Scotland's universities.

Audit and sign-off

6. Institutional KE contacts will be provided with an electronic form for the return of this data. Detailed guidance on the return is provided in the annex to this document, along with a sample template. This guidance should be considered carefully when completing the return, noting the specific updates/improvements detailed below introduced for the AY 2025-26 collection.

7. SFC reserves the right to audit data submitted through the KE return and to request supporting information from institutions. Where significant year-on-year changes or inconsistencies are identified, particularly in areas where alignment with the HESA Finance return is expected (i.e. External Research Grant and Contract Activity/Income; see paragraph 15), SFC will seek clarification before KEIF allocations are finalised and may request additional evidence or underlying data. For example, on income derived from translational award schemes and venturing.

8. Institutions should involve their central finance team in the preparation and sign-off of the return prior to submission to ensure data accuracy and consistency. Please email your return to KEIF@sfc.ac.uk by **Monday 30 November 2026**.

9. Please also note that KEIF strategy reports for AY 2025-26 should be submitted between 1 September 2026 and **30 November 2026**.

Knowledge Exchange activity return for AY 2025–26: updates/improvements

10. Building on updates and improvements introduced through the AY 2024-25 KE metrics return, the guidance has been further refined to improve clarity, ensure consistency and reflect current schemes/awards. The updates are informed by information submitted by institutions (Translational Award Schemes) and internal data checks undertaken as part of the AY 2024-25 return process. These updates have been considered by the Short Life Working Group established in 2024 to support improvements to the return.

Translational Awards Schemes

11. A definition of translational award was included in the AY 2024-25 return, alongside a data collection exercise to update schemes listed in the template. Informed by submissions from institutions and information provided by UKRI, the template now includes an updated and more comprehensive list of accepted UKRI translational award schemes. The category now also includes Scottish Government's Proof of Concept funding, with income collected through a separate sub-category.

12. The schemes listed in the template are expected to account for the majority of translational award income reported by institutions through the return. The category "Other" may be used to return translational award schemes that are not listed in the template, however, where income is reported under this category, institutions must use the additional table to provide the name of the translational award scheme, identify the funder, include a hyperlink to scheme details (where available), and report the associated income received. This is intended to ensure eligibility and consistency of reporting. **Income received without an identifiable and specific translational award scheme should not be returned.**

13. Announced in February 2026, UKRI intends to streamline its approach to translational award funding. Further updates to the guidance/template will be considered once the approach is finalised, with implementation likely in the AY 2026-27 collection.

External Research Grants and Contracts

14. Institutions are asked to submit data on external research grant and contract activity and income. While this information is also reported through the HESA Finance Return, the SFC KE metric return captures additional detail (i.e. geographical breakdown), which provides important evidence of the reach, value and impact of the knowledge exchange activity of institutions not otherwise available. As such, submission through the SFC KE metric return remains an important component of the collection. **Institutions should ensure that activity and income data is consistent with that submitted to HESA where the guidance specifies alignment is expected**, noting that additional data submitted via the HESA Finance return is used to inform core funding for research through the Research Excellence Grant i.e. external research grant and contract activity/income from RCs and charities.

15. SFC will undertake a detailed review of returns following submission and will request further information where inconsistencies are identified ahead of KEIF allocations. SFC may ask for data to be amended where necessary and reserves the right to ask for all relevant data. The guidance notes and return template have been updated to reflect expectations regarding consistency of return.

Enterprise schemes – ‘Other’

16. Given updates made to the guidance in recent years we do not expect many returns under, ‘Other’. Where a return is made, please provide details in the table provided, including named scheme.

Continuing Professional Development

17. The guidance for the Continuing Professional Development (CPD) category has been updated to reflect the UK exit from the European Union. Institutions should include income for CPD provision delivered outwith Scotland **provided it is for UK domiciled students**. References to EU domiciled students have been removed. Institutions should exclude income relating to students/delegates whose place of domicile **lies outwith the UK** (previously EU). These planned changes were communicated to the sector in the guidance supporting the AY 2024–25 return.

Venturing data: Future request

18. No changes have been made to this category for AY 2025-26. The return records annual venturing activity and the guidance stipulates that investment should be included for a company created in the reporting year only, any investment received beyond the year of the return period is not captured in the return.

19. We have been considering whether the current return has led to income arising from venturing to be underreported. To better understand the scale and frequency of this issue we will contact institutions separately to seek further data. We will then consider if this data could be used to inform future KEIF allocations, consistent with an annual return that is based on current three years of data (weighted 2,3,5).

Further information

20. For further information please email keif@sfc.ac.uk.

Annex: SFC Knowledge Exchange metric return AY 2025–26 guidance notes

Introduction

1. Knowledge Exchange (KE) metric data is collected annually by SFC.

2. The KE metric data returned relates to the university Academic Year (AY), i.e. 1 August to 31 July.

3. The metrics represent important indicators of sector activity and include information on the output of knowledge exchange activity: both the type and number of organisations with which institutions have engaged and the resultant income from these engagements. The data is used to inform the Knowledge Exchange and Innovation Fund (KEIF), our core funding for university KE&I.

4. The metrics are:

    - External Research Grant and Contracts.
    - Continuing Professional Development (CPD).
    - Licensing.
    - Consultancy.
    - Enterprise Schemes.
    - Translational awards.
    - Venturing.
    - Outreach.

5. Income data is also collected by geographical location and organisation size, including small and medium size enterprises (SMEs).

6. The data returned by institutions should be auditable. Institutions should, therefore, retain the worksheets and other material used in the preparation of the returns.

    SFC reserves the right to audit data submitted through the KE return and to request supporting information from institutions. Where significant year-on-year changes or inconsistencies are identified, particularly in areas where alignment with the HESA Finance return is expected (i.e. External Research Grants and Contracts), SFC will seek clarification before KEIF allocations are finalised and may request additional evidence or underlying data.

General points

Income

7. You should include the actual income received in the year for each category of income rather than the initial value of the grants or contracts. You should include all income in respect of externally sponsored activities carried out by the institution, or its subsidiary organisations, and for which directly related expenditure has been incurred, including recovery of indirect costs. Subsidiary organisations for the purpose of this return are defined as all organisations that are classed as subsidiary organisations in the audited consolidated financial accounts of the institution.

8. When acting as lead partner or co-ordinator on a project you should **exclude** any income you receive for onward transmission to other partners under any heading. Also, if you collaborate with any other non-subsidiary organisation to generate any income collected in this return, you should only return your share of the total income generated from the activity.

9. Where VAT is payable on all or part of a grant or contract at the point where the money is paid to the institution, this should **not** be included as part of the institution’s income.

Type of organisation and geographical location

10. We are asking for data on the number of organisations with which an HEI has worked to secure the reported income in each category. We are also asking HEIs to identify the type of organisation, including how many of these are SMEs.

11. The definition of an SME remains unchanged from the European Commission definition and is the same as used for the Higher Education-Business Community Interaction (HE-BCI) survey return. Details may be found at: http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition/

12. We also ask for a breakdown by geographical location (Scottish, Other UK and non-UK).

13. For the purpose of this return “Scottish” will be defined as an organisation with a Companies House registration with an “SC” prefix and/or with a headquarters, R&D or a significant production base in Scotland. If the organisation does not have an “SC” registration, the lead contact or team with which the HEI is working should be based in Scotland.

14. UK organisations that do not meet these criteria should be returned as “other UK”.

Activity/Income type

External research grant and contracts

15. Institutions should ensure that external research grant and contract income data is consistent with that submitted to the Higher Education Statistics Agency where specified below. Where any significant inconsistencies in the data are identified SFC will enquire ahead of the finalisation of KEIF allocations and reserves the right to ask for all relevant data.

16. You should enter the actual total grant and research contract income received and returned in table 4 of the HESA Finance Return under source of income columns 4 (UK central government bodies/local authorities, health and hospital authorities) and 6 (UK industry, commerce and public corporations).

17. Column 5 (UK central government tax credits for research and development expenditure) should **not** be included.

18. You should also return all grant and research income received from all non-UK industry, commerce and public corporations as a separate amount. This income will be split over columns 10 (EU industry, commerce and public corporations) and 13 (Non-EU industry, commerce and public corporations) of table 4 of the HESA Finance Return.

Continuing Professional Development

19. For the purposes of this return we define continuing professional development (CPD) provision as:

- self-financing.
- Developmental.
- meeting the needs of employers and their workforce or to improve the employment-related skills of the student or delegate.

20. We have framed the definition to allow the inclusion of the wide range of CPD activities provided by HEIs. In particular MSc courses sponsored by outside organisations, MBAs, conferences and seminars and updating courses may be included, provided they meet all the conditions of the definition above.

21. You should note that the requirement that CPD provision be self-financing means that **none** of the students attending a CPD course or other types of provision can be counted as eligible for funding for the purposes of the SFC's Early Statistics return, because the Early Statistics counting rules exclude self-financing courses from that return.

22. A self-financing course or other type of educational provision is one for which the income from the fees paid by or on behalf of the participants, plus any other income or funding from non-SFC sources, normally covers or is intended to cover, all the ongoing costs of provision, including an appropriate share of the institution’s overheads, such as central administration, buildings and heating. Fees for individual CPD courses may be set marginally lower than the full cost-recovery level, provided that an institution’s CPD provision as a whole operates on a full cost-recovery basis.

23. A developmental course is one which provides education or training to widen or deepen the student’s vocationally-relevant skills or knowledge, for example by updating their existing knowledge or by re-training the person. Vocationally-relevant means anything which will be relevant to the student’s career or development in working life, whether or not it is directly or immediately relevant to their present job. Such a course may or may not lead to an award or up-rating of a qualification. Provision aimed at unemployed or self-employed people may also be included, provided it meets all the conditions given above.

24. SFC is responsible for administering all of the funding for nursing and midwifery pre-registration courses, medicine and dentistry pre-registration and teacher training, and this provision should **not** be counted as CPD.

25. Your returned income should **include**:

- fees paid by students/delegates, fees paid by employers and grants/subsidies from sources other than the SFC.
- fees for any examinations that are part of the course whether optional or mandatory.
- income from CPD provision delivered outwith Scotland provided it is for UK domiciled students.

26. Your returned income should **exclude**:

- returned fees (for example due to cancellations).
- internal charges made by the institution for its own staff.
- amounts included in fees for travel or overnight accommodation (which may have to be estimated).
- income relating to students/delegates whose place of domicile lies outwith the UK (which may have to be estimated).

27. Where a course or other type of provision spans two academic years, the income may be returned in one or the other year, or split between the years, whichever is administratively the most convenient. Institutions should, however, ensure that they do not double count this income.

Licensing

28. You should return all income received in the year from existing or new licences granted to companies. You should include only payments received direct from the companies to the institution in return for this licensing. Do not include funding from other bodies to support the linkage with the company or matching funding received as a contribution to the company's payments.

29. It is increasingly common for institutions to take equity, in payment or part-payment, for a licence. Income from sale of that equity can be considered to be another form of licensing income. Therefore, you should include any income received from such a sale of equity in your return.

Consultancy

30. You should return all consultancy income received by the institution, including any share of income subsequently paid on to individual members of staff. Personal consultancy should **not** be included.

31. The definition of consultancy is that used for the HE-BCI return. Consultancy is "advice and work crucially dependent on a high degree of intellectual input from the HE provider to the client (commercial or non-commercial) without the creation of new knowledge. Consultancy may be carried out either by academic staff or by members of staff who are not on academic contracts, such as senior university managers or administrative/support staff." (Table 2 24032 | HESA).

32. This includes income associated with the use of the institution's physical academic resources by external parties, and it includes provision which can be uniquely provided by the institution. For example, and as stated in the HE-BCI guidance, "An aerospace company makes use of a HE provider's wind tunnel, or a media company makes use of a digital media suite. Simple trading activities, such as commercial hire of conference facilities or academic conferences, should not be included" (HE-BCI guidance, Part B, Facilities and equipment related services).

Enterprise Schemes

High-Growth Spinout Programme income

33. You should return all income received from the Scottish Enterprise High-Growth Spinout Programme.

Innovate UK

34. You should return all income received from Innovate UK (where it is not returned elsewhere). All income received from Knowledge Transfer Partnerships in the year should be returned under the category, Outreach.

Other

35. Given the updates made to the guidance in recent years, returns under the sub-category 'Other' are expected to be exceptional. Where a return is made, institutions should provide details in the table provided.

Translational Awards

36. You should return all income received in the year from the schemes listed below. The category, 'Other' should be used to return income from other schemes where these meet the definition of translational funding and derived from a trust or charity. Translational funding refers to grant funding provided "with the aim of developing technology further and de-risking propositions ahead of spinning out" (Scottish Universities Spin Out Report, Scottish Enterprise, 2024, p. 36). Please include details of the **named scheme** in the return template.

Translational Award Schemes

- Wellcome Trust Translational Awards.
- National Institute for Health and Care Research Efficacy and Mechanism Evaluation and Health Technology Assessment programmes.
- Cancer Research UK Discovery funding.

UKRI

- Arts and Humanities Research Council Follow-on funding.
- Biotechnology and Biological Sciences Research Council Follow-on funding.
- Engineering and Physical Sciences Research Council Net Zero Follow-on funding.
- Innovation to Commercialisation of University Research (ICURe), Innovate UK.
- Impact Acceleration Accounts.
- Medical Research Council Development Pathway Funding Scheme.
- Medical Research Council GAP Fund.
- Social sciences, Humanities and Arts for People and the Economy (SHAPE) Catalyst (Economic and Social Research Council and Arts and Humanities Research Council).
- Science and Technology Facilities Council - Cluster Proof of Concept.
- Science and Technology Facilities Council Early-stage R&D.
- Science and Technology Facilities Council late-stage commercialisation.
- Science and Technology Facilities Council Quantum Follow-on funding.
- UKRI Proof of Concept.

Scottish Government

- Scottish Government Proof of Concept.

Other

- Please enter details in the additional table provided. **Only funding from named translational award schemes and derived from trusts and charities should be returned.**

Venturing

Venture capital

37. You should return the number and value of third-party risk investments (for example venture capital, business angel, corporate investment) in companies that were created in AY 2025-26 with the involvement of your institution.

38. This should include companies where the institution played a role in creation through, for example, entrepreneurial support, incubation, contribution of staff or funding. The companies may have been created with or without the direct application of institution-owned intellectual property.

Outreach

Knowledge Transfer Partnerships

39. You should return all income received from Knowledge Transfer Partnerships in the year. You should include both Government and partner company contributions.