

# ATI Industrial Contributions – April 2020 update

## Background

The ATI is established as a collaboration between UK Government and the UK aerospace industry. The operating costs of the ATI are intended to be shared equally between Government and industry.

The size of the contribution made by industry to the operating costs of the ATI – “industrial contributions” – is determined by calculating a percentage of the grant awarded to projects through the ATI programme. (Details of how contributions work are set out in the ATI Framework Agreement.)

Example: A research project worth £1m in total is awarded a £500k ATI grant. The amount the project will need to contribute to ATI operating costs is £500k multiplied by the current Industrial Contribution Percentage rate.

## Change to Industrial Contribution

The level of industrial contribution is regularly reviewed by the ATI Board to ensure these reflect half of the Institute’s operating costs over its lifetime, with the other half being met by Government. The contribution rate was last changed in April 2019.

**In March 2020, the ATI Board decided to amend the application of industrial contributions with immediate effect as follows:**

- **Strategic Projects (SRC)** – industrial contributions will be reduced to **2% of grant funding** for future batches until further notice. **In addition, industrial contributions will be reduced to 2% on strategic projects contracted since and including batch 25 (July 2018).** This retrospective reduction to industrial contributions on existing projects applies to the total project grant value and will be implemented through reduction of future industrial contribution payments. Retrospective reductions will be reflected in future invoices raised by the ATI Finance Department from quarters ending 31 March 2020.
- **R&D for small business (CR&D) collaborative competitions** – future projects continue to be exempt from industrial contributions until further notice.
- **National Aerospace Technology Exploitation Programme (NATEP)** – future projects continue to be exempt from industrial contributions.

**All other projects currently on contract from earlier competitions are unaffected by these changes** and will continue to pay industrial contributions at the rate they were originally contracted.

## Further Information

If you require any further clarification on the above, please contact: [info@ati.org.uk](mailto:info@ati.org.uk)