

SADIS COST RECOVERY ADMINISTRATIVE GROUP

TWELFTH MEETING

(London, November 3-4 2011)

ESTIMATED SADIS COSTS : 2 to 5 YEARS

(Presented by the United Kingdom)

REFERENCES

SADIS Agreement

SCRAG Reports 1-11

SADISOPSG/16 Executive Summary

1. INTRODUCTION

1.1 The medium term (two to five years) forecast of the expected costs of operating the SADIS Services are provided in this Working Paper. Resource requirements will vary due to changing demand and these have been anticipated where possible and identified in the tables presented. The SADISOPSG identified potential changes to the SADIS inventory as a result of new requirements and these have been reflected where possible.

2. DISCUSSION

2.1 The attached Table 1 identifies expected budgets for the years 2012 to 2015 based on expected trends for expenditure by the United Kingdom Met Office and NATS.

2.2 The following notes should be read in conjunction with Table 1.

- a. Communications costs and the continued need for the ISDN back-up between the SADIS Gateway and the Met Office are subject to on-going review.
- b. Message switching and ISP bandwidth costs are subject to change but have been held constant through the period. Prices per unit bandwidth are expected to fall in the short term but are likely to be balanced by demand for faster access for an increasing number of users.
- c. The current contract for satellite bandwidth runs to the end of 2015.
- d. The SADIS 2G maintenance contract will be renewed from 1/1/2012 at a rate of £33,548 per annum.

- e. An annual allowance of £5k is being made for ad-hoc maintenance as requested by the SCRAG/6.
- f. Staff Requirements assume the current level of effort continues.
- g. The SADIS 2G hub equipment will come to the end of its useful life at the end of 2015. SADISOPSG will make a decision as to whether the satellite service will be continued or switched off. An allowance of £10,000 has been made for resource costs associated with a refresh of the hub infrastructure.
- h. Depreciation of equipment purchased for the SADIS2G hardware refresh in 2009 will become fully depreciated at the end of September 2014..
- i. An allowance of £60,000 has been made for new hardware associated with a refresh of the hub infrastructure depreciated over 5 years commencing in 2015.

2.3 Notes on SADIS Gateway costs.

- j. The NATS SADIS Gateway Costs are as described in SCRAG10-WP/14.
- k. A mid-life upgrade to the SADIS Gateway Infrastructure is expected to be implemented during 2013. Total project costs are expected to be around £900,000 of which 20% is attributable to SADIS. Project Management costs of £36,000 and a capital cost of £144,000 have been used with the capital costs depreciated over 5 years. Cost of capital has been calculated at a rate of 6.75% on the reducing balance in each year. A detailed project plan and costs will be provided to the SADISOPSG/17 for endorsement.

3. CONCLUSIONS

3.1 The annual running costs are subject to change. Costs may change as a result of changes in satellite bandwidth, maintenance and communication costs, new requirements and technological developments agreed by the PIRGS and SADISOPSG.

3.2 These figures should therefore be treated as an initial estimate of costs for the planning period and are subject to change.

4. ACTION

4.1 The SCRAG/12 is requested to note these provisional figures for the SADIS Costs.

TABLE 1: UKMO Cost and manpower resource projections until year 2015 (at 2011 prices)

INVENTORY REF:	Note	DESCRIPTION	2012	2013	2014	2015
1 UK MET OFFICE COSTS						
1. Equipment						
Principally procured for SADIS						
comms between Whitehill & Met Office	a	SADIS 2G	6,364	6,364	6,364	6,364
comms link SADIS Gateway & Met Office		SADIS 2G	3,340	3,340	3,340	3,340
		ISDN Back-up	372	372	372	372
Not procured principally for SADIS						
message switch (FROST/FTP)	b	SADIS FTP	16,000	16,000	16,000	16,000
message switch (FROST/2G)		SADIS 2G	10,000	10,000	10,000	10,000
internet bandwidth (FTP)		FTP	11,500	11,500	11,500	11,500
FTP equipment running costs		FTP	20,000	20,000	20,000	20,000
Service Desk Equipment Costs		Service Desk eqpt	15,000	15,000	15,000	15,000
Serial Comms Costs and maintenance		Serial Comms	10,000	10,000	10,000	10,000
		sub total	92,576	92,576	92,576	92,576
2. Procured Services						
space segment annual lease	c	Satellite Segment	54,660	54,660	54,660	54,660
annual maintenance	d	2G Maintenance	33,548	33,548	33,548	33,548
		2G Facilities Management	4,275	4,275	4,275	4,275
		IT Hall Space	17,000	17,000	17,000	17,000
	e	ad hoc maintenance	5,000	5,000	5,000	5,000
		sub total	114,483	114,483	114,483	114,483
3. Annual Staff Requirements						
Help Desk						
		Help Desk 0.5%	5,500	5,500	5,500	5,500
		Technical Team Leader 4%	11,000	11,000	11,000	11,000
		Network Systems Supervisor 7%	22,000	22,000	22,000	22,000
Additional Support						
Systems Integration Team		Network Computer Engineer	4,866	4,866	4,866	4,866
Message Switching Administrator		Message Switching Manager Executive Officer	5,214	5,214	5,214	5,214
International Aviation Management		Aviation Manager	55,612	55,612	55,612	55,612
Data Traffic		Communications Engineer	12,805	12,805	12,805	12,805
Contract Management		Senior Procurement Officer	1,738	1,738	1,738	1,738
Message Switching Team		Technical Officer	1,390	1,390	1,390	1,390
Invoice Administration		Finance Officer & Business Acct	5,214	5,214	5,214	5,214
			12,165	12,165	12,165	12,165
SADIS Satellite Upgrade/decommissioning	g	Resource costs				10,000
Travel Costs						
		SADISOPSG & SCRAG	5,000	5,000	5,000	5,000
		sub total	142,504	142,504	142,504	152,504
		TOTAL	349,563	349,563	349,563	359,563
Cost of Depreciated Capital						
	h	SADIS 2G	11,616	11,616	8,712	0
		FTP enhancements	0	0	0	0
	i	Satellite Service upgrade				12,000
		sub total	361,179	361,179	358,275	371,563
		Cost of Capital	20,000	20,000	20,000	20,000
		Total UKMO Costs	381,179	381,179	378,275	391,563

TABLE 2: NATS and other SADIS Cost Projections until 2014

INVENTORY REF:	Note	DESCRIPTION	2012	2013	2014	2015	
2		NATS Gateway Costs					
	j	Staff Costs					
		Operational Staff	Air Traffic Services Asst.	268,039	268,039	268,039	268,039
		Engineering Staff	Systems Engineer	12,511	12,511	12,511	12,511
		Administration Support	Administration Officer	25,022	25,022	25,022	25,022
		asset engineering support	asset management activities	7,194	7,194	7,194	7,194
			sub total	312,766	312,766	312,766	312,766
		Communications	ip comms link to ukmo	12,040	12,040	12,040	12,040
			x25 comms link	0	0	0	0
		Maintenance	Systems Maintenance	6,264	6,264	6,264	6,264
		Sadis Gateway Upgrade	Project Management		36,000		
	k	Cost of Depreciated Capital	Depreciation	0	28,800	28,800	28,800
			Cost of Capital	0	9,720	7,776	5,832
		Sadis Backup enhancement	procurement & Installation	0	0	0	0
			annual support costs	1,250	1,250	1,250	1,250
		Total NATS Gateway Costs		332,320	406,840	368,896	366,952
		CAA Administration Costs		5,000	5,000	5,000	5,000
		ICAO Administration Costs		58,252	58,252	58,252	58,252
		TOTAL SADIS COSTS		776,751	851,271	810,423	821,767