

SADIS COST RECOVERY & ADMINISTRATIVE GROUP (SCRAG)

EIGHTH MEETING

(Paris, November 2007)

2006 ACTUAL SADIS COSTS

(Presented by the United Kingdom)

REFERENCES

SADIS Agreement

SCRAG/1/2/3/4/5/6/7 Reports

SADISOPSG/12 Executive Summary

1. INTRODUCTION

- 1.1 Article IX of the SADIS Agreement identifies that the United Kingdom shall furnish on or before 30 June of each year, a statement of the actual costs of the SADIS, expressed in pounds sterling, for the previous calendar year. These costs are identified in TABLE 1.
- 1.2 The format of the table is similar to that provided for the 2005 Actual Costs and is consistent with information provided in the SADIS Inventory.

. DISCUSSION

2.1 Notes to the actual costs for 2006 and forecast costs for 2007

a. Communications between Whitehill and the Met Office

Terrestrial communications costs between Exeter and the SADIS Uplink site at Whitehill became effective from 1st October 2003. The cost in 2006 covers two circuits at £1569.75 per annum for SADIS 1G, one circuit for SADIS 2G of £1569.75 and a further circuit at £4795 per annum billed from May 5 2004.

b. NATS Links

Communications costs between the SADIS Gateway, operated by NATS, and the Met Office are provided here. NATS own the links and are billed for the circuits. NATS invoice the Met Office for the Met Office share of the costs. An additional link supporting SADIS 2G became operational early in 2005 but UKMO has not been billed for this. The ISDN back-up link was still in place at June 2007. It is expected to cease when alternative arrangements are in place.

c. Message Switch

In 2006, data feeds were provided to both SADIS 1G and SADIS 2G. With effect from 1 July 2005, the cost of the data feeds to the FTP server and the Corobor comparator system were also to be recovered. FTP equipment running costs include software licences, depreciation and contractor support.

d. Satellite Segment

In January 2006 a new lease was negotiated through Cable & Wireless PLC for a period of 12 months. The lease was renewed in January 2007 for the period to 31 December 2008.

e. Annual Maintenance

Maintenance comprises:- (i) A maintenance contract with Cable & Wireless for SADIS 1G Infrastructure, (ii) and (iii) A facilities Management Charge for the SADIS 1G and 2G Equipment. (iv) A maintenance Contract for SADIS 2G with Vados Systems for 17 months to 31 Dec 2006 at a cost of £33392 (v) IT Halls costs are charges made to the SADIS Programme based on floor usage of the IT Halls at Exeter for all SADIS equipment.

f. Ad-hoc maintenance

During 2006 two additional items of equipment were installed to increase the resilience of the SADIS 2G Network, this work was approved by SADISOPSG/11 and totalled £14,169. SCRAG/6 proposed that a charge of £5,000 be budgeted for ad-hoc maintenance activity in future years. Additional maintenance and consultancy during 2006 comprised:- 1 day VADOS Consultancy for NST Testing at £825, Corobor Comparator Upgrade at £4375 and new cables for SADIS 2G testing facility at £230. Total £5,430.

g. and h. Help Desk and Other staff costs

The cost rates have been updated using the latest available figures. The percentage attribution rates can be found in the SADIS Inventory.

i. Enhancements to FTP service

Work on the PKI and NIPS elements of the FTP enhancements commenced in 2006, however this activity was funded by Met Office Core activities and nothing was charged to the SADIS programme. Up to the end of June 2007, £3,580 had been expended on PKI

auditing work specific to the SADIS FTP service. Spend to the end of 2007 is uncertain but is unlikely to exceed to £20,000.

j. Travel Costs

Actual travel and subsistence costs for two members of UKMO staff to attend the SADISOPSG and SCRAG meetings are included here.

k. Cost of depreciated capital

See WP/8

l. Cost of Capital

In 2006 and 2007 the overall mark-up on costs applied is 10.0%.

2.2 Notes on SADIS Gateway Costs

o. Staff Costs – Systems Engineers

10% of the time allocated to the CoreMet system is dedicated to supporting the SADIS Gateway. 24-hour engineering support equates to 10% of an ATCE4 (£12,125 per annum). Daytime support for the SADIS Gateway equates to 10% of 0.75 of an ATCE4 (£9,092 per annum). Total Engineering support for 2006 was therefore £21,217. The cost of operational and administration staff have increased in line with inflation. A further staff cost, Asset Engineering Support, has been introduced. Commencing in 2007, this cost will cover the activities associated with the provision of data for SADIS Management Report and other Asset Management activities associated with the provision of the Gateway. This work is carried out by Air Traffic Engineering grades.

p. Systems Maintenance

No maintenance costs will be incurred until the end of the warranty period. Full cost of software maintenance will be £31,324 per annum commencing in June 2005. 20% of these costs are allocated to SADIS (£6,264).

q. Depreciation

The actual capital expenditure of the project was £1,137k. 20% of this sum is allocated to SADIS (£227.4k). This cost is to be depreciated over 5 years at £45.5k per annum.

r. Cost of Capital

A rate of 7.75% has been applied to the average net book value of the asset. In 2006 the average NBV was £81,236 * 7.75% = £6,296.

2.3 Notes on CAA and ICAO Administration Costs

s. CAA Administration Costs comprise the following:

Met Technical Expert (4%)	£5,250
Invoicing & Credit Control (5% of Admin post)	£1,600
General Admin (5% of Manager & Admin posts)	£7,430
Travel costs of 2 staff to SCRAG7 in Bangkok	£4,219
Bank charges	£ 150
Interest receivable	(£1,074)
Total	£17,575

t. ICAO Administration costs are detailed in WP/4.

3 ACTION

3.1 The SCRAG/8 is requested to note the cost information provided by the United Kingdom and approve for these costs to be recovered from States within the Cost Recovery Scheme.

SCRAG/8 WP/5 Annex 1.

TABLE 1: 2006 and 2007 SADIS Costs

INVENTORY REF:	Note	DESCRIPTION	2006 Actual (Jan-Dec)	2006 FOO (SCRAG7)	2006 Estimate (SCRAG6)	2007 FOO (SCRAG8)	2007 Estimate (SCRAG7)
UK MET OFFICE COSTS							
1. Equipment							
Principally procured for SADIS							
comms between Whitehill & Met Office	a	SADIS 1G	3,139	3,139	3,139	3,139	3,139
		SADIS 2G	6,364	6,364	6,364	6,364	6,364
comms link SADIS Gateway & Met Office	b	SADIS 1G	3,340	3,340	3,340	3,340	3,340
		SADIS 2G	0	0	3,000	0	0
ISDN back-up link			372	372		372	0
Not procured principally for SADIS							
message switch (FROST/SADIS)	c	SADIS 1G	37,800	37,800	32,280	29,498	37,800
message switch (FROST/FTP)		SADIS FTP	10,920	10,920	12,720	9,141	12,000
message switch (FROST/2G)		SADIS 2G	21,840	21,840	13,680	9,556	21,840
internet bandwidth (FTP)		FTP	14,172	13,532	26,000	12,240	13,532
FTP equipment running costs		FTP	12,300	12,300	11,000	12,675	12,300
		sub total	110,247	109,607	111,523	86,325	110,315
2. Procured Services							
space segment annual lease	d	Satellite Segment	85,565	85,565	94,576	83,610	90,000
annual maintenance	e	SADIS 1G C&W	9,816	9,816	10,500	9,816	9,816
		1G Facilities Mgmt	6,300	6,300	6,300	6,300	6,300
		2G Maintenance	23,570	23,570	23,570	24,920	24,000
		2G Facilities Mgmt	3,150	3,150	6,300	3,150	3,150
		IT Halls	11,111	11,000	8,542	16,747	11,000
	f	ad hoc maintenance	19,599	14,169	0	5,000	5,000
		sub total	159,111	153,570	149,788	149,543	149,266
3. Annual Staff Requirements							
Help Desk	g	Help Desk	18,950	17,000	25,018	19,250	17,500
Additional Support	h						
Systems Integration Team		Network Comp Eng.	6,658	6,658	12,326	6,795	6,658
Administrator		Executive Officer	49,934	49,934	54,066	50,963	49,934
International Aviation Management		Aviation Manager	12,773	12,773	13,324	12,900	12,773
Data Traffic		Communications Engineer	3,329	3,329	3,604	3,398	3,604
Contract Management		Senior Procurement Officer	3,329	3,329	3,604	3,398	3,604
UNIX Support		Computer Engineer	6,658	6,658	3,604	6,795	6,658
Web Team Support		Website Designer	6,658	6,658	7,208	6,795	6,658
Invoice Administration		Invoice Manager	0	0	0	10,193	15,000
enhancements to FTP service	i		0	12,000	12,000	20,000	32,000
Travel Costs	j	SADISOPSG & SCRAG	6,963	6,300	5,000	4,500	6,000
		sub total	115,252	124,639	139,754	144,987	160,389
		TOTAL	384,610	387,816	401,065	380,855	419,970
Cost of Depreciated Capital							
	k	SADIS 2G	17,485	17,485	17,485	17,485	17,485
		FTP enhancements	0	10,000	10,000	0	11,000
		sub total	402,095	415,301	428,550	398,340	448,455
	l	Cost of Capital	40,210	41,530	42,855	39,834	43,346
		Total UKMO Costs	442,305	456,831	471,405	438,174	491,801

TABLE 1: 2006 and 2007 SADIS Costs

INVENTORY REF:	Note	DESCRIPTION	2006 Actual (Jan-Dec)	2006 FOO (SCRAG 7)	2006 Estimate (SCRAG6)	2007 FOO (SCRAG8)	2007 Estimate (SCRAG7)
2		NATS Gateway Costs					
		Staff Costs					
	o	Operational Staff	53,629	52,066	50,256	53,629	52,066
		Engineering Staff	21,217	21,043	20,368	21,217	21,043
		Administration Support	14,791	14,178	13,686	14,791	14,178
		Asset Engineering Support	0	0	0	2,805	0
		sub total	89,637	87,287	84,310	92,442	87,287
		Communications					
	p	IP Comms link to UKMO	0	0	0	3,010	0
		X.25 Comms link to UKMO	0	0	0	0	0
		Maintenance	6,264	6,264	6,264	6,264	6,264
		Cost of Depreciated Capital					
	q	Depreciation	45,492	45,492	45,492	45,492	45,492
	r	Cost of Capital	6,296	6,296	6,296	2,770	2,770
		SADIS Backup Enhancement				29,141	29,141
		Annual support costs				0	0
		Total NATS Gateway Costs	147,689	145,339	142,362	179,119	170,954
		CAA Administration Costs	17,575	20,000	20,000	5,000	5,000
		ICAO Administration Costs	36,912	35,154	35,154	33,579	33,579
		TOTAL SADIS COSTS	644,481	657,324	668,921	655,872	701,334