



Northern  
Lighthouse  
Board



Commissioners of  
**IRISH LIGHTS** | Navigation  
and Maritime  
Services

# **TRI-GLA 2027-37 AVIATION SERVICES PROJECT**

## **MARKET ENGAGEMENT QUESTIONNAIRE**

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FINAL

# 1 Questionnaire

The answers to the questions below are intended to inform the procurement process for the tri-GLA Aviation Services Project (ASP). The GLAs would welcome a response to the questions posed.

Please ensure you have read the Market Engagement Introduction document, the Draft Concept of Operations (CONOPs) and Draft Specification of Requirements (SOR) documents separately provided to help inform your understanding of the Project.

## 1.1.1 Suppliers' Contact Information

Please provide your responses as requested in the blue boxes.

1. Organisation Name	2. Contact Name
[response]	[response]
3. Contact Number	4. Contact Email
[response]	[response]
5. Would you be willing to be contacted for a follow up one-to-one discussion relating to your answers?	
[Yes / No]	

## 1.2 Feedback in relation to a future ASP

### 1.2.1 Scope requirements

The GLAs require a service able to operate for 365 days of the year including operating simultaneously across two GLA areas for a minimum of 125 days per annum. In addition the scope includes the ability to respond to AtoN outages and recover from the disruption to operational plans caused by outages and weather.

For full details of the proposed scope requirements, please refer to the attached "Draft Concept of Operations" (CONOPs) document and "Draft Specification of Requirements" (SOR).

- a) Based on your understanding of the scope of the requirements how many helicopters and crew do you estimate you will need to achieve this service?

[response]

- b) Please outline your fleet list in the table below, adding rows as needed.

Registration	Aircraft Type	Year of Manufacture	Owned / leased?


Does the list above include the appropriate aircraft type and numbers to readily meet the GLAs' proposed scope requirements, including Helicopter External Slight Load Operations (HESLO) as Special Purpose Operations (SPO)?

[response]

c) Based on your response in b), do you anticipate you would need to acquire or modify aircraft to deliver this service? If so, can you elaborate on the likely timescales?

[response]

d) Are there any aspects of this scope requirement that would negatively impact your ability to bid, or that you see to be significant cost drivers?

[response]

### 1.2.2 EU / UK Requirements

The ASP contract is being let jointly by NLB, TH and IL. The GLAs intend to include a requirement that the contractor gain and maintain all regulatory approvals, exemptions, alleviations, permits and licences necessary to fully provide the service in UK, Crown Dependency and Irish airspace. In particular this will require approvals to conduct Commercial Air Transport (CAT) and SPO operations in all these areas.

a) Does the requirement to operate across both areas impact your ability to bid for the procurement? Yes or No.

[response]

b) What Air Operator Certificate (AOC) do you have and does this allow you to operate Commercial Air Transport in the required areas?

[response]

c) Please indicate your likely approach to organisational structure and regulatory compliance to achieve the requirements of the service effectively and any constraints this may impose, including any operational impacts at inception and cost impacts across the contract period (for example, the cost of maintaining multiple AOCs and any inefficiencies that might impose)?

[response]

d) Please outline any challenges you foresee in meeting the regulatory requirements and any mitigation measures that could address the challenges.

[response]

### 1.2.3 Lot Structure

The GLAs are proposing a single lot structure for the contract in order to achieve the following:

- A reliable, integrated, passenger and internal/underslung cargo service to support planned activities from shore to shore, shore to ship and ship to shore;
- A service able to respond quickly and efficiently to Aids to Navigation (AtoN) defects (i.e. a light or other navigational aid failures, also called 'casualties' or 'outages') at any time and in any place in the GLA operational area; and
- A service able to leverage technological change in fuels and access evolving drone technologies.

Most flights will involve carrying both passengers and cargo to coastal and offshore lighthouses in support of maintenance and renovation. The passengers will be personnel of the GLAs, their subcontractors and approved third parties. The cargo will include their tools, materials and personal equipment and may include a limited range of Dangerous Goods.

In addition to routine HESLO, there is an ad hoc SPO requirement for heavier and bulkier loads to be flown by alternative aircraft, approximately 10 days annually as part of the contract.

This may require third country temporary aerial work permission (should that be available) for under slinging given the different Tri-GLA jurisdictions.

Consideration has been made as to whether this should be split into multiple lots to cover different aspects of the contract, noting this could result in multiple suppliers. Please also take into consideration your response to Question 1.2.2 on EU / UK requirements.

- a) Based on your understanding of the scope, do you believe a single Lot structure is a practical and cost effective approach, or would you suggest an alternative approach with the scope divided into Lots?

[response]

- b) Dependent on your answer above, what Lot structure would you suggest and why would it be advantageous to the delivery of ASP?

[response]

### 1.2.4 Additional priced option

The GLAs are proposing to include onshore passenger or cargo CAT as an additional priced option as part of the contract under a call-off arrangement. This would be called upon on an ad hoc and low frequency (less than 12 times per annum) basis throughout each year of the contract.

Would you be able to provide this and how?

[response]

### 1.2.5 Pilots

The GLAs require skilled pilots to be able to ensure safe landing at challenging landing sites across the UK and Ireland. This requires readily available and trained pilots who would be committed on a long term basis to the contract.

- a) Would you be able to supply pilots from within your own organisation, or would they need to be outsourced / sub-contracted?

[response]

b) What approach is available to ensure reduced turnover, resilience and succession planning for pilots and aircrew teams which can be built into the contract to enable long term stability in the service provision.

[response]

### 1.2.6 Training

What continuity training for pilots, aircrew and GLA staff do you see as essential over and above the necessary statutory minimums to deliver an effective and safe GLA operation?

[response]

### 1.2.7 Cost categories

The GLAs are interested to understand at a high level, the price suppliers believe they would need to charge to provide the service described and an indicative view on the underlying costs suppliers would incur that would make up that price.

The current contract's payment mechanism splits payments to the Supplier into a fixed payment and variable payments. The fixed payment is termed the "Standing Charge" and is designed to allow the Supplier to recover the fixed costs of operating the service. Variable payments cover cost items such power by the hour maintenance charges and fuel which are demand based. At this stage, it is assumed a broadly similar payment mechanism will be used for the new contract.

Based on your response to Question 1.2.1, please indicate in the table below, the range (expressed as a maximum and minimum price) of the Annual Standing Charge (in current prices – i.e. without any indexation being applied).

Annual Standing Charge (in £'000)	
Minimum	Maximum

Additionally, we would like to know how suppliers categorise certain costs within components of the payment mechanism. We envisage the Standing Charge will incorporate the following key costs. Within the table below, please indicate the proportion of different elements within the Standing Charge (please add additional lines if required).

Standing Charge	%
Cost of making aircraft available	
Staffing	
Maintenance (not "power by the hour" but longer-term maintenance costs)	
Insurance	
Corporate Overheads (incl. legal /AOC certifications)	
Training	
Profit Margin	
Other - Please Specify	

c) Please specify below if you would include any other cost categories or remove any of the above, if removed what component of the proposed payment mechanism would they fall under?

[response]

d) Variable charges will be comprised of power-by-the hour maintenance costs and fuel costs, would you envisage any other costs to be included within the variable costs?

[response]

e) What Ancillary Charges, that would be rechargeable at cost, do you envisage for the contract (e.g. landing charges, deployed accommodation costs)?

[response]

### 1.2.8 Cost items

a) Based on the service requirements, would the Supplier expect to incur any capital costs in relation to their basing infrastructure and / or costs associated with mobilisation of the Service? If so, please provide an indicative value of the costs?

[response]

b) For Full Time Employees (FTE) dedicated to the contract, please provide an indicative annual salary range within the table below. If there are any staffing categories missing, please specify.

Staffing	Range (£)
Pilot	
Engineer	
Group ops	
Task specialist	
Other – Please Specify	

[response if required to supplement response in table above]

### 1.2.9 Financing

It is expected that a Supplier will recover the costs of making aircraft available for the services provided by the Supplier via the Standing Charge. The GLAs would like to understand how the supplier will calculate a cost for aircraft availability within the Standing Charge.

a) Dependent on your earlier response to 1.2.1 c), if you plan to procure new aircraft would you lease them, take on debt to finance the purchase of them or use existing cash resources of the business to purchase them?

[response]

b) Based on your response to a) what would the total capital value of the aircraft be and what cost of finance would you expect to incur for the aircraft, and pass onto the via the Standing Charge on an annual basis for the aircraft? How would you go about securing the amount of finance you would need to secure the aircraft?

[response]

- c) If you plan to provide the service using aircraft you already own/are leasing, how would you calculate the charges to the GLAs for the use of those aircraft (via the Standing Charge)?

[response]

- d) Would you use surplus availability of an aircraft you are using on an existing contract to meet the GLAs' service requirement, and if so how much of the total cost of the aircraft would be applied to this particular contract if Suppliers provide services to other customers using the aircraft?

[response]

- a) How confident are you that you will be able to access the required finance either via internal or external sources and be able to attain a competitive market rate of finance?

Please answer on a scale of 1 to 5 (with 1 = No Confidence to 5 = Fully Confident)

[response]

#### 1.2.10 Bank Guarantees / Performance Bonds

It is anticipated that the contract is likely to require a form of guarantee in respect of the performance by the Contractor of its obligations under the Contract.

Do you anticipate being able to secure a bank guarantee which would at a minimum be required to cover the equivalent cost to the annual un-indexed standing charge per annum?

Do you have any views on providing a bank guarantee or wider suggestions for forms of contractual performance guarantee?

[response]

#### 1.2.11 Procurement Route

- a) Do you have a preferred procurement route? Please indicate your preference from the following list, along with your rationale:

- I. [Competitive Procedure with Negotiation procurement](#) (GLA's intended route to market)
- II. [Competitive Dialogue](#)
- III. Indifferent

[response]

#### 1.2.12 Contract Transition and Contract Length

The GLAs have allowed for c.18 months from the award of the ASP contract to the transition to a new service, with a service commencement date of 1 Dec 2027.

- a) Based on the service requirements set out, do you consider this timeframe to be sufficient? Please answer Yes or No.

[response]

b) If your response to a) was no, what do you consider to be a sufficient transition / mobilisation timeframe?

[response]

The contract length is currently envisaged to be a 10-year period with two optional one year extensions (10 + 1 + 1), although this may be subject to change.

c) Do you consider this to be reasonable period? If not, please explain why an alternative approach would provide greater value to the GLAs.

[response]

d) Would you propose any alternate extension options to either the proposed 10-year period or your proposed contract length and if so, why?

[response]

### 1.2.13 Barriers to Entry

The GLAs would like to understand what would dissuade market participants from bidding for ASP.

Please outline any barriers that would influence a decision not to bid and how these could potentially be overcome, including if there anything the GLAs could do in terms of how it presents or structures the scope or delivery options for prospective bidders, that would positively influence your decision to bid?

[response]

### 1.2.14 Continuous improvement and innovation

The GLAs would like to introduce continuous improvement and innovation within ASP either from the outset or during the contract period subject to regulatory approval. This is within the context of the GLAs continuing to undertake all of the tasks outlined in the CONOPs and SOR. This would help to ensure continuous improvement to the service, through innovations (technological or procedural) which increase the effectiveness of the service and/or which create efficiencies resulting in savings. Such areas that potentially may be innovated on include safety, operational effectiveness, Unmanned Air Systems (UAS) options, and environment.

a) What elements of the service do you consider to be best suited to innovation?

[response]

b) How could you be incentivised to:

- I. Embed continuous improvement and innovation into your proposal for how you will deliver the service?
- II. Continue to innovate over the life of the contract including in response to new technologies that might become available?

[response]



- c) Where future innovation opportunities require capital investment:
- I. What contractual payment mechanism would you propose to encourage innovation over the life of the contract?
  - II. On what basis would you look to recover costs from the GLAs?
  - III. What risk allocation would you propose to encourage innovation over the life of the contract?

[response]

- d) How should the GLAs assess innovation in bids in a manner that creates appropriate incentives?

[response]

### 1.2.15 Sustainable Air Operations

In line with the UK govt commitment to net zero the ASP must deliver improvements in environmental performance throughout its life.

- a) Please advise if and when the use of Sustainable Aviation Fuel (SAF) is a feasible option during this contract, given fuelling is currently conducted throughout the UK and Ireland from both GLA and airport facilities.

[response]

- b) Based on your answer to a) please outline what if any, the operational and cost impact would be of moving to SAF.

[response]

- c) Please advise what else may be achievable within this area that the GLAs may consider for its tender.

[response]

### 1.2.16 Contractual Remedies and Key Performance Indicators

In addition to standard contractual remedies, the future contract intends to have KPIs relating to performance.

- a) The GLAs are keen to understand suppliers believe would be the best measures to ensure continued performance in meeting the scope requirements?

[response]

- b) Based on your response above in a), how it will this affect the contract price?

[response]

### 1.2.17 Social Value

The Tender document will include Social Value questions as part of the evaluation, please refer to the 'Taking account of Social Values in Procurement' document for more information which is linked here: [PPN06/20](#).

The Model Award Criteria (MAC) listed below are being considered for inclusion in the tender documentation across the following two themes which the GLAs think are most relevant to the contract:

Theme 2: Tackling Economic Inequality, focused on the policy outcome to increase supply chain resilience and capacity:

- MAC 3.3: Modernising delivery and increasing productivity
- MAC 3.4: Collaboration throughout the supply chain

Theme 3: Fighting Climate Change, the policy outcome of this is for effective stewardship of the environment:

- MAC 4.1: Additional environmental benefit
- MAC 4.2: Influence environmental protection and improvement

Please refer to the following documents for more information:

[Social-Value-Model-Edn-1.1-3-Dec-20.pdf \(publishing.service.gov.uk\)](#)

[Guide-to-using-the-Social-Value-Model-Edn-1.1-3-Dec-20.pdf \(publishing.service.gov.uk\)](#)

[Social-Value-Model-Quick-Reference-Table-Edn-1.1-3-Dec-20.pdf \(publishing.service.gov.uk\)](#)

a) Considering the above MACs in the context of ASP and in terms of delivery by your organisation, do you think the above MACs are relevant to this contract?

[response]

b) If No, what other Theme and MACs do you think would better suit the project requirements and your ability to deliver social value outcomes?

[response]

This document and all attached documents have been issued to suppliers on the basis that their contents are draft and subject to change between the issue of this Market Engagement and any subsequent tender process.

Attached to this Market Engagement document are the following:

- MEQ;
- Draft CONOPs; and
- Draft SoR

Suppliers are asked to review and provide answers to the questions posed in the MEQ. The Draft CONOPs and SoR should be read in conjunction with it to provide wider context on the technical requirements of the Project.

The deadline for responding to this Market Engagement is 21 March 2024

Please submit responses to the Market Engagement via email to [angela.cahill@nlb.org.uk](mailto:angela.cahill@nlb.org.uk) with the subject "[Organisation's Name] – Market Engagement Response, ASP".