

EXECUTIVE COUNCIL

PUBLIC

Title: FIGAS – Pilot Training Capacity

Paper Number: 12/18

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Responsible Director: Director of Development & Commercial Services

Report Author: Director of Development & Commercial Services

Portfolio Holder: MLA Barry Elsby

Reason for paper: This paper is submitted to Executive Council:
For policy decision

Publication: Yes

Previous papers: Review of Aviation Services 224/15

List of Documents: None

1. Recommendations

Honourable Members are recommended to approve:

- (a) Approve the creation of one additional Trainee Pilot Post for 2017/8 and 2018/19
- (b) Having approved the above recommendation refer the matter to the Standing Finance Committee for Financial Approval

2. Additional Budgetary Implications

Operating Budget	2017/18 £35,350	2018/19 £35,900	
Training Budget	2017/18 £94,700	2018/19 £4,200	Total Project £170,150

3. Executive Summary

- 3.1 A succession plan was developed to replace the Training Captain who under the governing regulation must retire from commercial flying in 2018. This provision will become effective in August 2018, although at this time the service will be operating with 4.2 pilots until the additional Trainee is fully operational (in 2019). There is also a risk that FIGAS will lose a further pilot in the next 18-24 months. To mitigate the

impact of this potential loss, it is proposed to create a second Trainee Pilot for the period 2017 -2019.

4. Background

- 4.1 The Falkland Islands Government Air Service (FIGAS) provides both commercial and critical community links between Stanley and the outlying islands and therefore it is prudent to ensure that all operational and strategic risks are effectively managed.
- 4.2 Within FIGAS there are a number of elements that impact on the ability to effectively maintain service operations; the availability of airframes; a robust maintenance schedule, the availability of trained engineers and technical staff to complete essential maintenance and of course suitably qualified Pilots, competent to take on the rigours of operating in a remote and varied landscape.
- 4.3 The training which FIGAS Pilots undertake extends for a significant period of time beyond the initial training programme (16 Months). This training ensures Pilots are competent to operate here in the Falkland Islands. Based on the projected demand for Pilot capacity in the next 18 to 24 months, it is prudent that we have in place a training programme that will deliver qualified pilots ready for continuation/type training well in advance of the departure of any of the current Pilots.
- 4.4 FIGAS currently has an establishment of 5.5 pilots. Additionally FIGAS also has 1 Trainee Pilot post on its establishment. This facility has been used when there has been a known need for a succession plan. Although this post was not funded in 2016/17, approval for funding in 2017/18 and 2018/19 was secured in the last budget process. With this funding in place recruitment commenced to secure a suitable candidate to commence Pilot training.
- 4.5 In previous recruitment rounds the pool of suitable candidates has been limited. However, in this round of recruitment, we have identified 3 suitable candidates, with one individual having been selected above the other two as the preferred candidate. This candidate will commence pilot training shortly. Should the Officer recommendation be approved then the Officers will select one additional Trainee Pilot from the two remaining candidates from the last recruitment round.
- 4.6 There is a genuine risk that FIGAS will lose an experienced Pilot within the next 18-24 Months. It is therefore considered prudent to use the opportunity which has presented itself to set in place a proactive approach to the management of the known risk by creating an additional Trainee Pilot post, for the next two years. The benefit of having this additional Trainee Pilot post is that FIGAS will have a robust development programme in place to deliver two newly trained Pilots within the next 2 years.
- 4.7 This additional Trainee Pilot post will require funding. However, if FIGAS were to lose a pilot without the ability to replace the post on a 'like for like' basis, the demand to maintain service delivery will mean that we have to secure suitably competent pilots on contract terms which would be at an extremely high cost with no return on the additional investment beyond the maintenance of day to day operational flight.
- 4.8 A programme with two trainee pilots will equip FIGAS with trained pilots to operate at the established strength (5.5 posts) and manage the known risks associated with the potential loss of an experienced pilot in the next 18 – 24 months. A programme that

provides for two trainee pilots also provide clarity in relation to costs. From a financial management perspective, this is considered to be a far more cost effective way of managing the risks to service delivery and demand for competent pilots. Should one of the current pilots submit their contractual notice, there would be no time to develop a replacement and it is inevitable that high cost contract pilots would have to be brought in to fill the gap. Additionally, with demand for FIGAS flights expected to increase, the training programme also provided for a readily available source of pilots to meet the extra demand on flying hours .

- 4.9 Should Exco approve the recommendation, it may be that due to the scheduling of the training programme there is a slight lead-in when the funding will be needed. However, as it stands the request is based on funding for 2017/18 and 2018/19, should there be a need for the funding to be carried forward, Officers will seek the appropriate approval in line with Financial Regulations and the relevant procedures.

5. Request

- 5.1 That one additional Trainee Pilot post is created in 2017/18 and 2018/19. Due to the scheduling of the pilot training course it may be that this programme rolls into the 2019/20 financial year.
- 5.2 The assumption beyond this period is that there is no additional cost as the new pilot would fill a gap created by the departure of one of our existing pilots.

6. Significant Risks

- 6.1 Failure to recruit a new pilot leaves FIGAS at risk if any of our current pilots were to resign or retire. Equally there is a risk that if we proceed with two trainee pilots, FIGAS may be left with too many pilots. However the costs of training the second pilot would be eclipsed by the costs associated with bringing in a pilot on contract / agency terms until a local replacement can be recruited, trained and developed to an operational standard in order to operate commercially.

7. Options and Reasons for Recommending Relevant Option

Option One

Continue with one Trainee Pilot and note the attendant risk that FIGAS would have to secure a Pilot on contractual / agency terms as there is no local provision, should a pilot leave FIGAS in the next 18-24 Months.

Option Two

Create one further trainee post for 2017/18 and 2018/19 as a means of mitigating the risk of losing one of the existing pilots in the next 18-24 months.

8. Resource Implications

The proposed funding request covers the cost of employing the trainee during their training and the residential training programme in the UK.

8.1 Financial Implications

Operating Costs	2017/18		2018/19	
Salary (Grade I to F) Training	£24,848		£25,345	
OPC	£2,485		£2,534	
RPC	£819		£819	
Training Course	£90,000		0	
Flights	£3200		£3200	
Subsistence Allowance	£7200		£7200	
Medical and Examination Fees	£1500		£1000	
Operating Costs (Rounded to the nearest £10)		£101,900		£11,400
Total		£130,050		£40,100

8.2 Human Resource Implications

Additional supervised flying (Continuation/ Type Training) will be required following the initial Pilot Training. Although this will draw on existing resources, it is not considered burdensome and will be scheduled to have the minimum impact on operational activities.

The Trainee Pilots are employed on a training contact / agreement. Employment beyond their training activities is on the normal employment terms and conditions whilst taking part. There is a requirement for Pilots to complete a return of service (three years) which include the completion of the training programme.

If no substantive Pilot post becomes vacant at the end of the additional Trainee Pilots development programme, then they will be employed on a fixed-term contract on terms that are manageable within FIGAS resources.

8.3 Other Resource Implications

The costs associated with Pilot Training are set out above

9. **Legal Implications**

9.1 There are no specific legal issues resulting from this report. The terms on which trainee pilots are employed are set out in a contract that requires a three year return of service post training.

10. **Environmental & Sustainability Implications**

10.1 There are no environmental and sustainability implications

11. **Consultation**

11.1 The General Manager FIGAS has consulted the Honourable MLA Elsby as Portfolio Holder and MLA Spink as Deputy Portfolio Holder.

12. Communication

- 12.1 There are no additional communication requirements created as a result of this report. Candidates identified for this post are already engaged as a result of the last recruitment round and the process will continue in line with standard recruitment practice.