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An ALTEA Insight:

Getting the Foundations Right

How governments successfully procure an aircraft and why the groundwork decides the outcome.

Introduction

Purchasing an aircraft is a complex and demanding undertaking. As a high-value asset, it carries significant financial risk, and its acquisition calls on a rare mix of specialist skills: commercial, financial, engineering and legal, as well as project and programme management. Government aircraft carry even greater risk: they are relied upon for critical purposes over decades, and the entire procurement process is carried out under strict laws and public scrutiny.

The process is also unforgiving. When acquisitions run into complications, such as delays and unnecessary costs, or when a government aircraft fails to meet its agreed requirements once in service, the cause most often traces back to gaps in foundational documentation. However, these risks are controllable. With specialist industry advice, government organisations can refine specifications long before a tender ever reaches the market.

This ALTEA Insight will assess how these foundations are laid, the risks that arise from gaps or inaccuracies within them, and our recommendations for what disciplined groundwork looks like in practice.

Getting the Foundations Right

Long before market entry, government organisations will already have reviewed and finalised a handful of documents that could positively shape, or jeopardise, the entire procurement resulting in significant financial and operational consequences in the long run.

Three documents matter most: the User Requirement Document (URD), the System Requirement Document (SRD), and the Through Life Management Plan (TLMP). These briefs run in a sequence, and structure data for everything that follows. The URD feeds the SRD, which feeds the tender itself, so any mistake made at the foundation stage propagates through the whole process and cannot easily be corrected once commitments are made.

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A Realistic Depiction of an Aircraft's Intended Use

The URD defines what an aircraft must be capable of delivering: the missions it will perform, the users it will serve, and the conditions under which it will operate.

The most common way the URD goes wrong is by defining needs too narrowly. When a requirement is built only around the missions that cover the majority of what main users ask for, other assignments can quietly fall out of scope.

Consider a fleet sized against only 85% of current requirements, with occasional long-haul missions set aside as non-essential. Should long-haul missions become more prominent - through geopolitical change for instance - the aircraft delivered by the tender could end up covering barely half of what is needed. A URD built to reflect the full picture from the outset would point to a fleet fit for covering current needs as well as future ones, ensuring optimisation across its full service life.

Important questions to consider when reviewing the URD

- Who are the current main users, the occasional users, and the hypothetical users who may have been overlooked but should be planned for?
- What are the travel habits and expectations of each group?
- Which routes and regions will be flown regularly, and which occasionally?
- What are the demands of each route?
- What is the realistic range of annual flying hours, and what scenarios could push that number sharply up or down?
- Will the aircraft be operating in hostile environments?

Establishing Accurate Specifications

The SRD is the technical specification that translates the operational needs set out in the URD into precise, measurable engineering parameters against which prospective aircraft are defined, bids are evaluated, and compliance is ultimately judged. It deserves the same scrutiny as the URD.

The SRD fails most often when its parameters are too loose to hold bidders to a common standard. If a payload range requirement is stated simply as a number of passengers over a distance, without fixing passenger and luggage weights, fuel reserves, fuel density and generic flight profile,

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bidders will each make their own assumptions and, as a consequence, their bids can no longer be compared on an equal basis.

Consider a piece of mission-critical equipment left unspecified in the tender. Because an aircraft's basic operating weight shifts significantly once equipment is fitted, and because manufacturers do not define that weight the same way, this could push the finished aircraft beyond the weight on which its guaranteed performance was based. The result: an aircraft unable to fly the missions it was bought for.

A thorough SRD defines basic operating weight comprehensively and sets out a baseline equipment list covering interior, communications, navigation and defence systems. This ensures every bidder is assessed against the same aircraft specifications, and that the performance guaranteed on paper is the performance delivered in service.

Considerations when reviewing the SRD

- How accurate are the technical parameters, and do they allow bidders to be compared equally?
- What will a tender based on this specification actually produce, and how well does it meet users' real needs?
- Do the SRD and URD line up consistently?
- Where does the specification need refining to reduce risk?

Predicting and Planning for the Future

Beyond the URD and SRD, the TLMP is the forward-looking framework that anticipates and plans for the full cost of owning and operating an aircraft across its entire service life. Done well, it reveals savings early, reduces the risk of understating costs, and helps owners make the right decisions at the right time.

If the TLMP is weak or incomplete, long-term ownership costs are understated, so the true cost of running the aircraft across its service life only becomes apparent once already committed.

Benchmark data to establish

- Aircraft values - both brand-new and second-hand
- Modification costs
- Operating costs

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- Aircraft management and support options
- Maintenance programmes and their costs, and what makes those costs change

The ALTEA Difference

A government aircraft is a high-value asset, bought rarely and relied upon for decades. This is why care and attention to detail is crucial from the outset. The hours spent ensuring the URD, SRD and TLMP are thorough, accurate and robust are hours well spent, compared to the time, financial and operational consequences of getting them wrong.

Such acquisition projects reward close partnership with people who understand the aircraft market from the inside. The specialist skills involved – commercial, financial, engineering, and project management – rarely sit together in one place. This is the space in which ALTEA works: as a niche business aircraft consultancy, we bring current, relevant knowledge across these disciplines.

Where ALTEA has worked with governments, this skill set has proved pivotal. By assessing whether the URD and SRD are robust enough to proceed, and whether requirements have been analysed accurately, ALTEA has streamlined the procurement process for its government clients - shortening timelines, protecting performance, and reducing risk.

The programmes that run smoothly are those that treat the groundwork as the main event, utilising current, independent expertise at the earliest stages. Get the foundations right, and everything that follows is easier.

About ALTEA: ALTEA is retained by those who want fresh thinking secured by experience in asset management; procurement and sales; financial solutions and design. Specialising in business jets, regional aircraft and helicopters, the expert team interprets knowledge and insight to achieve extraordinary results. Clients include financial institutions, operators, aircraft manufacturers, governments and private individuals who seek a blend of specialist knowledge, integrity, and inspiration to resolve complex and sensitive aircraft projects. Visit: https://altea-aero.com/

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