



HIAL Strategy and Covid-19 Recovery Plan 2021-26

Sustainable Aviation

Connecting our communities and
protecting our environment

Introduction

This document presents the Highlands and Islands Airports Limited (HIAL) Strategy and Covid-19 Recovery Plan 2021-2026.

It sets out the goals and strategic priorities we have identified to help develop a carbon-neutral regional airport network, while at the same time continuing to support economic prosperity and deliver social benefit for communities throughout the Highlands and Islands.

However, we had originally planned to launch a previous version of this Plan in March 2020 – just as the Covid-19 pandemic struck. We decided to postpone the publication of our plan and our key corporate priorities so we could take the opportunity to review the impact of Covid-19 on our operations – not only how we responded in the short term (see page 6), but also the impact that it has had on how we will prioritise our goals and objectives in the medium to long-term.

As a result, our Strategic Plan has now become our Strategy and Covid-19 Recovery Plan, setting out how we aim to respond to the considerable impact that Covid-19 had on our business in 2020 and how we aim to recover in the coming years.

Undoubtedly, the pandemic will continue to have a significant impact on everyone's lives, and on all business sectors, but in particular the aviation and travel industries. However, it has also underlined the significant – even critical – role that HIAL's airports continue to play in maintaining connectivity for our communities. This in turn has reinforced the importance of achieving many of the priorities and outcomes that we previously agreed. It has emphasised the need to focus on what we need to do to build our business back better and stronger.

Contents

Foreword	1	Route Development and Improving Connectivity	12
About Us	2	Sustainable Financial Growth	14
Our Mission, Vision and Values	3	Delivering Digital Transformation	15
Our Challenges	4	Building Successful Partnerships	16
The Challenge of Covid-19	6	Developing Our People	18
Our Recovery Strategy	8	Our Renewal	19
Environmental Care and Excellence	9		
Delivering World Class Customer Service and Operations	11		

Foreword

Welcome to the Highlands and Islands Airports Limited (HIAL) Strategy and Covid-19 Recovery Plan 2021-2026. The journey to this point has not been without its challenges, but we are pleased to present the strategic priorities and key objectives that we believe will help our business to build back better in the coming years.

Much of the original work that went into developing this strategy pre-dated the 2020 coronavirus pandemic. In this respect it is reassuring to have reviewed it again and determined that much of the content in our plan not only remains relevant, but is arguably more important now than ever. As part of our review, we feel it is worthwhile setting out the key milestones on the journey to date.

In December 2016, the Minister for Transport and the Islands tasked HIAL to undertake an air services review for the Highlands and Islands. Subsequently, in 2017, we commissioned Cranfield University to undertake a study into business risk and resilience for HIAL. The review findings and report confirmed that robust and affordable air links are vital to support vibrant and economically sustainable communities in the Highlands and Islands.

Indeed, with limited surface travel alternatives, air links are recognised as essential connections if the more remote parts of the Highlands – and particularly the Islands – are to continue to prosper in the future. This fact was brought into sharp focus with the arrival of the pandemic in early 2020.

However, even as we pulled together to respond to Covid-19, we remained very aware that with the ongoing climate emergency, as declared by the Scottish Government in 2018, our recovery plan must be environmentally sustainable. As we seek to retain and even expand an integrated air service network that properly supports and encourages the economic development of our region, and augments service provision on lifeline routes, we recognise we must explore safe, but also different operating models to decarbonise our operations and enable greener air services.

With new advances in technology, cleaner air travel will become more viable – and our aim is for HIAL to be at the forefront of Scotland's efforts to transition to a low carbon future – both in aviation and as a nation.

Elsewhere, we recognise that we must embrace new technologies to improve services and enhance the resilience, sustainability and efficiency of our operations.

These ambitions are the focus of this plan, which not only sets out our immediate response to the challenges of Covid-19, but also our operating priorities as we seek to explore new and innovative ways of working to help us respond better to the long-term needs of our communities by delivering aviation services that will be fit for purpose in a low carbon future.

We recognise that many of the opportunities identified in this plan will not be realised without new initiatives and support from government, and we will work closely with the Scottish Government and others to achieve this. Indeed, we look forward to working with our people, our partners and our communities to deliver this plan and to realise our long term vision to become a net-zero carbon regional airport group.



A handwritten signature in black ink, appearing to read 'Lorna B Jack'.

Lorna Jack
Chair, HIAL Board



A handwritten signature in black ink, appearing to read 'Inglis Lyon'.

Inglis Lyon
Managing Director

About Us

Highlands and Islands Airports Limited (HIAL) is a private limited company* wholly owned by the Scottish Ministers and responsible for the management and operation of 11 regional airports located at: Barra, Benbecula, Campbeltown, Dundee, Inverness, Islay, Kirkwall, Stornoway, Sumburgh, Tiree and Wick John O’Groats.

Working with our stakeholders, we are committed to supporting the essential socio-economic role of aviation in Scotland by maintaining and developing our airports and the connections they provide for some of our country’s more remote communities.

Safety underpins every aspect of our operations. We have a robust safety and security programme that achieves regulatory compliance throughout our organisation. We continuously review our systems and procedures to ensure that our organisation and every one of our airports has the very highest standards of safety performance and resilience.

Our core activities include:

- Operating airports which meet regulatory standards and support essential transport connectivity
- Maintaining and developing airport infrastructure and services
- Working with airlines and others to maintain and develop scheduled, charter and freight air services
- Developing our commercial revenue to build business resilience



* HIAL was incorporated in Edinburgh on 4 March 1986 as a private limited company. On April 1995, the ownership of the company transferred from the UK Civil Aviation Authority to the Secretary of State for Scotland and subsequently to the Scottish Ministers. HIAL receives subsidies from the Scottish Government in accordance with section 34 of the Civil Aviation Act 1982 and is sponsored by Transport Scotland – Aviation, Maritime, Freight and Canals Directorate.

Our Mission, Vision and Values

HIAL's mission is to create social benefit and economic prosperity by building Scotland's sustainable regional airport group of the future.

This is reinforced by our vision to become a **'net-zero carbon regional airport group'**.

Our Values

Our values underpin everything we do and how we do it. They define who we are; our expectations of each other and ourselves; how we interact with each other and how we interact with our customers, communities and other stakeholders. A strong values-driven culture that supports the delivery of our strategic priorities is key to our long-term success.



We work collaboratively to build trust in our expertise; we do not work in silos of self-interest.



We always listen and respond to customers and colleagues; we do not ignore the needs of others.



We always look to make things better in the future; we do not accept the status quo.



We always take responsibility for our actions; we do not expect others to cover for us.



We always try to deliver the very best we can; we do not and will not accept anything less.

Our Challenges

Even before the Covid-19 pandemic, we faced a wide range of internal and external challenges as we sought to develop a successful and sustainable regional airport group across a very large and diverse geographical area.

Today, these challenges remain, but we also need to factor in the impact of Covid-19 on our business and the wider aviation industry in the UK, Europe and beyond.

It is safe to say that, at this time, we are operating against a backdrop characterised by uncertainty. Uncertainty driven by Covid-19, as businesses

across the Highlands and Islands seek to recover from the economic impact, but also uncertainty increased by the UK's exit from Europe, the increasing pace of technological change, continued pressure on UK public finances, and a rise in environmental concerns among the wider public.





Benbecula Airport



Islay Airport

Both images pre-Covid-19

Within the Highlands and Islands, we serve a wide diversity of communities from growing cities to our most remote islands. The social, economic and geographic challenges facing many of Scotland's most remote communities were set out in The National Plan for Scotland's Islands, published by the Scottish Government in December 2019. For HIAL, the overarching challenge is to meet the long-term need to connect the more remote communities across the Highlands and Islands, while simultaneously protecting one of Europe's most unique environments. This challenge is defined by several factors:

A low and sparsely distributed population across a vast area

HIAL's largest airport is Inverness and passenger numbers exceeded 946,000 in 2019. This reduced to just over 246,000 in 2020 due to travel restrictions. The airport has a catchment area of some 28,000 km² (more than a third of the total area of Scotland) but only some 330,000 residents – just six per cent of the Scottish total. At the other end of the scale, flights from islands in the Outer Hebrides, Orkney and Shetland serve populations ranging from 5,000 to fewer than 600 residents.

Limited travel alternatives for residents and businesses

Many of the communities we serve are far from the main centres of population and surface transport alternatives are often limited. In most cases, they include infrequent ferry crossings that can often be disrupted by the weather. Reliable air services are therefore essential for many small businesses that are heavily reliant on external markets, and need to interact with national and international customers. Likewise, residents in more remote communities rely on HIAL's smaller airports to access social and leisure opportunities – and many critical lifeline services.

The cost of air travel and the expectations of travellers

The UK aviation market predominately operates in the private sector, where low-cost carriers dominate services. While, in contrast, much of the aviation network in the Highlands and Islands is supported by public funding to help address inequalities and ensure communities remain connected. These two factors combined mean that passengers can have strong views on the expected cost and level of services provided. Currently, the Public Service Obligation (PSO) mechanism and the Air Discount Scheme aim to address these challenges. These public sector-funded schemes allow residents of the Highlands and Islands to access lower fares for leisure travel, yet, despite these interventions, cost remains a significant issue for users of intra-Scotland flights.

The frequency of services provided

There is no agreed minimum level of service provision that communities need to support economic development that has been identified. With a wide range of public agencies and private companies involved in aviation, we need a time-limited review funded by the Scottish Government to determine both the types and frequencies of services that are required to best support sustainable and inclusive economic growth, while providing the most effective use of public funding post-Covid-19.

The Challenge of Covid-19

2020 was a year like no other. The global health crisis presented by Covid-19 has been a particularly challenging time for the travel and aviation industry, and it affected every aspect of our operations.

By the end of December 2020, we had recorded a total year on year decline in passenger numbers of 66%*, and a reduction in aircraft movement of some 42%* across all our airports. Given such a significant impact, it is worth considering our immediate response, which helped to secure a platform for recovery.

Our immediate response

In late January 2020, following early reports of Covid-19, we reviewed the infectious disease plans that we had in place at all our airports. This was the first step in the rapid extension of our Covid-19 mitigations and we engaged with the Scottish and UK Governments, NHS and emergency service partners, industry groups and the CAA to coordinate our early response.

From the outset, we adopted European Aviation Safety Agency (EASA) guidance and enacted a range of measures to support the business. Our priority in early March was to protect staff and passengers, while continuing to maintain the viability of the lifeline services.

We worked to make all our airports Covid-secure with the early adoption of a comprehensive series of measures including effective passenger management, enhanced cleaning programmes, the use of sanitiser and the introduction of a broad range of PPE.

In line with Public Health guidelines, airlines reduced their scheduled services and we quickly reviewed the operating hours at each of our 11 airports to accommodate existing airline timetables whilst at the same time maintaining staff resilience to ensure lifeline services could continue.

However, as the crisis deepened, in order to maintain these vital lifeline services, and in discussion with our airline partners, we took the difficult, but necessary, decision to close all our airports to scheduled flights and routine general aviation traffic during the initial lockdown period.

The closure to routine flights took effect from Sunday, March 29, 2020, but we continued to work closely with Transport Scotland and Loganair to agree a skeleton schedule of lifeline services to the islands. A schedule that ensured our airports could continue to provide essential services to remote island communities, including emergency NHS passenger transfer, Royal Mail services and support for the offshore energy industry.

Throughout the crisis, dialogue with operators, customers, suppliers and partner agencies was a constant, enabling our decision making processes to be founded on an in-depth understanding of needs. To this end, we are exploring options to minimise contact wherever possible throughout the airport journey. We have also reached out to those who were unable to travel to understand their future travel needs, and the impact of virtual meetings on business travel.

The potential impact on our people was a regularly revisited theme: amended shift patterns, staff 'bubbles' and enhanced separation measures were all introduced to protect our colleagues and the services they provide. Our airport managers implemented contingency arrangements to ensure our airports could continue to operate with the minimum staffing levels required and used the Government furlough scheme and all other support mechanisms available.

*Passenger numbers at 18/1/2021

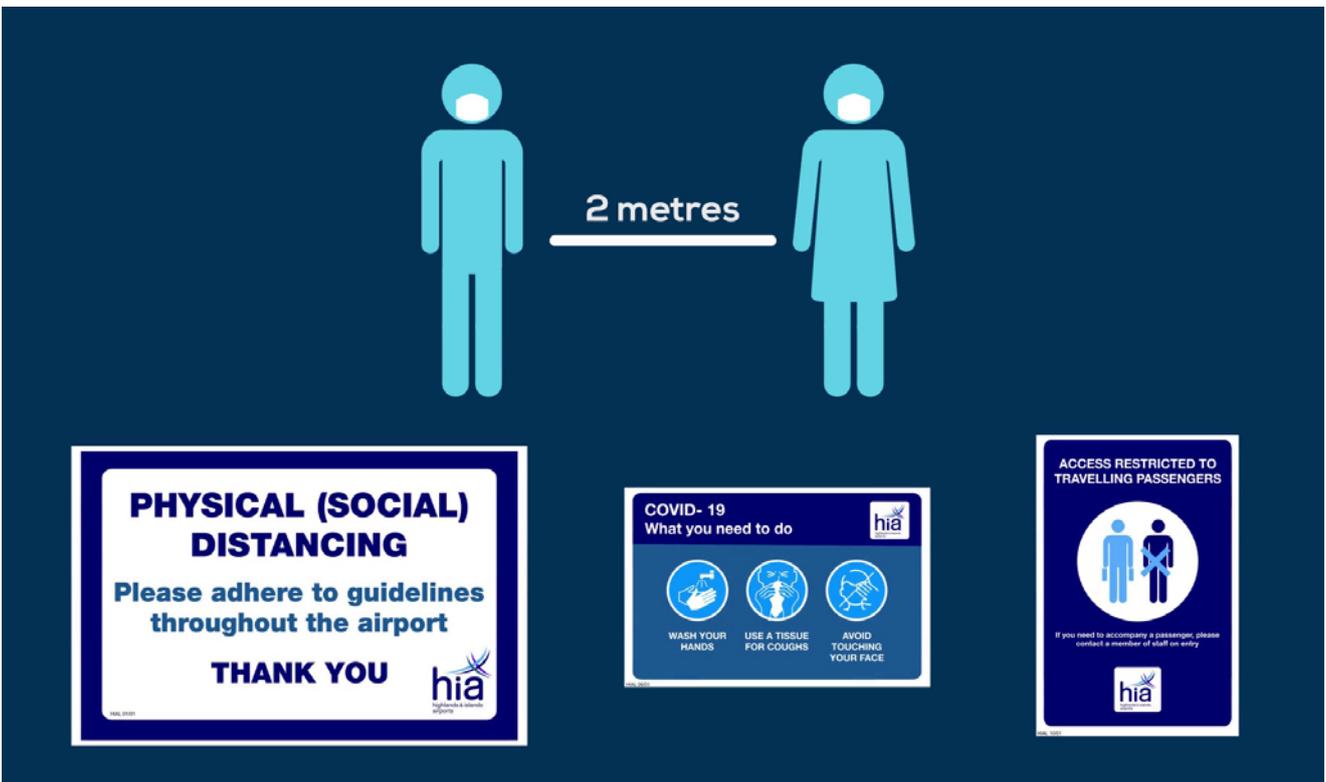


A clear focus on the importance of good communication resulted in enhanced dialogue between the HIAL Board, our teams and all stakeholders. In April, the introduction of the HIAL Covid-19 app ensured that clear and timely messaging and updates could be sent directly to our team members. Dedicated information pages were also added to the company intranet and website, which were updated regularly to provide guidance and reassurance.

Initial steps to secure the quantity and quality of PPE required were successful and the business has invested in significant stocks and consolidated lines of supply to ensure we can continue to meet our needs long-term.

Our early Covid-19 risk assessments flagged up a range of potential business impacts, and the early awareness of these risks helped our managers to plan for the precipitous drop in passengers, flight numbers and airport income – while at the same time, preparing for a resumption of more frequent services.

Robust and effective procedures founded on good risk assessment and best practice, all of which remain under continual review, were key to ensuring that we could respond in ways that both protected our staff – and ensured we could maintain critical lifeline services during the crisis – while we planned our recovery strategy.



Our Recovery Strategy

Our Strategy and Covid-19 Recovery Plan builds on an extensive programme of consultation with our people, partners and stakeholders that was completed in 2019, and a subsequent review of our priorities and objectives in 2020 in the wake of the Covid-19 crisis.

Let us be clear, the Covid-19 crisis has had, and continues to have, a considerable impact on our business. The customer experience has been seriously impacted by pandemic mitigation measures and air services have also been dramatically reduced. Recovery will take time. But the process of recovery also presents us with an opportunity to reset our services – to recognise the needs of airlines and passengers post-coronavirus and to reimagine and rebuild our services and operations to accommodate these needs. At the heart of our recovery strategy are the following four key goals that will underpin everything we do to ensure that we build back better.



Working for you

developing the airport experience to meet the future needs of our customers and passengers



Supporting communities

addressing the connectivity needs of the people and places we serve



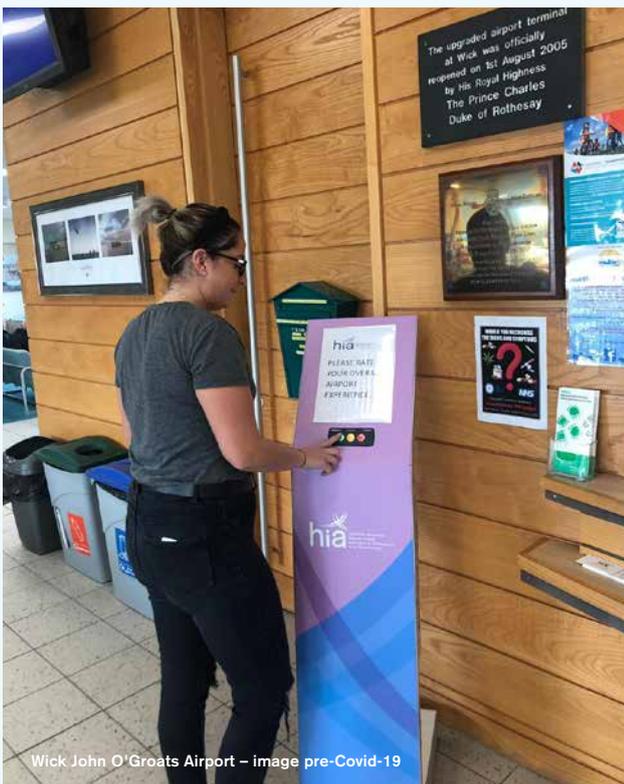
Working for the region

developing air services to regenerate and support economic growth



Improving our environment

minimising our environmental impact and leading the transition in aviation services to a low carbon future in the Highlands and Islands



Wick John O'Groats Airport – image pre-Covid-19

To achieve these goals, we have identified seven strategic priorities that set the overall direction for HIAL moving forward. These priorities are central to our financial and operational plans and are underpinned by specific strategic objectives.

By committing to a strategic programme of sustainable low carbon development, we are aligned with the Scottish Government's strategic objectives. Our long-term aim is to meet present and post-Covid-19 needs without compromising those of future generations, whilst protecting the uniqueness of our natural environment, culture and heritage.

Environmental Care and Excellence

Scotland has declared a climate emergency and has reviewed its climate commitments. These are now among some of the most ambitious in the world, calling for net-zero greenhouse gas emissions by 2045. In 2020, the Covid-19 pandemic brought our climate and environmental commitments into sharper focus.

In these challenging times, the aviation sector is very much in the spotlight, and our ambition is for all 11 HIAL airports to be carbon-neutral. We will work with aviation partners to decarbonise scheduled flights within Scotland, to meet the Scottish Government's target to create the world's first net-zero aviation region by 2040.

Our primary objective is to reduce carbon emissions – beginning with the Scope 1 & 2 emissions, those over which we have direct control. We will then look at how we can reduce Scope 3 emissions (which are third party emissions) in partnership with others including airlines. Offsetting will be seen as a final option, an action to be taken to deal with those emissions that cannot be reduced. Specifically, we will:

- Introduce a programme of activity to decarbonise airport operations, infrastructure and flights within the Highlands and Islands
- Achieve accreditation under the Airport Carbon Accreditation (ACA) scheme (or similar) for all 11 airports, working towards our ultimate aim of becoming carbon-neutral
- Explore all opportunities to support low carbon technology and will work with partners to develop the infrastructure to test zero emission aircraft and, where practicable, introduce them into service for some routes within our network
- Offset 100 per cent of our energy consumption by participating in the Renewable Energy Guarantees of Origin (REGO) scheme
- Establish sustainable procurement policies and review our procurement strategy to incorporate Building Research Establishment Environmental Assessment Method Standards (BREEAM)

The Scottish Government has also set targets for waste management and energy consumption and our priority is to exceed these targets with a range of innovative solutions. Post-Covid-19, we remain committed to implementing new technologies in all these areas, but we now face new challenges, particularly in waste management with the introduction of non-recyclable facemasks, increased use of disposable gloves and a rapid increase in the use of single-use plastics. We will need to address these issues as passenger numbers recover. Specifically, we will aim to:

- Promote re-use and recycling to minimise our waste streams with the aim of ensuring that no waste is sent to landfill by 2025
- Achieve 'excellent' scores under the SEPA Compliance Assessment Scheme (CAS) for all of our Controlled Activities Regulations licences by investigating new methodologies, products and technologies to improve the quality of water leaving our airports
- Reduce water consumption by 35 per cent across the company and install rainwater-harvesting systems across the HIAL group to allow re-use of water on-site

Key Objectives

- Reduce our carbon emissions, work in partnership to reduce third party emissions and invest in Gold Standard certified carbon offsetting to address residual emissions
- Collaborate in the development of zero emission aircraft to meet the needs of the Highlands and Islands
- Publish a 10-year Environmental Roadmap that will set out our commitment to address key issues and report annually on our progress



Sumburgh Airport – image pre-Covid-19

Delivering World Class Customer Service and Operations

To achieve our goals, we must deliver world class customer service and operations. Pre-pandemic, our airports offered a uniquely professional, but personal, experience for all customers – local residents, local businesses, visitors and others.

We want to maintain this and build on it; however, Covid-19 did impact upon customer service and operations significantly as we put in place a range of mitigation measures to minimise the risk to passengers and staff at all our airports.

We are committed to continuously improving our processes so that we can enhance our customer experience. In 2020, process improvements focused on protecting people. Screens were installed at service desks and physical distancing measures put in place, with hand sanitiser stations installed in key locations throughout our airports. Deep cleaning regimes were introduced and passengers were required to wear a face covering at all times and to follow social distancing requirements. Also, in Inverness, to keep our customers, passengers and staff as safe as possible, we invested in technology capable of destroying up to 99.9% of microorganisms present on baggage trays.

Looking ahead, it is likely such operational changes will be in place for some time, so we must plan future infrastructure developments and service improvements against this backdrop, and implement these in the most innovative and environmentally sustainable way. Specifically, we will:

- Invest in our infrastructure to introduce new contact reduction measures and to make the departing passenger journey from car park to boarding aircraft as seamless as possible
- Improve the experience for passengers with a disability by developing facilities to enhance dignity and privacy for passengers at all of our airports
- Work with our partners to improve local transport arrangements to and from our airports
- Co-ordinate arriving passengers and streamline onward travel arrangements to improve the journey experience

HIAL has a wealth of expertise and experience and has the potential to lead in innovation within the aviation sector. We will look at innovative ways of providing our services and utilising state of the art technology to deliver first class operations. Specifically, we will:

- Deliver a Combined Surveillance Centre with the UK's first multiple airport operation utilising modern but proven technologies
- Introduce effective and efficient processes to provide the highest and most efficient level of air traffic service in a way compatible with our environmental objectives
- Explore opportunities to establish a centre of excellence for air traffic services in Scotland, to provide training and expertise to airports across the world



AIRPORT SERVICE QUALITY*

1st for efficiency and courtesy of check-in staff in the UK

1st for passport control inspection waiting time and courtesy of staff in the UK

1st for courtesy of security staff and security waiting time in the UK

Key Objectives

- Reset, refine and improve our airport facilities for all passengers post-Covid-19
- Develop and implement a plan to enhance the point-to-point experience for all passengers
- Build on our expertise in air traffic services to deliver a global centre of excellence

Route Development and Improving Connectivity

Robust and affordable air links are recognised as a vital component underpinning the future of vibrant economies in the Highlands and Islands. Covid-19 has served to highlight the essential nature of these transport links as part of the wider infrastructure of the region.

By protecting air access to communities, we play our part in ensuring that these often more remote communities remain sustainable. Clearly the impact of the pandemic on airlines has been severe and we will continue to work with the Scottish Government, partner agencies and our airline partners to retain key routes and to bring in new services where existing ones are cancelled.

In 2020, we recorded a 66%* reduction on passenger numbers year on year in the 12 months from January to December, at a time when we were very much focused on maintaining our public service obligations in communities such as Barra, Campbeltown and Tiree. Predictions for post-pandemic recovery in air travel are varied, but the International Air Travel Association (IATA) predicts that it will be 2024/25 before the industry sees a return to 2019 levels. It is therefore critical that we work with communities across the Highlands and Islands to establish what routes and services will be most important to them in the near to mid-term.

Air connectivity in a carbon-neutral future will be key to unlocking the full economic growth potential of these communities and the wider region by encouraging new business investment, generating more responsible eco-tourism, retaining and potentially attracting new residents.

While short-term growth is unlikely, our focus is on grasping opportunities to retain or grow key services and to work with stakeholders to react to new opportunities in a market that continues to adapt and evolve. Specifically, we will:

- Work with incumbent airlines to assist route recovery, encouraging them to retain their current services and in the longer term explore new market opportunities for the region
- Review the provision of services and support available to attract new entrant airlines
- Work with Government to review and develop support mechanisms such as the current Air Discount Scheme (ADS) and the Public Service Obligation (PSO)

Our research highlights that for businesses recovering from the impact of Covid-19, the availability of daily connections to and from the central belt of Scotland and daily links to UK and international hubs will be key for future economic development across the region.

To address these points, we will:

- Carry out detailed research to understand more fully the potential to rebuild air travel demand
- Work with Government to secure slots at key airport hubs including Edinburgh, Glasgow and London to maintain and develop day returns and onward connections to international destinations



*Passenger numbers at 18/1/2021

Key Objectives

- Rebuild passenger numbers to 2019 levels by 2024/25
- Work with Government to retain and secure slots at the most strategically important airport hubs
- Work with Government to develop support mechanisms to maintain current and deliver new route opportunities

Operating routes March 2020

Destinations from Inverness Airport



-  Connect to 100's of destinations worldwide
-  Flights
-  Charter Flights

Sustainable Financial Growth

As a publicly owned organisation, our aim is to deliver our operations in the most cost effective, resilient and efficient manner. HIAL's airports require subsidies from the Scottish Government, which totalled some £28m in 2018/19.

In 2020, with a forecasted drop in airline and other airport income of up to £14m, we sought and received written assurances of additional grant funding from the Scottish Government to ensure we could continue to operate our 11 airports.

We also intensified efforts to deliver our services in the most cost-efficient manner possible to reduce the value of additional grant required. Our goal is to reduce our expenditure, increase our revenue, reinvest in our services and ensure best value for the public subsidy we receive and require to operate.

Despite the fact that many of our support colleagues are currently required to work from home and contact with suppliers continues to be restricted, the tendering and contracting of three significant new digital systems – the Airport Operational Management, Finance, and HR and Payroll systems – was completed during the pandemic. These digital systems will deliver more efficient ways of working and cost savings during the timeframe of this strategic plan, and are important foundations for the future operation of our airports.

To maximise income and sustain financial growth, it is also important that we continue to look at other innovative ways to deliver sustainable and affordable air services.

Specifically, we will:

- Continue to invest in our infrastructure to remain competitive and provide effective professional airport services
- Investigate different airport operating models and innovative ways of delivering our service provision
- Using our existing assets, we will explore the provision of additional services to generate income
- Work with local businesses and communities to increase to pre-Covid-19 levels the number of business and retail outlets operating from our sites
- Implement additional new digital systems to provide high quality data to help deliver efficiencies and ensure our operations are cost effective

Due to Covid-19 restrictions, and the reduction in passenger numbers, any opportunities to increase income by providing additional services are currently difficult to progress. However, we have a wealth of experience in the aviation industry, and using our expertise, we will continue to explore future revenue-earning opportunities including challenge funds. We will share our knowledge by undertaking a joint approach with communities to improving capabilities and developing skills within our communities.



Inverness Airport – image pre-Covid-19

Key Objectives

- Explore different operating models to reduce costs and increase effectiveness and efficiencies
- Review all airport opportunities to increase existing revenue streams and explore new ones
- Better align our capital plan and investment with the needs of our local communities

Delivering Digital Transformation

The impact of Covid-19 rapidly accelerated the pace of digital transformation within our business – and increased our cyber security risk too. With many staff working remotely, the company has invested significantly in the technology required to migrate many of our colleagues from working in an office to working safely and securely in a home environment.

However, we also recognise that this increasingly data-driven, connected world offers many possibilities to change the way we do business and to deliver smarter, leaner operations with new technologies at their heart.

The increasing availability of data allows us to gain a much better understanding of the way people and businesses interact. This digital transformation also provides a platform to help us to evolve our processes and services to deliver more effective and timeous communication for all passengers and employees – in what has already been an area of considerable development during the pandemic.

By embracing new digital solutions, our aim is to improve customer service and overall productivity. New solutions will be deployed holistically across the whole process from our car parks to check-in through to baggage handling to help protect passengers and staff – and ensure an efficient journey. These solutions will enhance the experience from the planning stage, even before our passengers arrive at our airports.

Specifically, we will:

- Increase our focus on digital and cyber security to ensure that our operations are safe and secure at all times
- Accelerate the integration of new technologies to provide a personalised and individual experience, which offers a seamless flow throughout the airport
- Introduce smart technology interconnectivity via digital devices embedded in our infrastructure to provide accurate data to better inform decision-making, improve and automate processes, and reduce duplication
- Develop the HIAL websites to ensure they are more customer focused with online services
- Harness digital technology to further support the management of a large and dispersed estate
- Utilise digital tools to deliver real time, accurate information that will improve interaction with our people, customers, passengers, the public and other stakeholders



Key Objectives

- Improve digital access to our services at all airports – before, during and after travel
- Invest in digitisation to drive efficiencies and the effective delivery of our operations
- Invest in smart technologies to improve decision-making, services and processes

Building Successful Partnerships

The impact of Covid-19 on global economies has been substantial and the consequences have been felt across all industries. However, few industries have been affected as significantly as aviation. In Scotland, there are many public agencies dealing with aviation, but significantly HIAL has a wealth of expertise in regional aviation networks and is the lead organisation for aviation advice in the Highlands and Islands.

Our priority now is to work with Transport Scotland and other organisations to create an effective forum to ensure a strategic overview for aviation and air services across Scotland. We need a coordinated approach to recovery – and while we are already engaging with a number of economic and academic institutions on this, we must re-double those efforts to understand the short and long term implications of the pandemic – and then feed this information into future air service development.

Covid-19 emphasised the important role our airports play in communities, but it also highlighted the vulnerability of our current service provision. As a result, the need to work closely with our partners, local businesses and communities to deliver innovative and sustainable services is more vital than ever. The fact remains that we have a tremendous opportunity to lead the way in terms of innovation. We are already at the forefront of emerging technologies such as remote air traffic control and our aim is to work in partnership to lead innovation and service development.

Specifically, we will:

- Partner with academic bodies to explore opportunities to harness innovation and accelerate Covid-19 recovery, particularly within the Highlands and Islands
- Link with our private and public sector partners to achieve economies of scale and maintain provision of air services into the future
- Explore joint working wherever possible to enhance online provision of back office functions and other aviation activities
- Promote online access to the unique expertise and aviation services that we can provide to our partners

Each of our airports also relies on working in partnership with a wide range of stakeholders. These include the local community which uses the airport infrastructure and lifeline services, other public sector bodies and emergency services, as well as suppliers, airport tenants and the airlines – to name but a few.

We have always sought to support local businesses and communities wherever possible and we will continue to do so. However, the pandemic has changed and will continue to change travel patterns and we need to gather better insight into how this impacts on our communities and stakeholders. We need to improve our understanding of the societal changes in local communities as a result of Covid-19 and what we now need to do to support our communities and local businesses where we can. Specifically, we will:

- Wherever possible procure and promote local produce and products
- Provide retail opportunities for local manufacturers within our airports
- Utilise our assets, such as buildings and land, to the benefit of our local communities

Key Objectives

- Lead strategic partnerships to accelerate post-Covid-19 aviation recovery and innovation across Scotland, drawing on expertise from around the world
- Explore joint working with partner agencies to achieve cost efficiencies and economies of scale
- Work with partners and business to promote local access to HIAL's professional services



Developing Our People

Our people lie at the heart of HIAL and are responsible for ensuring we operate a safe, welcoming airport network to the very highest professional standards. Our goal is to create a positive working environment focused on the wellbeing of our people and effective work-life balance, promoting and raising awareness of the professional support available.

Our focus in this respect naturally intensified during the early months of the pandemic, and while there were – and continue to be – many operational challenges, we also saw many positive changes, with new initiatives and innovations agreed and implemented much faster than we could have anticipated at the beginning of 2020. Most fundamentally, changes in the use of technology, and the more efficient use of employee time, have demonstrated that more flexible working – including the option of home working – is not only practical and effective, but also welcomed by many within the organisation.

In a safety critical business sector, we have always sought to ensure that all our people possess the skills and experience as well as the physical and mental attributes to undertake their role. Our emphasis on lifelong learning helps to ensure our employees have the skills required to support the next generation into the aviation sector. In 2020, our entire programme of employee training moved online. We envisage this will continue in the future providing us with opportunities to be more efficient, and flexible in meeting our training needs.



Image pre-Covid-19



To ensure that HIAL remains an employer of choice and attracts a wide range of people from across our society, we continue to review our employment practices and packages to ensure that they match the aspirations of our future workforce. Specifically, to help drive our recovery and ensure that we continue to attract and retain a high quality workforce in a competitive market, we will:

- Further develop a culture of lifelong learning and recognition through work-based learning, both for the individual and the organisation
- Ensure that our people feel adequately trained, are able to reach their potential in their role and develop to meet future needs
- Work with our teams to promote a positive work culture and continue to encourage constructive relationships through supportive employee policies and practices
- Further develop leadership and management capability, as well as capacity to build resilience levels
- Embed a core set of competencies to support performance management and people development
- Introduce additional technology to improve effective communication and people management

Key Objectives

- Ensure the continuous enhancement of effective change management throughout the business
- Ensure we have the right people with the right skills to deliver safety critical, high quality services
- Manage and develop people to be flexible and responsive while continuing to deliver excellent results

Our Renewal – Building for the Future

The foundations for our renewal and future success are set out in this Strategy and Covid-19 Recovery Plan 2021-26. We have outlined the mission, vision, goals and priorities that will guide us as we seek to build back better – taking the opportunity to reset and refine our services to deliver even higher levels of customer satisfaction in a post-Covid world.

The pandemic has underlined the importance of our services to the communities we serve. Air links are a vital and essential part of the infrastructure of the Highlands and Islands – and we will do everything within our power and influence to retain, maintain and ultimately enhance air connectivity for our customers both within and beyond the region.

Covid-19 clearly demonstrated that as an organisation, we could not only prevail in a global crisis, but that key elements of the strategic plan we drafted were robust enough to remain unchanged. True to our values, our staff also demonstrated impressive resilience and a genuine commitment to their communities that will serve us well in the future.

And, while Covid-19 has dominated our thoughts, and indeed the redrafting of our strategic plan to reflect the current national and global picture, we have not stood still throughout 2020. In many areas, it has been business as usual and we have maintained momentum in building for the future.

Indeed, in 2020, we have invested over £27 million to the benefit of our customers, passengers and communities. We have embraced innovation and change, and pushed ahead with ambitious plans to develop a test environment for low carbon aircraft in the Highlands and Islands. We also moved forward our Air Traffic Management Strategy and progressed the procurement process for our remote tower solution.

Most importantly, 2020 has emphasised the importance of maintaining strong relationships with all our partners. Going forward, and as we begin to see light at the end of the pandemic tunnel, it is these relationships that we will seek to nurture and strengthen as we look to complete our recovery. Working together with all our stakeholders, we will build a vital, resilient, successful and sustainable regional airport group of which we can all be proud.



Contact Us

We are fully committed to rebuilding and improving our services and appreciate the views of our partners, customers and passengers.

We use the feedback we receive to monitor our performance and incorporate this information into our planning and governance process to continually improve our service. We are pleased with the positive feedback we receive and we are keen to hear examples of good practice and quality service that exemplify the standards of service we strive to provide.

If you have something you would like to share with us, or you would like more information about Highlands and Islands Airports Limited, please get in touch:

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Write to us:

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