

FOR PUBLICATION

DAL Board Minutes

Monday 01 September 2025 – via Microsoft Teams

Board Attendees:

(LJ)	Lorna Jack (Chair)
(CH)	Chris Holliday (Non-Executive Director)
(LS)	Lorraine Strachan (Non-Executive Director)
(PK)	Paul Kelsall (HIAL, Chief Executive Officer)
(JM)	Jamie Manson (HIAL, Chief Financial Officer)
(IT)	Isabel Todenhoefer (Non-Executive Director)
(LC)	Lynne Clow (Non-Executive Director)
(GC)	Greg Colgan (Non-Executive Director)

In Attendance:

(GH)	Gregor Hamilton (Dundee City Council)
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10:50 -11:20

(AG)	Alastair Gleave (HIAL, Chief Commercial Officer)
(JC)	Jackie Clark (HIAL, Executive Assistant)

DAL Board Meeting Commenced at 10.00

CH chaired the meeting as LJ was calling in from Islay and was having some technical issues. CH welcomed everyone to the meeting.

Apologies

No apologies were received.

Declarations of Interest

The Chair took as read the usual declarations of interest unless advised of any change. No changes were recorded.

Minutes and Matters Arising

The minutes from the meeting held 30th June 2025 were approved for publication.

Chair's Report

The full Chair report is within the HIAL minutes. [Link here.](#)

The Chair advised there was good Dundee representation at the LAME calls and the advertisement for the HIAL NXD & Audit Committee Chair and the HIAL Chair replacement was now ready to be published.

Audit Committee (AC) Update – 19.08.25

The full Audit Committee update is within the HIAL minutes. [Link here.](#)

LS briefed the DAL Board on the ACs review of the financial statements for the Group Accounts, the internal audit, DAL risks and the deep dive, CAA Audit Report and the Procurement Investigation.

People Committee Update (PC)

The full PC report is within the HIAL minutes. [Link here.](#)

There was nothing specific to report separately for DAL.



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Safety, Security and Environmental Committee Update

The full SSEC report is within the HIAL minutes. [Link here.](#)

There was nothing specific to report separately for DAL.

DAL Board Performance Pack

PK provided an update on matters arising advising the DWG report was with MB for review and would be ready to circulate by the end of the day and provided reassurance to the Board on third party risk process and advised audits are carried out on a regular basis.

PK summarised his CEO update report covering the meetings held over the last two months.

Safety Performance

The Board noted the security team were receiving support from HQ in their recovery plan and were expected to be back to required standards by the end of this calendar year. The recent peaceful protest on environmental matters at the airport was acknowledged by the Board.

Risk Oversight

The risk format was updated following the feedback received from the Board at the last meeting. Questions were raised about the mitigating procurement risk including procurement capacity limitations and what was being done to reduce the risk. JM addressed the Boards concerns, stating that the issues aren't solely due to procurement capacity. There are also challenges with developing the statement of requirements/specifications and training. He added the Scottish Government procurement division is being utilised for projects when the specs are ready.

There was a request from the Board to capture only DAL risks in the risk report.

ACTION: DAL Risk report to be fine-tuned to accurately capture only Dundee specific risks.

ACTION: Review the PSO strategic risk rating and make it the 2nd highest

People Overview

A leadership and management training program has been launched with 19 participants, including three from Dundee. Training aims to address a lack of leadership skills among managers and supervisors. Work is ongoing to implement the pay & grading business case, and the 35-hour week. A letter was received from the unions regarding the 35-hour week and a pay claim for 2025/26 was also received.

Finance Overview

Performance to date is generally positive with the operating loss better than expected. Staffing and security costs are higher than expected, reflecting a group-wide trend. There is underspending on utilities costs, which is being investigated. Reduced passenger numbers have impacted on airport charges and is now behind on budget.

After a sluggish start on Capital spend, there was unexpected expenditure following the return of property from Tayside Aviation, including replacing a hangar door. Following the Board approval received last meeting, the procurement of a directional finder has been expedited.

Airport Operations Overview

Recent summer weather is accelerating the deterioration of surfaces. A business cases has been raised for dual rejuvenation works for the Dundee Runway, in preparation for the Dunhill



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Links competition. Derek Lang is stepping up into a regional manager South role, with Cameron Marshall picking up as interim airport manager for Dundee.

AG Joined the meeting at 10:58

Commercial Overview

Year-to-date passenger numbers are down 9%, but financial performance year to date is marginally better than budget. There is a genuine opportunity for an FBO operator at Dundee, with potential for a larger private jet market if a back office actively drives the business.

Withheld information No 4. Heads of terms have been signed by HIAL with the developer for PV installation at Inverness, Dundee, and Wick. The opportunity for PV installation at Dundee was 45 acres.

Comms & Corp Affairs

The Board noted the corporate operating plan, customer feedback and Information Management Quarter 1 updates.

LC left the call @ 11:03

LS left the call @ 11:07

DAL – For Approval

BC1506 – Dundee Runway & Taxiway Pavement Life

The Board discussed the business case for the runway and taxiway improvements and took into account consideration of the uncertainty of the PSO. The Board asked what level of community benefits had been considered within the contract and would expect the successful company to support the local community.

ACTION: JM to check with contracts and procurement on what is reference has been made to community benefits in the contract.

***Decision:** The Board approved the work at a cost of withheld information No 1 to keep the airport open. Approval from TS to be sought before work commences.*

Tay Cities Deal

The board is aware that they are beyond the midpoint of delivering the Tay Cities Region Deal. There is a recognition that some projects lack assurance that they will progress, so alternative projects need to be brought forward. Two projects originally potentially benefiting from the airport are in question: £9.5 million of the deal was for the airport project. £8 million was identified for the Aviation Academy project. Between £6.5 and £8 million of capital will be made available to other potential projects.

Airport Working Group

The team needs to reflect on whether there's anything they can offer. The topic was covered at every airport working group meeting to see if there was something that would support diversification of activity at the airport. The team are asked to drive something through on the topic that is substantial and gives a good basis for discussion. The timescale for the Tay cities deal review is moving ahead and is now out of alignment with the Dundee airport working group. There is nothing in the pipeline, so there is a need to progress with haste.

ACTION: Add Tay Cities Deal as a standing agenda item with updates from GH

DAL Board meeting concluded at 11:25



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Date of the next meeting: 27 October 2025 via Microsoft Teams

No	Reason for Redaction
1	Withheld for reasons of commercial interests
2	Withheld as the information constitutes personal data
3	Withheld as disclosure of the information will endanger the physical or mental health or safety of an individual
4	Withheld as disclosure will prejudice the effective conduct of public affairs