

# **Corporate Operating Plan**

**April 2022-March 2023**

# Our Mission and Vision

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'.

## HIAL's 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.



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

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

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

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

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

# Introduction

**Following a consultation and engagement programme with colleagues, key stakeholders and the public, we published our Strategy and Covid-19 Recovery Plan for 2021/26 in February 2021.**

This Strategy sets out the goals and the strategic priorities we have identified to help develop a carbon-neutral regional airport network and align with the Scottish Government's target to create the world's first net-zero aviation region by 2040. At the same time, we must continue to support economic prosperity and deliver social benefit for communities throughout the Highlands and Islands.

The strategic plan sets our strategic priorities and how we aim to respond to the considerable impact that Covid-19 has had on our business, and how we aim to recover in the coming years, in a period of uncertainty.

This is our second annual operating plan and progress on our objectives detailed in the 2021/22 Corporate Operating Plan will be included in our Annual Report and Accounts for 2021/22.

This Corporate Operating plan for April 2022 to March 2023 has been structured to show the actions we will take to achieve our seven priorities:

- **Environmental Care and Excellence**
- **Delivering World Class Customer Service and Operations**
- **Route Development and Improving Connectivity**
- **Sustainable Financial Growth**
- **Delivering Digital Transformation**
- **Building Successful Partnerships**
- **Developing our People**

Some of the actions detailed in this plan are wide-reaching and significant in scale, and as such may span more than one financial year. Therefore, some activities will be rolled forward into future operating plans for completion.

Delivering this operating plan requires the input of all of our operational and support colleagues and we look forward to continued support as we deliver on our objectives.



**Inglis Lyon**  
Managing Director, HIAL

## Monitoring and reporting on progress

**Progress reports on the actions detailed in this Corporate Operating Plan will be prepared each quarter to provide performance information to effectively manage our activities going forward.**

These progress reports will be monitored by the Senior Management Team as part of their planning and performance scrutiny role. The reporting process will give our senior managers a greater insight of the delivery of our strategic activities and provide effective management of our activities going forward.

The quarterly performance reports will also be presented to the HIAL Board for scrutiny.

Progress will be reported annually in HIAL's Annual Report and Accounts.

# Strategic Priorities



## Environmental Care and Excellence

SMT Member/  
Project Sponsor

Delivering World Class Customer Service and Operations

Route Development and Improving Connectivity

Sustainable Financial Growth

Delivering Digital Transformation

Building Successful Partnerships

Developing our People

Publish and implement HIAL's overarching environmental strategy and produce a 10 year environmental roadmap setting out our vision to become a net-zero carbon regional airport group.

This will align to the Scottish Government's environmental priorities & aims and include priorities on reducing waste to landfill and water consumption, and efficient energy use across the HIAL group.

During 2022/23 we will undertake scoping works to determine the range of renewable energy opportunities across the HIAL estate, including wind, solar and rain water harvesting projects.

Utilise the data collated in 2021 from surveys on infrastructure, energy generation, waste and water as a benchmark.

Undertake climate risk assessments and building decarbonisation studies to supplement the collated data to create a financial plan and delivery roadmap of how we will eliminate our Scope 1 and Scope 2 emissions. To identify and agree a budget to allow these emissions to be eliminated by our target of 2025.

Chief Operating Officer	Linked to other Strategic Priorities					
Chief Operating Officer	Yes	Yes	Yes	Yes	Yes	Yes
Head of Infrastructure Services	Yes	Yes	Yes	Yes	Yes	Yes
Chief Operating Officer	Yes	Yes	Yes	Yes	Yes	Yes



## Delivering World Class Customer Service and Operations

SMT Member/  
Project Sponsor

Environmental Care & Excellence

Route Development and  
Improving Connectivity

Sustainable Financial Growth

Delivering Digital Transformation

Building Successful Partnerships

Developing our People

	Director of Airport Operations	Linked to other Strategic Priorities				
<p>Develop detailed proposals to support the new strategic direction for presentation to the HIAL Board in August 2022.</p> <p>Establish a series of colleague working groups to provide the technical and operational scope to support a detailed and fully costed submission for approval by the HIAL Board ahead of submission to Transport Scotland's Investment and Development Management Board.</p>	Chief Operating Officer					
<p>Create a structure for the delivery of projects to embed best practice and governance into the organisation to enable better execution of our capital plan.</p> <p>Delivery of the 2022/23 capital project plan on time and on budget – including the 2022/23 phasing for the runway rehabilitation projects at Sumburgh and Islay, coastal erosion works at Stornoway and the terminal development at Barra.</p>	Head of Infrastructure Services					
<p>During 2022/23 we will develop real-time data reporting to enhance our decision making processes. This will support project development and risk based decision making while supporting safe operations and enhancing customer experience.</p>	Director of Airport Operations					
<p>Explore quality assurance accreditation (ISO 9001) in order to build a quality management system that in the future we can then build upon to get an environmental accreditation (ISO 14001), as well as continue work to achieve accreditation under the Airport Carbon Accreditation (ACA) scheme.</p>	Head of Compliance					



## Route Development and Improving Connectivity

Continue the work with airlines to assist current route recovery and retention, with a focus on reaching 75% of pre-covid passenger levels and airline income by the end of the financial year.

Conduct a review of services offered to airline customers across our airports, capturing the cost of delivery, thus ensuring the right commercial terms are in place. Ensure local and centrally led airline customer account management responsibilities are clearly defined.

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Environmental Care & Excellence  
Delivering World Class Customer Service and Operations  
Sustainable Financial Growth  
Delivering Digital Transformation  
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Head of Business Development	Linked to other Strategic Priorities					
	Environmental Care & Excellence	Delivering World Class Customer Service and Operations	Sustainable Financial Growth	Delivering Digital Transformation	Building Successful Partnerships	Developing our People
Head of Business Development						
Finance and Commercial Director						



## Sustainable Financial Growth

Complete the commercial strategy started in 21/22 identifying opportunities to optimise existing revenue streams and generate new ones. The plan will incorporate appropriate measurement criteria for commercial activities – e.g. return on investment or community benefit.

The strategy will include objectives for real estate and land use for other strategic purposes e.g. environmental or commercial. We will also review our retail concessions at each site and identify ways to develop these offerings to maximise community benefit as well as increase revenue.

Embark on a business process optimisation project across the business to drive efficiencies, improve processes and reduce costs in advance of any potential future quality assurance accreditation.

This objective will span more than one year and in the first year will involve scoping the project with external support as well as mapping and documentation of existing processes.

Develop SATE commercial exploitation plan as part of the Phase 2 project, identifying sustainable aviation business models for the future.

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Finance and Commercial Director	Linked to other Strategic Priorities					
	Environmental Care & Excellence	Delivering World Class Customer Service and Operations	Route Development and Improving Connectivity	Delivering Digital Transformation	Building Successful Partnerships	Developing our People
Head of Business Development						
Business Support Manager						
Finance and Commercial Director						



## Delivering Digital Transformation

SMT Member/  
Project Sponsor

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Developing our People

	Head of ICT and Digital Transformation	Linked to other Strategic Priorities				
<p>Capture additional data and utilise business analytics to improve decision making and performance measurement. Introduce a series of targeted initiatives to improve operational efficiency and delivery of services to enrich the customer experience, which will span three years.</p> <p>In 2022/23 we will undertake a pilot project at Inverness Airport focusing on passenger flow and waiting times for security.</p>	Head of ICT and Digital Transformation					
<p>Introduce and develop smart technology to allow us to better manage our airport operational environments. This technology will include digital sensors and measuring devices to enhance infrastructure information, such as water consumption, utility usage and ground temperature. This objective will span three years.</p> <p>The focus for 2022/23 will be the installation of the required connectivity to support the smart technology at all HIAL airports.</p>	Information and Performance Officer					
<p>Develop a programme to digitise manual documents, templates, and forms, and provide hardware /devices to support digital processes.</p> <p>Develop a single digital library for documentation across the HIAL group.</p> <p>This improvement in document management will provide the solid platform required for any potential future quality accreditation.</p>	Information and Performance Officer					
<p>Deliver phase two of the HR System Development project which will include a new recruitment platform, a new learning management system and e-learning platform. This will enhance corporate oversight and the improve the quality of on-line learning resource and opportunity for colleagues.</p>	Head of ICT and Digital Transformation					



## Building Successful Partnerships

Following the publication of HIAL's Communication and Engagement strategy, we will develop and publish an Engagement Policy and associated guidance. This will ensure an effective engagement framework and plans are in place at a board, corporate, and local level for our colleagues, partners, stakeholders, trade unions and influencers.

Central to this objective is to equip and empower colleagues at a local level to undertake effective communication and engagement on behalf of HIAL to support strategic and operational objectives. During this year, we will devise a training programme to develop and support local managers.

Undertake a review of formal community engagement forums in place at HIAL Airports to ensure a consistent, but tailored approach for a structured exchange of information and input from local stakeholders on matters relating to individual airports.

During 2022/23, we will prioritise those airports without a formal forum and engage with local community to encourage participation and agree a forum format.

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	Head of Communications	Linked to other Strategic Priorities				
Head of Communications						
Head of Communications						



## Developing our People

To meet Equal Pay legislative requirements, progress the modernisation and simplification of pay and allowances.

Support a culture of diversity and inclusion through the development of a strategy encompassing both HIAL colleagues and customers for approval by the HIAL Board.

Finalise the Health, Safety and Wellbeing Strategy for approval by the HIAL Board. Develop an action plan in support of the strategy and enhance our safety and learning culture and working environment for all colleagues across the HIAL group.

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	Director of HR	Linked to other Strategic Priorities				
Director of HR						
Director of HR						
Director of HR						



