

DAL Board Minutes
Thursday 30th June 2022 Dundee Airport and Microsoft Teams

Board Attendees: (LJ) Lorna Jack (HIAL, Chair)
(IL) Inglis Lyon (HIAL, Managing Director)
(LS) Loraine Strachan (Non-Executive Director)
(EH) Eric Hollanders (Non-Executive Director) - **Virtual**
(CH) Chris Holliday (Non-Executive Director)
(IT) Isabel Todenhoefer (Non-Executive Director)
(LC) Lynne Clow (Non-Executive Director)
(GCg) Greg Colgan (Non-Executive Director) - **Virtual**

In Attendance:

(MB) Michael Bratcher (Aviation Policy, Transport Scotland)
(GCb) Gary Cobb (HIAL Chief Operating Officer)
(GH) Gregor Hamilton (Dundee City Council) - **Virtual**
(DS) Denise Sutherland (HIAL, Head of Communications)
(AS) Andrea Sillars (Director of Human Resources)
(JC) Jackie Clark (HIAL EA - Minutes)

DAL Board Meeting Commenced at 12:30

The Chair welcomed everyone to the meeting.

Apologies

No apologies were received.

The Chair informed the Board and attendees that the meeting was being recorded and the recording would be deleted on completion of the minutes. No objections were received.

Declarations of Interest

The Chair took as read the usual declarations of interest unless advised of any change. EH advised he would be joining as a Trustee and Board Member of SAMS (Scottish Association for Marine Science UHI) from September 22.

Minutes

The Board minutes from the previous meeting on 5th May 2022 were noted, having previously been approved and published on the HIAL website as per the agreement with Transport Scotland.

Matters Arising

It was noted that the outstanding matters from the 5th May 2022 had been completed or had a future date.

Chair's Report

The Chair advised that the HIAL Board had the previous day reviewed the impact of the Scottish Government's spending review received from Transport Scotland (TS) for HIAL, and anticipate this will create some challenges and pressures on revenue budgets. IL and the management team have been tasked with undertaking a strategic revenue spending review and bringing forward options on how to balance the budget.

The Chair and IL had a positive and supportive meeting with Joe Fitzpatrick MSP as part of their MSP engagement programme following the elections and advised a meeting with GCg and John Alexander would be scheduled soon as part of HIALs general engagement programme on items relevant to Dundee.

Following the successful application of our flexible recruitment policy, we now have several colleagues based at Dundee Airport performing roles which were previously undertaken at HIAL Head Office in Inverness.

GCg asked if any scenario planning had taken place to date on the revenue and capital budgets and how secure the capital budget was for the next few years, given the pressures and constraints on TS budgets. As the spending review had only been received recently the Chair advised no scenario planning had yet taken place however IL and team have now been tasked to explore how the sizable gaps can be bridged, especially in the current year's revenue budget. As the budgets are not confirmed amounts but indicative allocations for future years there is always a risk that TS may revisit these indicative budgets. Following a question on the risk on capital budgets due to high inflation, IL advised it was currently manageable within the current year's budget.

Managing Director's Report

IL advised that an invite to all Board members would be issued to join a discussion on the detail behind each of the strategic risks and a training session offered by one of our risk consultants.

Audit Committee Update

LS highlighted that the Audit Committee had returned to four meetings annually. Due to several vacancies within the Finance team, work had fallen behind on the management accounts and some Audit Committee actions.

The Chair advised an offer had been made for the Finance Director role and that the individual should be in post by October.

Corporate Risks

Item 1 – Risks & Safety Update

GCb provided an overview of the risk slides and covered the Strategic risks advising that a deep dive session into the detail would be arranged. He added that a new data protection officer was now in place.

GCg asked why the cyber security risk has been decreased. GCb advised the scoring was an aggregate of all cyber risks. Some of the low-end risks around data protection had decreased which brings down the overall score, however cyber security remains as a high risk. It was suggested that cyber security and data protection risk should be separated.

ACTION: IL to discuss with **Information Withheld No 2** the splitting of the cyber risk to show cyber security and data protection separately.

The Chair added that the planned future board session on 'all things cyber security' should be held within a DAL Board meeting to ensure it covered all Board members.

Items for note by the Board

Item A – Operations Update

The Board noted the Paper

Item B – Environmental Update

GCb provided an update on the carbon footprint scope one, two and three percentages for Dundee. He advised that a company called Ricardo were supporting with net zero plans. Climate risk impact assessments were being progressed on all HIAL and DAL assets.

There was a discussion around Loganair green skies and how it fitted within the calculations.

The Chair asked that the carbon footprint results be presented into a infographic summary which will help display our results externally.

Item C – Audit Committee Minutes 05.05.22

The Board noted the paper.

AOB

GH updated the board on the status of the Dundee PSO which completes its third year of a maximum four-year contract in October 22. For the fourth-year contract Scottish Ministers applied a condition that required a ten percent increase in passenger numbers based on the numbers pre pandemic. **Information withheld No 4.** Work has started on an updated proposal to secure funding for the year up to October 2023 but it is recognised that there are budget constraints for TS.

Information withheld No 4.

The Chair advised that today was Gary Cobb’s last board meeting as he was leaving HIAL for pastures new. She thanked Gary for the fresh ideas he brought to the organisation, and he will be particularly remembered for the work he did on Capital Prioritisation and risks. The Board wished GCb all the best for the future.

DAL Board meeting concluded at 13:15

Date of the next meeting: 31st August 2022, Virtual

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