

**MINUTES OF THE DUNDEE AIRPORT LTD (“DAL”) BOARD  
HELD AT THE CASTLEBAY HOTEL, BARRA ON TUESDAY 29<sup>th</sup> OCTOBER 2019  
AT 15:30**

**Board Attendees:** (LJ) Lorna Jack (Chair)  
(IL) Inglis Lyon (Managing Director)  
(GB) Gillian Bruton (Finance Director)  
(DS) David Savile (Non-Executive Director)  
(TW) Tim Whittome (Non-Executive Director)

**VIA Phone:** (DM) David Martin (Non-Executive Director)

**In Attendance:** (GF) George Farquhar (Head of Operational Support)  
(DSu) Denise Sutherland (Head of Communications)  
(GC) Gary Cox (Transport Scotland)  
(SD) Shelly Donaldson (Personal Assistant – Minutes)

**The DAL Board Meeting commenced at 15:30**

**Apologies**

There were apologies from Jim McLaughlin (Non-Executive Director) (JM).

**Declarations of Interest**

David Martin declared an interest as CEO of Dundee City Council.

TW declared an interest as an occasional customer of Dundee airport.

**Minutes and Matters Arising**

LJ welcomed everyone to the meeting and noted the minutes previously approved via email were now on the HIAL website. Reference the matters arising, there was an outstanding action for D Martin and it was agreed that IL and DM will meet with **(Redacted)** to discuss potential synergies. All other items were closed or included in the agenda.

**Chair’s Report**

LJ reported that the recruitment process for the four new non-executive Board members was progressing and successful candidates will be announced late November. There may be an opportunity for new Board members to attend the December Board meeting. The Learning and development team is currently working on a new induction agenda for Board members.

LJ briefed Board members on a call had with the Chairman of Loganair who raised concerns over the ongoing ATC dispute and the impact on Loganair’s operations. DM offered his assistance in regards to the dispute and LJ thanked him for his support.

### **Managing Director's Report**

IL reported on the management restructure process and advised the new HIAL structure will come into effect in January 2020 when the Chief Operating Officer (COO) comes into post. There was discussion on the job evaluation process and communication in general.

IL reported on an issue at Wick John O'Groats airport. **(Redacted)** IL advised the DAL Board that a paper has been submitted to the HIAL Board, which suggests a possible solution, in the interim which will allow HIAL to develop a longer term solution.

IL updated the Board on the ongoing ATC dispute, he advised that the last ballot was the beginning of September and that, at present, there have been no further strike days announced. There have been continued discussions with the trade union but there is still more work to do to resolve the dispute. **(Redacted)**

IL reported that he had visited Global ATS, who are the Air Traffic trainers for 95% of the UK. He reported a good meeting **(Redacted)**

Lastly, IL reported on a meeting with the UK Aviation Minister on 28<sup>th</sup> October to discuss various topics.

### **Dundee General Update / Strategy**

IL outlined the Osprey paper submitted to the board regarding the proposal **(Redacted)**

IL advised that this paper was for information only at this stage and that at the December Board meeting, a decision will need to be taken on whether DAL can commit to this project.

He requested that between now and the December board, HIAL engage with Dundee City Council and colleagues at Transport Scotland to discuss the corporate view of the proposal. If the Scottish Government's corporate view is to provide a sustainable link to the south **(Redacted)**, then there may be merit in investing something towards the project.

There was further discussion on other factors that linked to the project and where these sat within a timeline. **(Redacted)**

DM advised that the £9.5m funding for the Tay Cities deal had already been agreed by the Scottish Government and that part of it would be identified for this project. DM also advised that £125k would be required from DAL now to identify what would be needed for the larger £9m project.

LJ expressed concern for DAL finding the £125k at present. She questioned the phasing of the project and whether this project would be funded by DAL alone or whether Dundee city council would be contributing. DM noted that DCC was the project sponsor for the TCD funding.

**(Redacted)**

IL stressed that the Board required assurance of the end point to make an informed decision.

DS also wished to note that passenger numbers for Dundee continue to decrease.

**(Redacted)**

IL suggested that the issue must be crystallised if they were to move it forward prior to the December Board meeting. The team needs to provide some clear recommendations to the DAL Board at the December meeting:

1. Identify the deal breakers and regulatory concerns as soon as possible. (HIAL)
2. Discuss what works can be taken forward and how those would be funded. (HIAL and DM)
3. Clarify the funding contributions from outside DAL. (DM)
4. Obtain clarification, of the commitment to the Dundee operation (DM)
5. Submit the marketing strategy to the DAL board to show how passenger numbers will increase. (DM)

#### AVIATION ACADEMY

DM outlined the paper submitted to the Board on an Aviation Academy for Scotland.

Tayside Aviation has released today that it has gone into partnership with another provider operating on a UK basis. DM agreed to circulate details to Board members.

LJ noted that the DAL Board have not yet been given any detail on what would be required from DAL in order to become a partner in the academy. It was noted previously that JM had agreed to be involved and is awaiting date of a meeting.

TW is keen to see governance arrangements, which have yet to be finalised. It was agreed that DM would provide details to the Board and arrange a meeting.

<b>Items for note by the board</b>
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#### **Item 5 – DAL Monthly Accounts**

GB noted that in terms of trading, there is nothing of concern for DND at present. However, in relation to the wider HIAL group, the matter of funding for the ATC dispute must be taken into consideration. **(Redacted)**

The Budget process for 2020/21 has begun and the team are preparing the conditions of use and charges implemented by HIAL. **(Redacted)** GB also advised of the significant investment for new systems within HIAL and DAL.

DM left meeting at 16:38 and LJ agreed to update DM on the situation with Tayside Aviation offline. The Board noted the financial update.

### **AOB**

#### Tayside Aviation dispute

HIAL / DAL requires to recover costs associated with the weekend opening of Dundee airport and has been in discussion with TA for a considerable period of time to reach a solution. In the absence of an agreement HIAL / DAL will pursue the closure of Dundee airport to TA by January 1<sup>st</sup>. IL will keep DM updated as to progress.

### **The DAL Board meeting concluded at 17:00**

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**Date of next meeting** – 11<sup>th</sup> December in Kirkwall.

\* Meeting changed to 17<sup>th</sup> and 18<sup>th</sup> Dec at Inverness airport