

**DAL Board Minutes**

**Monday 3rd July 2023 Microsoft Teams**

**Board Attendees:**

- (LJ) Lorna Jack (HIAL, Chair)
- (SA) Stewart Adams (HIAL, Interim Managing Director)
- (JM) Jamie Manson (HIAL, Director of Finance)
- (LS) Loraine Strachan (Non-Executive Director)
- (CH) Chris Holliday (Non-Executive Director)
- (IT) Isabel Todenhoefer (Non-Executive Director)
- (GCg) Greg Colgan (Non-Executive Director)

**In Attendance:**

- (DS) Denise Sutherland (HIAL, Head of Communications)
- (AS) Andrea Sillars (HIAL, Director of Human Resources)
- (GF) Geordie Farquhar (HIAL, Director of Operational Support)
- (GC) Gary Cox (Transport Scotland)
- (GH) Gregor Hamilton (Dundee City Council)
- (SD) Shelly Donaldson (HIAL Executive Assistant - Minutes)

**Apologies:**

- (LC) Lynne Clow (Non-Executive Director)

**DAL Board Meeting Commenced at 10:30**

The Chair welcomed everyone to the virtual meeting.

**Apologies**

Apologies were received from Lynne Clow.

**Declarations of Interest**

The Chair noted the usual declarations of interest and advised that when discussing the Dundee PSO renewal and HIAL's costs, GH & GCg should advise if they have any conflict during the conversation given Dundee City Council are a party member to the PSO tender process. The Chair will then handle accordingly.

**Minutes and Matters Arising**

GH advised on an amendment to the minute which had not been captured. He would send the details to JC for amending. Subject to the amendment the Board approved the minutes from 02.05.23. as an accurate record of the meeting.

The following items from the outstanding matters arising were closed. Item 1 02.05.23 and Item 11 05.05.22.

Item 5 02.05.23 – Due to the HIAL Head of Business Development having tendered her notice, it was agreed this action would be moved to the new Commercial Director when they commenced with HIAL.

### **Chair's Report**

The Chair introduced SA to the Dundee Board. The main Chair's report is within the July HIAL Board minutes. The Chair updated the DAL Board on the new Transport Minister, Fiona Hyslop and advised she was waiting on an introductory meeting with her. LJ briefed the Board on her regular call with the Chair of Loganair regarding the sale, provided an update on the CEO recruitment advising Odgers had been appointed as the recruitment agency, working with TS to acquire the necessary approvals from Ministers.

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

SA provided a short brief update advising the main issue he had noted in his first weeks with the company was the operational challenges, (manning and infrastructure) with the Dundee - Kirkwall / Sumburgh route. He noted his concern on having had no contact from any potential bidders regarding costings for the current PSO tender.

**GCg joined the call at 10.45 – Introductions were made by SA and GCg.**

<b>Items for Discussion by the Board</b>
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#### Item A – Environmental Update

The Board noted the paper.

GCg suggested that the Dundee Airport Manager meet with Dundee City Council's new Climate Leadership Manager to help build a relationship with the work that has been done at the airport and how it builds in overall climate action plan for the city.

#### Item B – Operational Update

GF advised there has been a pressure on staff due to the change of route to Heathrow which has seen a large amount of displaced baggage which may increase with a change of aircraft to a ATR72. GF advised he will speak with Loganair on their current performance on this route and about the recovery of additional costs. GH added that Dundee City as Contract Manager of the PSO should collectively engage with all parties relating to the existing PSO service on finding solutions to the challenges arising from the change of airport.

SA added it was important to ensure an IATA ground handling contract was in place with the new PSO. GCg advised the procurement process for the PSO closed on the 23<sup>rd</sup> August and not as previously noted the 7<sup>th</sup> August.

**ACTION:** GF to set up meeting with Loganair, HIAL and Dundee City Council to discuss issues with current PSO contract delivery and look for resolutions.

The Chair made comment on the closure of Tayside Aviation and the reduction on traffic movement at Dundee Airport and asked if there would be future operational savings. SA added that the commercial department requires strengthening which will start with the appointment of a new Chief Commercial Officer.

GCx asked about the charging mechanism for private jet handling at DAL.

**ACTION:** Review the charging mechanism for private jet handling and to bring a report back to the next Board in August.

Item C – Commercial Update

The Board noted the paper.

Item D – DAL Company Accounts

JM provided a brief overview of the current month’s financials, highlighting the increase in fuel sales and the total bad debt for Tayside Aviation.

Due to the terms of the HIAL 23/24 grant offer letter, future capital spends on non-essential items totalling £185k will not go ahead.

Item E – Dundee PSO

The Board noted the paper.

<b>Corporate Risks</b>
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The Board noted that there were no material changes to the risk report.

**DAL Board meeting concluded at 11:22**

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**Date of the next meeting:** 29<sup>th</sup> August 2023

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