

MINUTES OF PAHL BOARD MEETING (OPSCO)

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|---------------|---------------|---------------------|----------------|----------------|
| DATE: | 29 May 2018 | TIMINGS: | PLANNED | ACTUAL: |
| | | START: | 1000hrs | 1000hrs |
| | | FINISH: | 1400hrs | 1315hrs |
| VENUE: | IoD Edinburgh | RELEASED ON: | | |

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|------------------------------|-----------------------|-----------------------|------------------------|
| DATE OF NEXT MEETING: | PLANNED VENUE: | PLANNED START: | PLANNED FINISH: |
| Tuesday 19 June 2018 | Boardroom | 0900hrs | 1300hrs |

| NO | MINUTES FORMAT: | PARTICIPANTS: | IN ATTENDANCE: |
|----|------------------------------|----------------------------|------------------------|
| | Quorum | Andrew Miller (AM) – Chair | Ian Forgie (IF) |
| 1. | Declaration of Interests | Stewart Adams (SA) | Moragh Hastie (MH) |
| 2. | Chair's Introductory Remarks | Gordon Arthur (GA) | Jules Matteoni (JM) |
| 3. | Minutes of Previous Meetings | Beth Corcoran (BC) | Sonia Rafferty (SR) |
| 4. | Feedback from Subcommittees | Tony Davis (TD) | John Nicholls (JN, TS) |
| 5. | Executive Report | Paul Neep (PN) | Gary Cox (GC, TS) |
| 6. | Finance Report | Valerie Scoular (VS) | APOLOGIES: |
| 7. | Spaceport Update | | |
| 8. | Date of Future Meetings | | |
| 9. | AOCB | | |

| QUORUM | |
|--|--|
| <p>The chair confirmed that notice of the meeting had been given to the directors in accordance with the articles of association of the Company (the 'Articles').</p> <p>The chair noted that a quorum was present in terms of the Articles and so it was competent to proceed with the business of the meeting.</p> | |
| 1. | DECLARATION OF INTERESTS |
| 1.1 | The non-executive directors declared that they had no new interests in the business of the meeting that they were required to declare under section 177 of the Companies Act 2006. |
| 2. | CHAIRMAN'S INTRODUCTORY REMARKS |
| 2.1 | AM welcomed everyone to the meeting. |
| 3. | MINUTES OF PREVIOUS MEETING |
| <p>OpsCo Meeting of 24-April</p> <p>3.1 The minutes were approved as an accurate record of proceedings.</p> <p>OpsCo Action Table as at 24-April</p> <p>3.2 34.08 – this action was reliant upon a third party providing the information.</p> | |

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- 3.3 **FOISA 33 (1)(b) commercial interests of the company.**
- 3.4 All other actions were closed, on going or on the agenda for discussion.

4. FEEDBACK FROM SUBCOMMITTEES

- HR Remuneration Committee
- 4.1 This had been the final meeting chaired by Jayne MacLennan. The two main items for discussion had been changes to the ToR and proposed changes to executive notice periods.
 - 4.2 GDPR had been on track and was now completed. Discussion was required to decide if this should now become part of the remit for the ARC. This had been with the HRRC as it was aligned to the executive accountabilities.
 - 4.3 The committee felt that it was important to feedback to employees quickly on what actions had been taken from the employee engagement survey. It was agreed that an annual survey take place, but this could be changed in the future as a number of actions could take six to nine months to complete. It was felt that as we were a relatively small organisation there was no need to benchmark against other organisations and that identification of year on year improvements was sufficient.
 - 4.4 It was noted that there were two NXDs on each sub-committee. PN would stand in as required and planned to attend each of the other sub-committees. Other NXDs could be co-opted as required to ensure the meetings were quorate.
 - 4.5 Annual reports from the sub-committees should align with the financial year end (31-March).

5. MATTERS FOR APPROVAL/DISCUSSION

- FOISA 33 (1)(b) commercial interests of the company**
- 5.1 **FOISA 33 (1)(b) commercial interests of the company**
 - 5.2 **FOISA 33 (1)(b) commercial interests of the company**
- Security Scanner
- 5.3 Re-approval was sought for the purchase of the security scanner which, as a result of new regulatory requirements was required **FOISA 33 (1)(b) commercial interests of the company.** Clarity was provided around the total capital cost. **FOISA 33 (1)(b) commercial interests of the company.** The executive team was content that procurement process had been correctly followed. **FOISA 33 (1)(b) commercial interests of the company**
 - 5.4 **FOISA 33 (1)(b) commercial interests of the company**
 - 5.5 **FOISA 33 (1)(b) commercial interests of the company**
 - 5.6 The board also asked that in future capital expenditure defined as either general or passenger related.
- FOISA 31 (1) national security and defence**
- 5.7 **FOISA 31 (1) national security and defence**
 - 5.8 **FOISA 31 (1) national security and defence**
- FOISA 33 (1)(b) commercial interests of the company Report**
- 5.9 The board discussed a proposed purchase offer from **FOISA 38 (1)(b) personal information** for some of the previous MoD housing land. **FOISA 38 (2)(a)(i) personal information** had carried out a survey of the GPA estate and land evaluation indicated the value of the proposed site **FOISA 33 (1)(b) commercial interests of the company** it was noted that the properties were now derelict and in their current state could still incur security or maintenance cost implications for GPA

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in the future.

- 5.10 SA to explore renegotiated best and final offer and provide another report to allow a recommendation to be taken to the HoldCo for approval if required. ACTION 37.02: SA
- 5.11 JN to check if HoldCo approval would be required. **FOISA 33 (1)(b) commercial interests of the company.**
- 5.12 The executive team had no concerns around disposal of the land as this site and the MOD site have no impact on operations.

6. NXD INTRODUCTION/KEITH BROWN

- 6.1 KB was welcomed to the meeting at 1120hrs and NXDs introduced themselves.
- 6.2 **FOISA 33 (1)(b) commercial interests of the company**
- 6.3 **FOISA 33 (1)(b) commercial interests of the company**
- 6.4 **FOISA 33 (1)(b) commercial interests of the company**
- 6.5 **FOISA 33 (1)(b) commercial interests of the company**
- 6.6 **FOISA 33 (1)(b) commercial interests of the company**
- 6.7 **FOISA 33 (1)(b) commercial interests of the company**
- 6.8 **FOISA 33 (1)(b) commercial interests of the company**
- 6.9 **FOISA 33 (1)(b) commercial interests of the company**
- 6.10 **FOISA 33 (1)(b) commercial interests of the company**

7. FINANCE REPORT

- 7.1 IF introduced the report.
- 7.2 It was planned for **FOISA 33 (1)(b) commercial interests of the company** to be in place by 31 December. The specification was being rewritten. VS asked that she see the specification for HR section of system. The system would be a mostly off the shelf version with some interface with other finance, HR and payroll systems. VS suggested this be renamed if it was mainly finance focussed.
- 7.3 A simplified procurement process would be brought back to a future meeting for board approval.
- 7.4 The board discussed revising the budgets to include **FOISA 33 (1)(b) commercial interests of the company** to ensure departments were working to accurate budgets.
- 7.5 The proposed **FOISA 33 (1)(b) commercial interests of the company** will need to go to the ARC for approval.
- 7.6 The board agreed to change the date of the ARC meeting planned for September to allow more time for the financial accounts to be approved.

8. EXECUTIVE REPORT

- 8.1 SA introduced the report.
- 8.2 SA asked if the NXDs could offer some time for involvement in the Director Commercial interviews.
- 8.3 **FOISA 38 (1)(b) personal information**
- 8.4 Business reviews would be completed with explanations on assumptions on how costs have been allocated. This will be reviewed by ARC meeting planned for 18 June.

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- 8.5 **FOISA 33 (1)(b) commercial interests of the company.**
- 8.6 **FOISA 33 (1)(b) commercial interests of the company.**
- 8.7 **FOISA 33 (1)(b) commercial interests of the company.**
- 8.8 The new revised commercial agreement with **FOISA 38 (1)(b) personal information** would take effect from June.
- 8.9 The Ryanair engineering director was in discussion regarding the additional maintenance hangar.
- 8.10 **FOISA 30 (b)(ii) prejudice to effective conduct of public affairs**
- 8.11 **FOISA 33 (1)(b) commercial interests of the company**
- 8.12 **FOISA 33 (1)(b) commercial interests of the company**
- 8.13 **FOISA 30 (b)(ii) prejudice to effective conduct of public affairs**
- 8.14 **FOISA 33 (1)(b) commercial interests of the company**
- 8.15 RJ had met with the CEO of **FOISA 33 (1)(b) commercial interests of the company** and a separate briefing note would be circulated for information.
- 8.16 Funding of **FOISA 33 (1)(b) commercial interests of the company** would be required for infrastructure without hangar facilities but including fuelling. It was noted this would be a long-term investment in advance of revenue. It was felt that **FOISA 33 (1)(b) commercial interests of the company**, but we should still progress obtaining a licence. The board was keen to explore other sources of grant funding rather than adding to the loan funding. **FOISA 33 (1)(b) commercial interests of the company.**

9. DATE OF FUTURE MEETINGS

- 9.1 Dates for future meetings were noted as follows:
 - OpsCo Board 19-Jun-18 (38)
 - Audit & Risk 18-Jun-18 (14)
 - Capital & Investment Committee 25-Jun-18 (5)
 - HoldCo 26-Jun-18 (23) (GA, Observer)
 - Safety Assurance Committee 26-Jul-18 (6)
 - HRRRC 27-Aug-18 (14)
- 9.2 The OpsCo June board meeting would now be a strategy session and there was no need for any papers to be provided.
- 9.3 It was further agreed to reschedule the September ARC meeting to Tuesday 28 August from 0800-1000hrs. The OpsCo scheduled for Tuesday 28 August would move to 1000-1400hrs.

10. AOCB

- 10.1 There were no other matters for discussion and the meeting closed at 1315.