



Forestry and Land Scotland (FLS) Executive Leadership Team Meeting

7 January 2025

Attendees:

Kevin Quinlan, Chief Executive (Chair)
Graeme Prest, Director of Land Management and Regions
Michael Hymers, Director of Corporate Services
David Leven, Director of Commercial Development
Graeme Hutton, Director of Net Zero
Celyn Paton, Secretariat Assistant (Minutes)

Others:

Dave Exeter, Head of Digital Services
Andy Pearce, Head of Digital Technologies
Mick Bottomley, Head of Marketing and Sales
Doug Knox, Head of Technical Services Group
Gavin Falconer, Head of Estates and Renewables
Colin Buchanan, Senior Finance Manager
Kim Stewart-Hobbs, Deputy Management Accountant
Rob Pengilly, Transformation Programme Director
Rhonda Salmond, Change Manager

Apologies:

Donna Mortimer, Chief Financial Officer

1. Minutes of last meeting

It was agreed that the minutes from the ELT meeting held on 18 December 2024 were a true and accurate reflection.

2. Action Points

Ref:	Action:	Who:	Target Date:
8/08	Head of Digital Services to integrate ELT's comments into FLS' Digital Strategy and Action Plan and provide and update to the ELT.	Dave Exeter	5 December 2024
11/09	Change Manager to incorporate feedback from the ELT regarding Risk Appetite.	Rhonda Salmond	19 November 2024
17/09	Deputy Head of Finance and Head of Planning and Environment to examine unit cost performance and feedback to ELT ahead of the next BMR.	Jennie Smith / Jo Ellis	18 December 2024
5/10	Project Manager to provide assurance around future proofing ASPEN, particularly with regards to integrating coupe level data.	Paul Sutherland	5 November 2024

Ref:	Action:	Who:	Target Date:
13/10	Director of Net Zero and Director of Land Management & Regions to agree a standardised approach to generic operational assets, such as deer larders, in terms of investment proposals.	Graeme Prest / Graeme Hutton	26 November 2024
17/10	Directors to research ways to establish a 'bottom-up' workforce management system.	Directors	5 November 2024
18/10	Each Director to optimise and finalise their directorate's scorecard for trial by the end of December, with results to be reviewed by end of January.	Directors	31 January 2025
19/10	d) Head of Marketing and Sales to generate a one-page report on costs and potential income estimates of performance improvement plan.	Graeme Prest/Mick Bottomley	December 2024
1/11	Director of NetZero to revisit the Business Travel Review Project Plan accelerating consideration of the options for future delivery of mechanical engineering services to the organisation.	Graeme Hutton	November 2024
2/11	Chief Financial Officer to include timber sales vs forecast in year, in BMR to enable detailed business analysis and inform appropriate actions.	Donna Mortimer	5 December 2024
3/11	Chief Financial Officer and Director of Land Management and Regions to undertake a 'deep-dive' analysis of cost structure in Central.	Donna Mortimer/Graeme Prest	January 2025
5/11	Chief Financial Officer to analyse liquidity reserves to ensure adequate and appropriate levels in place.	Donna Mortimer	5 December 2024
6/11	Chief Financial Officer to incorporate the following into Version two of the Annual Financial Plan: b) Fine tune MES reallocations across regions c) Direct Production - Budget for increase in productivity to 2000 hours per annum d) Interrogate "programme & targets" comparison across regions e) Include National Insurance increase in budgets f) Pay assumption should be greater g) FTE total remains at 1069 – Directors to continue interrogate and investigate pressures behind this.	Donna Mortimer	5 December 2024
1/12	Head of Health, Safety and Wellbeing to incorporate feedback from the ELT and present an action plan next quarter.	Jason Liggins	17 March 2025
2/12	Head of Health, Safety and Wellbeing and Director of Commercial Development to ensure Health, Safety & Wellbeing systems and skills are integrated into contract management.	Jason Liggins David Leven	17 March 2025
3/12	b) Directors to nominate key directorate team members to be included in ASPEN update meeting, alongside all regional Business Managers.	Directors	21 January 2025

Ref:	Action:	Who:	Target Date:
	c) Directors to ensure UAT nominated individuals can prioritise ASPEN requirements in line with associated timescales e) Director of Corporate Services to schedule monthly ASPEN updates at future ELT meetings.		21 January 2025
4/12	Director of Corporate Services to set out clear governance structure and associated responsibilities for ASPEN.	Michael Hymers	21 January 2025
5/12	Chief Financial Officer to incorporate ELT feedback into Investment Approach paper.	Donna Mortimer	7 January 2025
6/12	Chief Financial Officer to issue comms signposting staff to new Business Case process and templates.	Donna Mortimer	7 January 2025
7/12	a) Director of Commercial Development and Head of People and Organisational Development to develop engaging, accessible and clear guidance for publication. b) Directors to agree requirements on core hours for agency business as usual activities and ensure clear guidance provided to managers. c) Director of Commercial Development and Head of People and Organisational Development to work with FTUS to develop and issue all staff comms to update the organisation on progress.	Directors/Julie Fitzpatrick	21 January 2025
8/12	Director of Land Management and Regions to investigate possible solutions to reflect the impact of the reduced working week on the wildlife management service within the organisation.	Graeme Prest	21 January 2025
9/12	Head of People and Organisational Development to collate People Survey staff comments for ELT review.	Julie Fitzpatrick	21 January 2025
10/12	ELT to consider potential areas of focus and associated actions from results of the People Survey for discussion at a future ELT.	All	21 January 2025
11/12	Director of Corporate Services and Change Manager to investigate recruitment of new NEA with a focus on commercial knowledge of visitor services and renewables.	Michael Hymers/ Rhondda Salmond	17 March 2025
1/01	Director of Net Zero to incorporate ELT feedback into FIRs business case proposal to be brought to a future ELT meeting for review.	Graeme Hutton	March 2025
2/01	Directors to continue to ensure spending is on profile with 2024/2025 budget.	Directors	31 st March 2025
3/01	a) Chief Financial Officer to factor in vacancy assumption of 5 % per Cost Centre in 2025/2026 AFP. b) Chief Financial Officer to issue final version of 2025/2026 AFP to the wider business.	Donna Mortimer	21 st January 2025

Ref:	Action:	Who:	Target Date:
4/01	Directors to support any request for information from Transformation Programme Director.	Directors	24 th January 2025

Action points 10/10, 6/11h, 3/12a, 3/12d are discharged.

2. Forestry Information and Resource Systems (FIRs)

Dave Exeter updated the ELT on recent FIRs progress, providing a short presentation informing the ELT of the proposed approach and highlighted a number of areas for ELT consideration, including the chosen AGILE delivery methodology and associated stages; potential challenges and opportunities for the project; key insights recognised in the discovery phase and possible next steps.

The ELT discussed the project in detail, seeking clarification around the AGILE project delivery method, requesting careful consideration is given to understanding exactly what it is FLS requires, ensuring its focus will optimise key areas of business activity. They recognised that a 'whole system' view is needed to carefully consider system integration; should the project look to pull together one system for all or a network of systems that interact and work together, specific to business area needs. They acknowledged how FLS could make its data more accessible, reducing manual input and thus increasing staff efficiencies.

Discussion around the business case proposal highlighted the opportunity to learn from other industry practice and gain understanding of how other businesses may operate, including gathering insight into why some choose to purchase 'off the shelf' systems rather than building their own. The business case should include the following:

- Synthesising the Discovery evidence to present the problem FLS is trying to solve and/or any opportunities we are not exploiting
- Consider priorities, sequencing, pathways and options for Alpha (including SRP/e-Timber solution)
- Articulate benefits and hard deadlines in business case.
- Bring Renewables into scope
- Consider appropriate governance
- Discovery discussion with Coillte / other Government Forestry Services
- Commission Digital Assurance Office external review of Stage 1 Business Case

AP 1/01: Director of Net Zero to incorporate ELT feedback into FIRs business case proposal to be brought to a future ELT meeting for review.

3. Financial Reporting

Finance Update (P8)

Kim Stewart-Hobbs updated the ELT on FLS's forecast financial position and performance at the end of P8. The full forecast outturn for 2024/2025 is now a deficit of £12.9m against a planned budget deficit of £22.4m. She summarised a number of key movements in the budget and reflected that overall the forecast outturn position has improved from P7 by £2.3m.

AP 2/01: Directors to continue to ensure spending is on profile with 2024/2025 budget.

4. Annual Financial Planning (AFP) – FY 25/26 Progress

Colin Buchanan and Kim provided a progress update on the 2025/2026 AFP, summarising key areas of movement in the revised AFP version 2 vs the initial AFP version 1.

The ELT reflected on this revised version, seeking further clarification around the Coire Glas option fee, Newton Nursery asset depreciation and percentage vacancy assumptions. Kim clarified that work was ongoing to create a Newton Nursery specific asset register to inform associated depreciation costs and that percentage vacancy assumptions were not currently reflected.

The ELT approved version 2 of the 2025/2026 AFP, subject to the incorporation of the agreed adjustments.

AP 3/01a: Chief Financial Officer to factor in vacancy assumption of 5 % per Cost Centre in 2025/2026 AFP.

AP 3/01b: Chief Financial Officer to issue final version of 2025/2026 AFP to the wider business.

5. Transformation Programme Update

Kevin Quinlan gave an update on recent Transformation Programme developments and welcomed Rob Pengilly to the meeting. Rob reflected on progress and recognised current barriers to potential transformation initiatives including resourcing, needing a clear understating of the transformation programme scope and accessing sufficient information to inform decision making. He highlighted work to understand current projects across FLS and the need for an updated project status report to indicate progress and any areas for concern.

The ELT discussed the definition, overlap and benefits of a portfolio, programme or project and agreed the need for an FLS Portfolio Management Office (PMO). A PMO would enable clear direction and governance for any current or future projects and recognise any synergies or conflicts between projects, supporting and improving FLS's capabilities.

AP 4/01: Directors to support any request for information from Transformation Programme Director.

6. Internal Audit Work Programme FY 25/26

Rhonda Salmond asked the ELT to consider any potential areas to be included in the draft Work Programme for Internal Audit 2025/2026. She explained past themes and recognised the benefits of Internal Audit's work in helping to identify any current or potential areas of risk to the business and associated mitigating actions.

The ELT discussed possible areas for inclusion and agreed the following for consideration:

- Health and Safety Assurance - Theme to be agreed, but potential focus on compliant use of chainsaws (including contractors) following a series of incidents. Alternatively wider assurance on compliance with H&S legislation and policy
- Renewables income forecasting and settlement (Advisory)
- Timber Income Security
- ASPEN implementation (Advisory)
- Building Compliance including Fire Safety.

6. Meeting Preparation

Senior Leadership Team Meeting (27 Jan)

The ELT agreed that the agenda for the up and coming SLT meeting should include the following:

- Collective Leadership workshop with Jonathan Frost leading.
- Gaining best value from SLT – how to develop as leadership team.
- Transformation Programme

7. ELT Forward Look

The ELT discussed agenda items for future ELT meetings.

8. ELT Reflections

The ELT provided their reflections on the meeting.

9. AOB

There were no AOBs.

The date of the next ELT meeting is 21st January 2025.