



Forestry and Land Scotland (FLS) Executive Leadership Team Meeting

24 July 2024

Attendees:

Kevin Quinlan, Chief Executive (Chair)
Graeme Prest, Director of Land Management and Regions
Michael Hymers, Director of Corporate Services
Graeme Hutton, Director of Net Zero
John Mair, Director of Commercial Development
Sophia Christopoulos, Secretariat Assistant, Minute Taker

Others:

Donna Mortimer, Chief Financial Officer
Mick Bottomley, Head of Marketing and Sales
Julie Fitzpatrick, Head of People and Organisational Development
Nicola Waters, Transformation Programme Director

1. Minutes of last meeting

The minutes from the ELT on 18 July 2024 were held to be a true and accurate reflection of the meeting.

2. Action Points and Matters Arising

Ref:	Action:	Who:	Target Date:
4/05	Director of Land Management and Regions to provide forecasting on coupe readiness.	Graeme Prest	October 2024
14/05	Head of Marketing & Sales to present unit cost information from sales to the ELT.	Mick Bottomley	6 August 2024
2/06	Director of Commercial Development to reinvigorate the 360 Steering Group and establish ownership of actions from the Procurement Action Plan.	John Mair	26 July 2024
3/06	Directors to reflect on the KPIs presented in the Procurement Strategy draft and provide feedback to Deputy Head of Procurement.	Directors	26 July 2024
4/06	Deputy Head of Procurement to incorporate the feedback received from the ELT into the Procurement Strategy and present a revised draft.	Jenna Morrison	29 July 2024
11/06	Head of Planning and Environment to create agenda for the next Strategic Advisory Board meeting in September 2024.	Jo Ellis	19 August 2024
14/06	Director of Land Management and Regions, Head of Communications and National Visitor Services Manager to start work on external communications for the Transformation Programme.	Graeme Prest Gwen Hamilton Stuart Chalmers	30 July 2024

Ref:	Action:	Who:	Target Date:
15/06	Chief Financial Officer and Director of Corporate Services to develop clear governance on the management of investments, disposals, and reserves.	Donna Mortimer / Michael Hymers	August 2024
15/06a	Approach to be developed for reporting in-year budget approvals and transfers between budget lines (including the management of reserves)	Donna Mortimer	August 2024
15/06b	Director of Commercial Development to revisit the proposed asset sales. This includes the appropriate segmentation into business streamlining and other categories such as ease of sale and the PESTLE criteria.	John Mair	August 2024
15/06c	Chief Financial Officer to explore other criteria which can be used to categorise investment proposals and business cases (for example, project readiness, business criticality, time sensitivity, return on investment).	Donna Mortimer	August 2024
15/06d	Chief Financial Officer to create a Financial Plan for investments, disposals, and reserves.	Donna Mortimer	August 2024
16/06	Head of Communications to provide further information on website re-platforming and the options available at future ELT meeting.	Gwen Hamilton	August 2024
17/06	Director of Land Management & Director of Net Zero to revisit reduce the number of potential investments.	Graeme Prest / Graeme Hutton	August 2024
18/06	Director of Corporate Services to include Deer Management as an agenda item for future ELT meeting.	Michael Hymers	August 2024
19/06	Head of Marketing and Sales to explore options related to the Direct Production Review and provide an update at future ELT meeting.	Mick Bottomley	August 2024
1/07	ELT to provide feedback and comments on the draft Transformation Programme paper with a revised draft presented at the next ELT meeting.	All	24 July 2024
2/07	Directors to engage with the Transformation Programme Director on resourcing for the Transformation Board.	Directors	24 July 2024
3/07	Chief Financial Officer to present a Project Plan for the Management Information Dashboard at a future ELT meeting.	Donna Mortimer	31 July 2024
4/07	Directors to nominate a member of staff from their respective directorates to contribute to the Management Information Dashboard Project Plan.	Directors	31 July 2024
6/07	Chief Financial Officer to incorporate feedback from the ELT into the Finance Information report.	Donna Mortimer	31 July 2024
7/07	Directors, Head of People and Organisational Development and Chief Financial Officer to establish number of agency Full Time Equivalents and present paper to ELT which reconciles this with the staff budget.	Directors / Donna Mortimer / Julie Fitzpatrick	31 July 2024

Ref:	Action:	Who:	Target Date:
8/07	Chief Financial Officer to incorporate feedback from the ELT into the Business Planning Mandate/Timeline for Financial Year 25/26.	Donna Mortimer	July 2024
9/07	Secretariat Assistant to provide a proposed timetable for the location of future ELT meetings.	Sophia Christopoulos	July 2024
10/07	Director of Corporate Services to update and circulate the Senior Leadership Team Meeting agenda following feedback from the ELT.	Michael Hymers	July 2024

Action Point 5/07 was discharged.

3. Financial Management Information and Performance

Donna Mortimer presented a report on the Financial Information for Quarter 1, seeking approval from the ELT on the budget forecast before it is distributed more widely across the business. She outlined the narrative and Business Management Information (BMI) figures, including the Profit & Loss position and key messages around the deficit budget and forecast.

The ELT provided feedback on the format of the report and the rationale behind the figures. The following decisions were agreed:

- Include the Timber Crop Compensation (TCC) in the budget, specifying this in the report.
- Begin implementation of budget transfer from reserves.
- Include staff overheads in bids for external funding from Scottish Government (SG).
- Closely manage national expenditure, particularly with regards to staff costs.
- Improved tracking of renewables and utilities income.
- Monthly Corporate Information pack to include key elements of the Directorate Balanced Scorecards.

Michael Hymers highlighted that the staffing budgets for each directorate do not align with the number of Full-Time Equivalent (FTE) positions required. The ELT agreed that further investigation into this is required to ensure consistency.

AP 6/07: Chief Financial Officer to incorporate feedback from the ELT into the Finance Information report.

AP 7/07: Directors, Head of People and Organisational Development and Chief Financial Officer to establish number of agency Full Time Equivalents and present paper to ELT which reconciles this with the staff budget.

4. Timber Revenue – Assumptions / Outcomes

Mick Bottomley gave a presentation on timber revenue, highlighting that it is timber volume, not timber income, that is used to measure performance. He noted that the timber revenue is on track for this financial year due to improved contract management and adherence to sales plans.

The ELT sought clarity on the forecast figures, exploring the potential risks, the fluctuations in the timber market and possible gaps in the forecasting data.

5. Business Planning Mandate / Timeline FY 25/26

Donna presented a paper, focusing on scenario planning. She explained that a multi-year approach was used in this budget exercise, with considerations given to possible variances, such as the Annual Subsidy Limit (ASL) amount.

The ELT provided feedback on formatting and agreed that further testing is required on some of the figures, commenting on factors such as the Transformation Programme, Staff Pay Award and inflation. Kevin Quinlan thanked Donna for the paper and advised the Finance Team to discuss the figures with relevant income and cost centre owners, revise the scenarios discussed and return to the ELT with an updated paper.

AP 8/07: Chief Financial Officer to incorporate feedback from the ELT into the Business Planning Mandate/Timeline for Financial Year 25/26.

6. ELT Forward Look

The ELT discussed the agendas for upcoming ELT meetings and the prioritisation of certain items, namely those related to procurement. They agreed to engage with their respective leadership teams so as to receive their input on pertinent areas for discussion.

The ELT requested that the location of future ELT meetings be reviewed to ensure cost effectiveness and time efficiency.

AP 9/07: Secretariat Assistant to provide a proposed timetable for the location of future ELT meetings.

7. Senior Leadership Team Meeting

Kevin outlined the purpose of the Senior Leadership Team (SLT) meeting taking place on 30 July 2024, stressing the importance of team engagement. The ELT discussed the proposed agenda, considering how best to approach the Transformation Programme. Julie Fitzpatrick suggested framing the discussion around three questions and using these to guide the workshop element.

AP 10/07: Director of Corporate Services to update and circulate the Senior Leadership Team meeting agenda following feedback from the ELT.

8. ELT Reflections

All attendees gave reflections and feedback on the meeting

9. AOB

The ELT discussed recruitment for the Deputy Head of Procurement role as Jennie Morrison is leaving the organisation.

Michael raised a concern regarding the Delegated Procurement Officer (DPO) posts, which Internal Audit have identified as a risk. This responsibility should be reduced to fewer individuals and while in the long-term the ASPEN Project will facilitate this, a solution is required in the short-term. He noted that options are currently being investigated.

Kevin highlighted that planning has begun for the Corporate Plan 2025-2028, outlining the timeline for this and the involvement of the Strategic Advisory Board.

The date of the next ELT meeting is 06 August 2024.