Forestry and Land Scotland
Coilltearachd agus Fearann Alba

Forestry and Land Scotland (FLS) Executive Leadership Team (ELT) Meeting

9 June 2026

Attendees:
Kevin Quinlan, CEO (Chair)
Graeme Prest, Director of Land Management and Regions
Graeme Hutton, Director of Net Zero
David Leven, Director of Commercial Development
Nicola McBain, Director of Corporate Services and Transformation

Others:
Penny Coles, Head of Estate Development
David Holman, Head of Energy Delivery
Jim Higgins, Land Agency Programme Manager
Michael Hymers, Head of Corporate Affairs and Communications
Rebecca Carr, Community Asset Transfer Manager
Colin Hossack, Strategic Planning Manager
Rhondda Salmond, Change Manager
Colin Buchanan, Senior Finance Manager

Summary of Action Points (AP) from Meeting

Ref.:	Action:	Owner:	Target Date:
01/06	Complete workforce position and ensure the final spreadsheet is issued as the single agreed version to Directors.	Nicola McBain	23 June 2026
02/06	Continue to develop and conclude an MoU with network operators to govern the new approach.	David Holman, James Higgins	7 July 2026
03/06	Prepare a short internal and Scottish Government-facing narrative explaining the infrastructure staffing proposal, including the workforce-planning treatment and rationale.	David Holman, James Higgins	7 July 2026
04/06	Refresh the stakeholder map to show the lead owner and primary engagement route for each major stakeholder group.	Michael Hymers	7 July 2026
05/06	Invite a Scottish Government speaker to an SLG session to brief leaders on the Community Wealth Building Act and its implications for FLS.	Rebecca Carr	7 July 2026
06/06	Prepare a short paper setting out the main domains of community engagement and how the organisation should take them forward, then bring it back to ELT within about a month.	David Leven	7 July 2026

07/06	Use an upcoming SLG session to brief colleagues on the agricultural programme and related action plan progress as well as sending draft ministerial up date to Kevin.	Penny Coles, James Higgins	7 July 2026
08/06	Set up a risk champions network across directorates and use the 1 September quarterly risk review for a fuller progress stocktake.	Rhondda Salmond	1 Sept 2026
09/06	Prepare an Aspen update for next week's SLG covering current issues, immediate fixes, and the action plan for reporting and system support.	Adam Dearnley	16 June 2026
10/06	Issue an early communication setting out the intended direction of travel, indicative timing, and dependencies for the directorate changes.	Jason Liggins	16 June 2026

1. Review of Minutes

It was agreed that the minutes from the ELT meeting held on 26 May 2026 were a true and accurate reflection.

2. Review of Action Points

The ELT reviewed the status of the Action Tracker, closing items that had either completed or moved into routine delivery and flagging those still active. The workforce plan remained in progress, with Finance and HR continuing to meet each Director to confirm baselines. Other items, including internal audit and change-management follow-up, were treated as complete or near-complete, while a small number of entries still required tidying and end-of-month confirmation.

3. Electricity Infrastructure Staff Cost Recharging Proposal

Prior to discussing this item, ELT spent time discussing and clarifying the corporate approach to workforce management. KQ re-enforced the direction set out in the Workforce Planning mandate. Directors will have to monitor both approved establishment and actual FTE and this will be set out in letter of delegation.

The ELT reaffirmed that each Directorate works to an agreed 2 per cent, 3 per cent, and 5 per cent annual reduction profile, producing a minimum cumulative 10 per cent reduction across the planning period. Additionally, support continues to be in place for modest growth in resources for energy and estate development (renewables).

AP11/05: Complete workforce position and ensure the final spreadsheet is issued as the single agreed version to Directors.

David introduced the Electricity Infrastructure Staff Cost Recharging Proposal as a strategic attempt to move away from reactive, time-sheet-based staff cost recovery for electricity infrastructure work with Scottish and Southern Energy and Scottish Power. The current model was described as burdensome, inefficient, and poor at recovering the real opportunity cost of staff time. The proposed alternative was an annual lump-sum payment from network operators in return for a planned level of resourcing, allowing FLS to recruit in anticipation of known infrastructure demand rather than trying to reclaim hours retrospectively.

JH and DL emphasised that the issue was now larger than administration alone. Regions were reporting that they simply did not have enough capacity in some roles, particularly land management and civil engineering, to absorb the expected level of infrastructure work while still meeting wider estate obligations. The intended model would therefore do more than simplify recovery. It would support proactive workforce planning over a likely infrastructure horizon to 2030, with a further programme beyond that towards 2035, and reduce transaction friction while strengthening FLS's ability to influence location, design, mitigation, compensation planting, and wider outcomes.

The ELT supported proceeding with the lump-sum staff-cost recovery approach with the network operators as the preferred model for managing energy infrastructure workload. It was also agreed that any new roles required as part of the approach and externally funded would be Fixed Term appointments recruited internally and externally simultaneously as part of an overall approach to workforce management.

Budget for each post should cover full salary costs including pension and 30% overhead as well as a contingency payment to cover the possibility of redundancy at the end of contract.

AP 12/05: Continue to develop and conclude an MoU with network operators to govern the new approach.

AP 13/05: Prepare a short internal and Scottish Government-facing narrative explaining the infrastructure staffing proposal, including the workforce-planning treatment and rationale.

4. Stakeholder and Community Engagement

MH framed the discussion as preparation for a deep dive at Audit and Risk Committee. He and RC were not presenting a finished proposal, they were seeking ELT views on how stakeholder management should be understood across the organisation before more detailed work was developed. MH described the current position as inconsistent, with some areas handling engagement very effectively and others working in parallel or isolation without a shared view of ownership.

RC drew an important distinction between two related but different issues. One was day-to-day relationship management with local communities, where effective contact by local staff could prevent problems from escalating. The other was the broader economic-development and partnership agenda, where communities were not merely consultees but potential commercial or strategic partners in areas such as local place plans, housing, tourism, forestry businesses, and community wealth building. She noted that the current organisational instinct often defaulted to a transactional response rather than treating them as development partners.

The ELT tested whether the work should stay broad or focus more sharply on communities. GP and others argued that communities now required greater attention because of the political context, the changing expectations around public land, and the increasing sophistication of some community bodies. MH noted that the original governance concern had not been about communities alone. It had been about stakeholder management more generally.

The Community Wealth Building Act became an important focal point and a briefing for SLG was agreed.

The discussion closed with agreement on next steps. MH existing stakeholder map would be refreshed with named leads and engagement routes. Separately, a more focused community piece would be developed, covering the main domains where community engagement mattered, including visitor services, land reform and estate development, operational planning, and wider partnership working.

AP 14/05: Refresh the stakeholder map to show the lead owner and primary engagement route for each major stakeholder group.

AP 15/05: Invite a Scottish Government speaker to an SLG session to brief leaders on the Community Wealth Building Act and its implications for FLS.

AP 16/05: Prepare a short paper setting out the main domains of community engagement and how the organisation should take them forward, then bring it back to ELT within about a month.

5. Agricultural Programme Improvement

JH introduced the agricultural programme improvement paper and positioned it as a progress and readiness check. JH confirmed that he had updated the action plan and that the intention was to bring the revised position back to ELT for awareness and endorsement.

PC added that work was already under way to backfill posts, recognising the scale of activity required to drive the agricultural programme forward.

The wider handling discussion focused less on the internal action plan and more on readiness for external challenge. KQ added that the organisation should expect the issue to come back through ministerial or special adviser channels. The team therefore wanted to stay prepared to send up a concise note if the issue resurfaced.

They were encouraged to use SLG and other regular meetings to keep the wider leadership group informed about progress, dependencies, and likely next steps. The overall tone was that the programme remained on the front foot, but should be kept ready for a faster response if political interest increased.

AP 17/05: Use an upcoming SLG session to brief colleagues on the agricultural programme and related action plan progress as well as sending draft ministerial up date to Kevin.

6. Risk Management Approach

MH and RS introduced the risk paper as a practical discussion about maturity rather than a request for another standalone process. RS stressed that the aim was to strengthen ownership and accountability using structures that already existed, while KQ and others repeatedly emphasised that risk management should become part of routine business management rather than a separate strand of work.

GP, GH DL, and NM each described the current state from their own perspective. GP said his ambition was to use risk as a prompt inside ordinary management conversations. DL wanted risk to support opportunity management as well as downside control, but also admitted that the current mix of dashboards, spreadsheets, and action plans could make it hard to stay oriented. NM described how corporate services were beginning to build their own directorate-level arrangements and that risk should be visible through business planning, ELT, SAB, ARC, and related governance routes rather than detached from them.

MH noted that the organisation was still prone to treating issues and risks inside separate silos instead of asking when something should be escalated or viewed through a wider organisational lens. RS reinforced that the register should be treated as a tool to inform discussion, not an end in itself.

Reviewing the options, support emerged for a modest first phase rather than a wholesale redesign. Reissuing the scheme of delegation and a risk champions network was also supported. There was less appetite to mandate a universal set of directorate or regional risk registers immediately. Directors were left with discretion to use the corporate register as the main frame and add local overlays only where they genuinely added value. FLS-specific training was seen as useful but better held back until the first wave of more practical embedding work had happened.

The conversation ended with agreement that progress should be reviewed alongside the next quarterly risk review rather than through a separate audit exercise.

The ELT agreed to start with practical embedding measures for risk management, including a risk champions approach and a September stocktake, rather than launching a wider redesign immediately.

AP 18/05: Set up a risk champions network across directorates and use the 1 September quarterly risk review for a fuller progress stocktake.

7. Finance Update and Aspen Reporting

CB summarised the year-end finance position by reporting an operating loss of 10.8 million, materially better than earlier forecasts. He noted that the movement was not driven by one single factor but by a series of favourable shifts across regions, central teams, and commercial income, alongside lower costs than previously expected.

That scale of movement led to challenge on forecasting quality. KQ noted that the shift looked like a 25 per cent swing from period 10 to 11 and another 25 per cent swing from 11 to 12. CB accepted the point and said the organisation needed to strengthen forecasting, potentially by combining headline numbers with narrative about the volatility range in key items. He also pointed to several technical and process factors that should help in future.

The broader finance picture was also noted. The executive summary showed an overall deficit of 12.7 million when the operating and capital positions were taken together, against Scottish Government support of 17.8 million. Commercial income stood at 143 million compared with 140 million in the previous year. Timber income was broadly steady, around 100k down on the prior year despite lower volumes. TCC income had risen to 3.4 million from 3.9 million previously discussed as a comparator during the meeting, which reinforced the point that some areas had performed more strongly than expected even as others remained under pressure.

The second half of the item became an escalation on Aspen. GP, GH, KQ, and NM were clear that reporting and management information required improvement. Concerns covered four linked issues: staff still adjusting to new ways of working; weak or inconsistent reporting; limited licence access to interrogate the system directly; and the need for increased communication about what was being fixed, by whom, and by when.

CB accepted that the reporting position, although he noted that some improvement had already happened and that part of the bottleneck sat with the supplier. Even so, the ELT response was that whatever the root cause, the organisational effect was the same: managers could not be held accountable if they lacked dependable financial or operational visibility. NM therefore said the next step had to be a clearer action plan, further communications, and a practical SLG session setting out the issues, immediate fixes, and what longer-term work remained.

AP 19/05: Prepare an Aspen update for next week's SLG covering current issues, immediate fixes, and the action plan for reporting and system support.

8. Town Hall Preparation

A review of the proposed agenda was undertaken.

The procurement improvement story stood out as the strongest practical example, especially because the category strategy, new frameworks, mini-competitions, and recent West Region outcomes offered a concrete case of the organisation getting more disciplined and commercially effective in a difficult economic climate.

The ELT also agreed to include some narrative related to workforce planning and about keeping the performance and finance material intelligible.

Other possible lines for KQ own opening included agriculture, nature and forestry, the emerging community agenda, and enabling services, depending on what felt ready by the time the deck was finalised. The shared preference was for honest but constructive messaging, anchored in visible examples rather than abstract corporate language.

9. Directorate Change Implementation

JL joined briefly to confirm progress against the directorate change project plan. It was reported that the director recruitments were broadly on track and that interviews were scheduled.

JL said his recent work had focused on coordinating system dependencies across teams. Priority attention was being given to putting the Director of Operations and Director of Forestry arrangements in place and remained confident that all changes could be delivered by the end of August if current coordination continued.

A short exchange then focused on communications, and it was agreed to issue an early communication setting out the intended destination for each function.

Ap 20/05: Issue an early communication setting out the intended direction of travel, indicative timing, and dependencies for the directorate changes.

10. ELT Reflections

The ELT gave their reflections on the meeting.

11. AOB

There were no items raised under AOB.

The next ELT meeting will be held on 23 June 2026.