Forestry and Land Scotland (FLS) Strategic Advisory Board

Date of Meeting: 8 June 2026

Location: Inver Office, Dunkeld and MS Teams

Present:
Jo O'Hara (JO'H), Chair, Non-Exec
Therese O'Donnell (TO'D), Non-Exec
Gio D'Alessio (GD'A), Non-Exec (Joined remotely for part of meeting)
Nicola Gordon (NG), Non-Exec
Maf Smith (MS), Non-Exec
Kevin Quinlan (KQ) Chief Executive FLS
Nicola McBain (NMc), Director of Corporate Services & Transformation FLS
David Leven (DL), Director of Commercial Development FLS
Graeme Hutton (GH), Director of Net Zero FLS
Michael Hymers (MH), Head of Corporate Affairs and Communications FLS
Doug Harvey DH), Regional Manager East Region FLS

Apologies:
Lyndon Jones (LJ), Non-Exec
Graeme Prest (GP), Director of Land Management & Regions FLS

1. Minutes & Action Points
Jo O'Hara thanked attendees and outlined the focus of the meeting. It was agreed that the minutes of the SAB meeting on 14 April 2026 were a true and accurate reflection. No conflicts of interest were declared and no additional AOB items were raised.

J'OH reviewed the action log; two outstanding points were identified. Both were covered and closed in line with the agenda items presented.

2. CEO update
KQ opened with an external overview, noting that timber markets remained sluggish despite some soft increases, which reinforced the importance of meeting volume targets and continuing the efficiency agenda.

On renewables, he reported growing pressure from commercial partners over the relationship between land values and returns, describing the investment climate as moderately turbulent even while cautioning against taking industry complaints at face value. He added that more strategic engagement was being developed with network operators. Visitor services and natural capital were described as relatively unchanged since the previous SAB.

He then provided an overview on ministerial and political matters, following the recent election. Community interests were described as sitting high in ministers' priorities. He also said FLS would need to work hard to explain forestry's economic and rural significance, while also addressing politically sensitive topics such as land use, agricultural tensions, and new entrants.

KQ also reflected on engagement with senior civil service leadership. He reported a full day visit by the Permanent Secretary and the DG for Net Zero to Glen Tress, including harvesting, visitor services, and discussion with the Windy Mains sawmill leadership, as a means of deepening their understanding of FLS's operating environment. Finally, he set out the implications of public service reform and headcount reduction expectations. KQ said the Permanent Secretary had agreed to six-month interim promotions while longer-term arrangements were considered.

Members used the discussion to test the implications of the new ministerial environment.

3. Insights / Reflections

The non-executive reflections focused first on the external energy and policy environment. Members described a market being pushed to move quickly by government while still constrained by queue management, grid upgrades, accelerated auctions, and cost pressures. That was framed as highly relevant to FLS because the same pressures could affect project timing and commercial assumptions across its energy portfolio.

The Chair added a second perspective from board recruitment work, where community benefit and community equity had featured prominently in discussion.

The conversation then returned to what these external signals meant for FLS's strategic positioning. KQ agreed with the community benefit points. The discussion reinforced a wider theme from earlier in the meeting: FLS needed to remain alert both to policy shifts and to the risk of public narratives forming around forestry, land use, and community value unless it articulated its own position more clearly.

4. Standing Agenda Item – FLS Corporate Balanced Scorecard FY 25/26

NM introduced the balanced scorecard as a tool adopted to provide a more rounded view of organisational performance across several themes, linked to the corporate strategy, business plan, and directorate scorecards. She said that the scorecard was reviewed monthly by the Executive Leadership Team and was intended to support management action rather than serve as a passive reporting product.

For the year-end position, she reported 21 KPIs in total, with 14 rated green and 7 amber. Areas where performance had softened included deer cull and peatland restoration. She also noted that not all amber indicators represented poor progress; for example, internal audit actions had not yet reached 100 per cent, but assurance had improved to a reasonable level after a long period of limited assurance.

NM said headcount had improved against target during the year, although future workforce planning would become harder. She also highlighted positive progress in restocking and new wind energy. Looking ahead to 2026 to 2027, she explained that most measures would remain, but targets had been re-tested by directors. A new KPI had been added around organisational change.

MH added that the intention was to align the quarterly scorecard review with SAB meetings wherever possible, and where the meeting schedule did not fit, a separate one-off session would be arranged. He said the aim was for SAB discussion to focus less on individual KPIs in isolation and more on the themes emerging beneath them, while detailed director and non-executive pairings could be used for deeper dives between meetings.

Members then tested both the content and the purpose of the scorecard.

MS focused on energy metrics, noting potential vulnerability if any schemes slipped. He said that FLS should not focus only on the size of the project pipeline, but also on its quality, given the changing sector environment. It was queried why some nature-related targets differed markedly from the prior year, particularly woodland creation, peatland restoration, rainforest restoration, and the restocking backlog. KQ explained advising that natural regeneration was expected to contribute 200 to 300 hectares annually. Peatland restoration remained at 1,500 hectares, while Atlantic rainforest performance and funding timing needed further review.

A substantial part of the discussion focused on whether the scorecard was being used in the right way. The Chair stressed that the organisation needed to ensure the chosen KPIs genuinely drove organisational performance. She suggested some measures might belong more appropriately in directorate scorecards and advised that the corporate scorecard should help tell the story of where FLS was heading, not simply restate static indicators. MS reinforced that point by warning against spending too much time debating the data itself rather than the actions and long-term programme of improvement it was meant to support. NM agreed with that direction, and the emerging consensus was that future SAB discussions should be narrative-led by theme.

GD asked whether it captured the right themes for internal management and external stakeholders. He questioned the absence of communities as a visible headline category, asked where climate change sat within the scorecard, and suggested that digitalisation or automation might also deserve explicit visibility. GH responded that climate indicators were difficult to represent through one-year measures because many forestry interventions took far longer to crystallise. It was suggested that a stronger narrative sitting above the scorecard could bring together existing data on peatland, planting, resilience, and wider climate contribution without forcing unsuitable annual KPIs.

The item closed with agreement that quarterly review was necessary for SAB. KQ also pointed to a potential future opportunity to revisit the overall scorecard structure once the new directorate arrangements had bedded in, potentially informing a refreshed approach for 2027 to 2028.

5. AOB

Forward Look

The Chair introduced the next SAB theme briefly. The proposed focus for the next meeting (7 Oct 2026) was the external operating environment, potentially undertaken jointly with Scottish Forestry so that members could examine the wider forestry debate and policy context rather than only FLS's internal position.

6. Operations, Delivery and Stewardship

The afternoon session began with introductions from the East Region team and a presentation covering project, operations, planning, and programme leadership. KQ added that this site-based format was intended to help non-executive members connect their expertise in areas such as renewables, communications, process improvement, and digitalisation to the operational realities on the ground. A full overview of the planning framework was provided followed by a site visit.

7. Session reflections and initial impressions

Reflections were taken on the site visit. NG described learning more about how the organisation identifies and plans work but also highlighted a perceived gap between the conversation about planning and the practical work-planning document that had been circulated. The document itself was seen as difficult to engage with, and the discussion returned quickly to the tension between keeping focus and simplicity on one hand and managing a complicated operating environment on the other.

Participants then broadened the reflection to the overall scale of the operation. With remarks that the morning's sessions had brought the sheer size and complexity of the business into perspective, while also prompting a sharper question about how much activity genuinely adds value and how much persists because it is the established way of working. The group recognised the amount of good work already being done while questioning whether the system had accumulated layers of process that no longer improve outcomes.

The next part of the discussion focused on reflecting on the existing planning and control arrangements and whether the current state seems rich in opportunity for simplification supporting operational delivery.

The discussion then shifted from process burden to the way objectives are framed, and how they link into planning. This was linked to a perceived gap between local discussions and top-line strategy, and to a suggestion that the organisation may need to reflect more deliberately on how objectives are stated and connected across levels. An overview was then provided on the operational planning architecture in depth.

AP 4/26: Arrange a one-hour practical walkthrough of the digital planning system within the next month or six weeks so the group can see how the national process works in practice and understand the transition from the legacy approach.

Date of the next meeting: 7 Oct 2026