



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

10 October 2024

### 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  
Sophia Christopoulos, Secretariat Assistant, Minute Taker

### Others:

Donna Mortimer, Chief Financial Officer  
Julie Fitzpatrick, Head of People and Organisational Development  
Paul Sutherland, Project Manager  
Gerard Stanton, Project Accountant  
Rob Pengilley, Transformation Programme Director  
Jonathan Frost, Coach

### Apologies:

#### 1. Minutes of last meeting

It was agreed that the minutes from the ELT meeting held on 25 September 2024 were a true and accurate reflection.

#### 2. Action Points and Matters Arising

Ref:	Action:	Who:	Target Date:
4/05	Director of Land Management and Regions and Head of Planning and Environment to provide forecasting on coupe readiness and to incorporate this into the balanced scorecard.	Graeme Prest Jo Ellis	29 November 2024
2/06	Director of Commercial Development to establish enhanced governance of procurement which provides oversight of the Procurement strategy, pipeline, policies, procedures and service improvement plans.	David Leven	18 December 2024
16/06	Head of Communications to provide further information on website re-platforming and the options available at future ELT meeting.	Gwen Hamilton	28 October 2024
3/07	Chief Financial Officer to present a Project Plan for the Management Information Dashboard at a future ELT meeting.	Donna Mortimer	28 October 2024
4/08	Director of NetZero to provide a brief summary visualisation of the Business Travel Review and Implementation Plan and	Graeme Hutton	5 November 2024

Ref:	Action:	Who:	Target Date:
	<p>present at a future Senior Leadership Team (SLT) meeting for consideration.</p> <ul style="list-style-type: none"> <li>Paper to be submitted to ELT for review ahead of SLT</li> </ul>		
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
13/08	Directors to provide directorate objectives to be published on Saltire.	Directors	September 2024
1/09	Director of Commercial Development to simplify stratification of disposal assets, including revising current label categories. To include rationalisation of built assets; routine rationalisation of land as part of 'Business as Usual'; land sales for reinvestment in high 'Return on Investments' projects.	David Leven	3 October 2024
7/09	Directors to identify lead and subsequently draft directorate balanced scorecards specific to directorates, to be presented at a future ELT meeting for consideration.	Directors	28 October 2024
10/09	<p>Further refinements to the BMR:</p> <ul style="list-style-type: none"> <li>Deputy Head of Finance to include a graph separating timber price from timber volume in the BMR.</li> <li>Deputy Head of Finance to allocate income streams to the correct value streams, identifying the current and aspirational positions.</li> <li>Deputy Head of Finance to review Newton Nursery categorisation, particularly budget and staffing.</li> <li>Deputy Head of Finance to provide visualisation of staff numbers at the next BMR; FTE versus actual and budget versus target.</li> <li>Deputy Head of Finance to validate reserves figures.</li> </ul>	Jennie Smith	5 November 2024
11/09	Change Manager to incorporate feedback from the ELT regarding Risk Appetite.	Rhondda Salmond	19 November 2024
12/09	Director of Commercial Development and Head of People and Organisational Development to develop implementation plan and communications for Working Time.	David Leven / Julie Fitzpatrick	29 November 2024
13/09	Head of People and Organisational Development to incorporate feedback from the ELT regarding Mobility Clauses.	Julie Fitzpatrick	31 October 2024
14/09	Head of People and Organisational Development to integrate the Management Postings paper and Temporary Responsibilities Allowance paper and return to ELT.	Julie Fitzpatrick	31 October 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	5 November 2024
1/10	Deputy Head of Finance to present a paper to ELT outlining the challenges around reconciling the staff budget with the number of agency Full Time Equivalents.	Jennie Smith	28 October 2024

Ref:	Action:	Who:	Target Date:
2/10	Change Manager to review the governance structures for Executive Leadership Team meetings and Senior Leadership Team meetings.	Rhondda Salmond	19 December 2024
3/10	Transformation Programme Director to present roll up view of transformation resourcing requests, programme deadline and areas of concern.	Rob Pengilley	25 October 2024
4/10	Project Manager and Director of Commercial Development to ensure resilience around procurement representation within the ASPEN Project Board.	Paul Sutherland / David Leven	5 November 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
6/10	Secretariat Assistant to arrange a meeting to discuss change management and communications within the context of the ASPEN Project.	Sophia Christopoulos	25 October 2024
7/10	Director of Corporate Services and Director of Land Management & Regions to set out tactics to resolve issue concerning Direct Purchasing Order roles.	Michael Hymers / Graeme Prest	5 November 2024
8/10	Director of Land Management & Regions to share stocktake update on progress with the FLS woodland creation programme and next steps.	Graeme Prest	18 December 2024
9/10	Director of Commercial Development to incorporate feedback from ELT regarding Asset Disposals: <ul style="list-style-type: none"> <li>Director of Land Management &amp; Regions and Director of Commercial Development to reevaluate the Land Portfolio Management total figure.</li> </ul>	David Leven / Graeme Prest	26 November 2024
10/10	ELT members to include comments on the Investment Pipeline Proposal spreadsheet.	All	5 November 2024
11/10	Chief Financial Officer to integrate feedback from ELT regarding the Investment Pipeline Proposals: <ul style="list-style-type: none"> <li>Consider tailoring templates for each business case investment category.</li> <li>Design Stage 2 template.</li> <li>Consider the full life cycle costs for any investment.</li> <li>Create flowchart for business case categories in line with policy and framework.</li> </ul>	Donna Mortimer	26 November 2024
12/10	Chief Financial Officer to update Reserves, Investments & Disposal Policy to reflect conclusions on what investment decisions are made where (see blue below and categories of disposals).	Donna Mortimer	5 November 2024
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

Action points 14/06, 15/06, 15/06b, 15/06d, 17/06, 4/07, 6/07, 7/07, 8/07, 9/07, 10/07, 5/08, 6/08, 7/08, 10/08, 11/08, 12/08, 2/09, 3/09, 4/09, 5/09, 6/09, 8/09, 9/09, 15/09, 15/09a, 15/09b, 15/09c and 16/09 were discharged.

Action point 4/05, 2/06, 3/07, 4/08 and 8/ were reviewed and the deadline revised to allow sufficient time for the work to be completed.

Action points 10/09, 10/09b, 10/09c, 10/09d and 10/09e were consolidated into a single action. Action point 10/09a was identified to be a separate action, now listed as 17/09.

Action point 2/06 has been amended to better reflect the work required and the deadline updated.

Action point 7/07 is superseded by action point 1/10. Donna Mortimer explained the challenges around comparing staff headcount with staff costs and proposed returning to the ELT with a paper outlining these issues.

Action point 4/08 has been amended to include a paper submission for the ELT to review ahead of the Senior Leadership Team (SLT) meeting. This prompted discussion on the governance structure of the SLT meetings and ELT meetings and that a review of this was required. The ELT also agreed to conduct a 'Six Month Retrospective' of ELT meetings, which will be added to the Forward Look document.

Rob Pengilley provided an update on the transformation programme; he is currently extracting information from various projects as well as holding optional drop-in sessions for members of staff. He will contact the ELT with regular updates as the picture develops, with a final summary on resourcing requests, programme deadlines and any areas of concern circulated by 25<sup>th</sup> October.

With regards to resourcing for the transformation programme, the ELT approved the budget for two posts which will subsequently be advertised in the coming weeks.

**AP 1/10: Deputy Head of Finance to present a paper to ELT outlining the challenges around reconciling the staff budget with the number of agency Full Time Equivalents.**

**AP 2/10: Change Manager to review the governance structures for Executive Leadership Team meetings and Senior Leadership Team meetings.**

**AP 3/10: Transformation Programme Director to present roll up view of transformation resourcing requests, programme deadline and areas of concern.**

### **3. ASPEN Implementation**

Paul Sutherland gave a presentation on the ASPEN implementation plan, providing an overview of the main workstreams, the timeline before the system goes live in April 2025 and the key risks and dependencies. He stressed the importance of User Acceptance Testing, which is integral to ensuring business readiness, and requested that staff be encouraged to engage with this as much as possible.

With regards to dependencies, he noted that a decision is required concerning the Direct Purchasing Officer (DPO) roles so that recruitment can commence. New Standard Operating Procedures (SOPs) need

to be developed and he requested that resource be made available within the Finance and Procurement teams to ensure this work can be completed.

Kevin thanked Paul for the presentation and opened the discussion. The ELT discussed ways to mitigate the risks ahead of 'go-live' in April 2025 and ensure business readiness, including addressing capacity concerns within the Procurement Team. Rob commented that a lessons learnt exercise would be beneficial to understand how best to serve the needs of all projects concurrently while maintaining Business As Usual (BAU).

Kevin sought clarity on the Chart of Accounts functionality to incorporate data at coupe level, requesting that Paul provide assurance around future proofing ASPEN. He also requested insight into the change management and communications around the ASPEN Project.

**AP 4/10: Project Manager and Director of Commercial Development to ensure resilience around procurement representation within the ASPEN Project Board.**

**AP 5/10: Project Manager to provide assurance around future proofing ASPEN, particularly with regards to integrating coupe level data.**

**AP 6/10: Secretariat Assistant to arrange a meeting to discuss change management and communications within the context of the ASPEN Project.**

**AP 7/10: Director of Corporate Services and Director of Land Management & Regions to set out tactics to resolve issue concerning Direct Purchasing Order roles.**

#### **4. Investment Pipeline Proposals, including Operational Buildings**

Donna presented a paper on the emerging plan for investments, disposals and reserves from Financial Year (FY) 24/25 to FY 28/29. The plan aims to develop a more holistic approach to investments in alignment with financial sustainability.

David Leven presented a paper setting out a revised and simplified approach to asset disposals. This is part of the overall exercise to rationalise the organisation's approach to capital income generation, capital spending and financial reserve management. He outlined the rationale and recommendations before seeking feedback from the ELT.

The ELT agreed to the recommendations subject to the following:

- Two categorisations for investments; Woodland Creation and Productive Investment.
- Review the Land Management Portfolio total figure, to ensure best value.
- Circulate stocktake update on progress with the Woodland Creation Programme.

Johnathan Frost provided an overview of the revised asset categorisation, business case stages and governance. The ELT then tested these against the business cases set out in the Investment Pipeline Proposals spreadsheet, while also reviewing the business cases themselves. On this latter point, Kevin requested that the ELT members include their comments in the spreadsheet after the meeting.

The ELT agreed to the following categorisation:

- Operational assets under £500,000 are to be handled under Annual Financial Planning (AFP) as part of a region's Building Strategy and with Stage 1 business cases approved by Graeme Prest and Graeme Hutton.
- Operational assets over £500,000 require approval by ELT subject to Stage 1 or Stage 2 business case.
- Investment for Growth assets require approval by ELT subject to Stage 1 or Stage 2 business case.

The ELT provided the following feedback on the Investment Pipeline Proposal system:

- Develop a standardised approach to commonly held operational assets, such as deer larders.
- Consider tailoring templates for each business case investment category.
- Consider full life cycle costs of any investment.
- Create flowchart for business case categories.

David sought clarity on whether land and property assets should be included in this system, highlighting that it should be made clear if these are to be discounted. The ELT agreed to include these, though this may be reviewed.

**AP 8/10: Director of Land Management & Regions to share stocktake update on progress with the FLS woodland creation programme and next steps.**

**AP 9/10: Director of Commercial Development to incorporate feedback from ELT regarding Asset Disposals.**

- **Director of Land Management & Regions and Director of Commercial Development to reevaluate the Land Portfolio Management total figure.**

**AP 10/10: ELT members to include comments on the Investment Pipeline Proposal spreadsheet.**

**AP 11/10: Chief Financial Officer to integrate feedback from ELT regarding the Investment Pipeline Proposals:**

- **Consider tailoring templates for each business case investment category.**
- **Design Stage 2 template.**
- **Consider the full life cycle costs for any investment.**
- **Create flowchart for business case categories in line with policy and framework.**

**AP 12/10: Chief Financial Officer to update Reserves, Investments & Disposal Policy to reflect conclusions on what investment decisions are made where and categories of disposals.**

**AP 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.**

## **5. AOB**

Julie Fitzpatrick shared the document 'Updated Equality Act - Worker Protection Bill 2024 Protection from Sexual Harassment' via correspondence, which the ELT approved. This update is to reflect the change in legislation around sexual harassment that is coming into effect in the near future.

Michael asked for ELT members to please update Lynne Marsh (PA to the CEO) with annual leave dates in sufficient time. He also asked members to agree who will be on-call over the winter holidays.

The date of the next ELT meeting is 28 October 2024.