



Forestry and
Land Scotland
Coilltearachd agus
Fearann Alba

Forestry and Land Scotland Rolling Three Year Business Plan

April 2026 - March 2029

Introduction

FLS is a strong organisation with an enduring mission, working for Scottish Ministers *“to look after Scotland’s national forests and land, for the benefit of all, now and for the future”*. We are proud of the contributions that we make to our society, environment, and economy.

This three-year Business Plan, covering Financial Years April 2026 to March 2029, sets out how we will deliver Scottish Ministers’ ambitions contained in our **2026 - 2030 Corporate Plan**, and how we will match our income sources to our priorities. This is a rolling plan which will be updated annually.

We have achieved a great deal in over 100 years and looking ahead we want to deliver even more for the people of Scotland; our aim is to sustain and maximise the public value of the fantastic natural asset in our care. We currently earn around 80% of our funding from trading and receive the remaining 20% from Scottish Government funding. We are working towards being financially sustainable by 2029 by making a surplus from our trading activities (timber, estate development, renewables, and commercial aspects of visitor services) that we will invest in the land we manage, and in the communities and public services that we provide (visitor services, community empowerment, and nature conservation). We also want to develop more partnerships with the public and private sectors, and with communities, to deliver those services and achieve best value for public money in line with Scottish Government priorities and the Scottish Government’s Public Sector Reform programme.

As elaborated in our Corporate Plan, FLS aims to deliver for Scotland’s for **people, nature, climate** and the **economy**. By integrating our goals and making best use of the synergies and complementarities in our different activities and working at scale across the national forests and land, we can deliver so much more than would be the case if we were to undertake these activities in isolation. The outcomes that are possible from the work conducted by FLS, at the vast scale of the national forests and lands, are much greater than the sum of the individual parts. We are here for good...in the service of Scotland...as one FLS.

Kevin Quinlan
Chief Executive, Forestry and Land Scotland



1. Overview

FLS has huge ambition, but we know we cannot do everything. So, we must prioritise to give the “best fit offer” of public value working with the resources available to us. The inverted pyramid gives a sense of how our time and resources are expected to be deployed in achieving our outcomes:

- our **core** activity, that which enables us to steward Scotland’s national forests and lands, and work in support of the Scottish Government Net Zero ambition.
- how we will look to go beyond this to achieve **more** in response to wider Scottish Government objectives, subject to available resources; and
- how we will **explore** new opportunities and meet new challenges, whilst being strategic and selective in making any new commitments.

To help the organisation manage activities that are closely inter-connected, and which all contribute to both commercial and public 'value', we have framed our delivery within the following “value streams”:

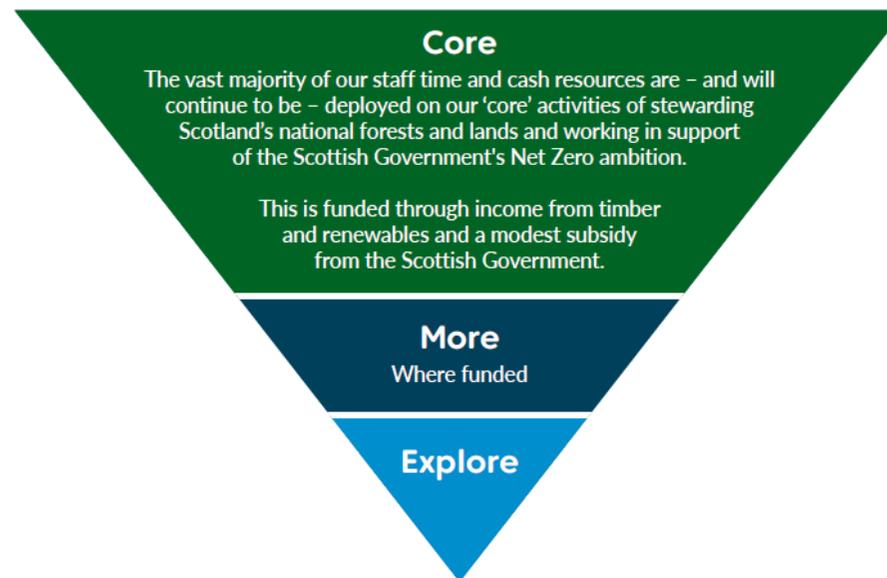
- Sustainable Forest Management;
- Energy & Estate Development;
- Visitor Services & Communities; and
- Natural Capital.

These are also supported by enabling activities such as Technical Services, People, Procurement, Corporate Services, Buildings & Fleet. These enablers have been grouped into a fifth value stream: High Performing Organisation (see page four).

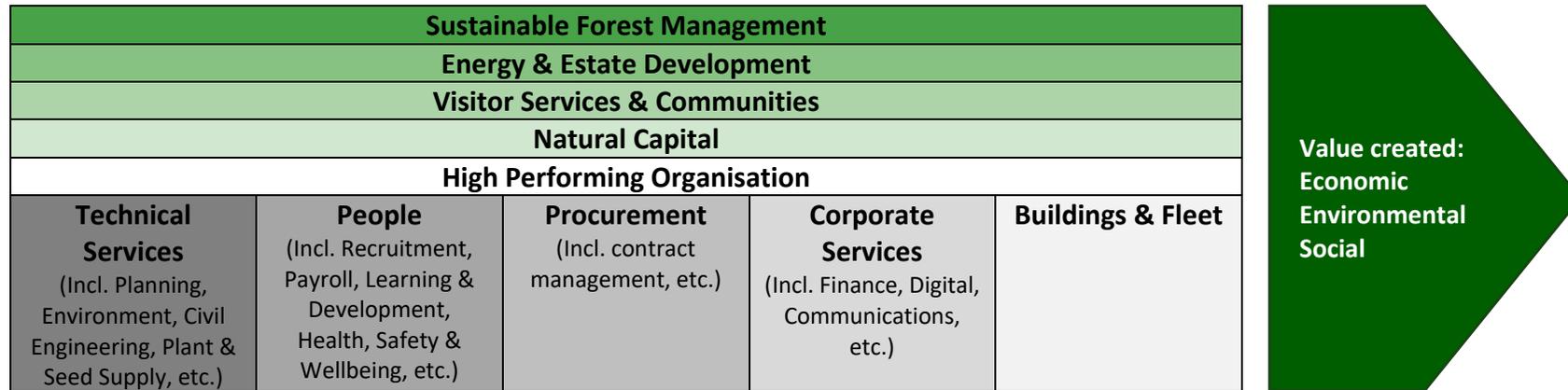
Brigading our value-adding activity by value stream helps us to identify inefficiencies, eliminate waste, and improve overall performance. **This three-year Business Plan sets out our strategic delivery objectives by value stream.** (See page five.)

Our One FLS, Fit for the Future (FftF) change programme sets out a portfolio of improvement initiatives to deliver sustainability. These operate at three levels. First, we want to reinforce ongoing **continuous improvement** to improve business efficiency. Second, we have identified several specific **Major Productivity Improvement Projects**, especially across the forest management cycle, some of which might be transformational in time. Designed to help us run the business better every day, these will be led by the relevant regional and national teams with some dedicated project management support. Third, we are also **reinforcing the foundations** of the essential enablers of success across FLS, including our ongoing investment in leadership and managing change.

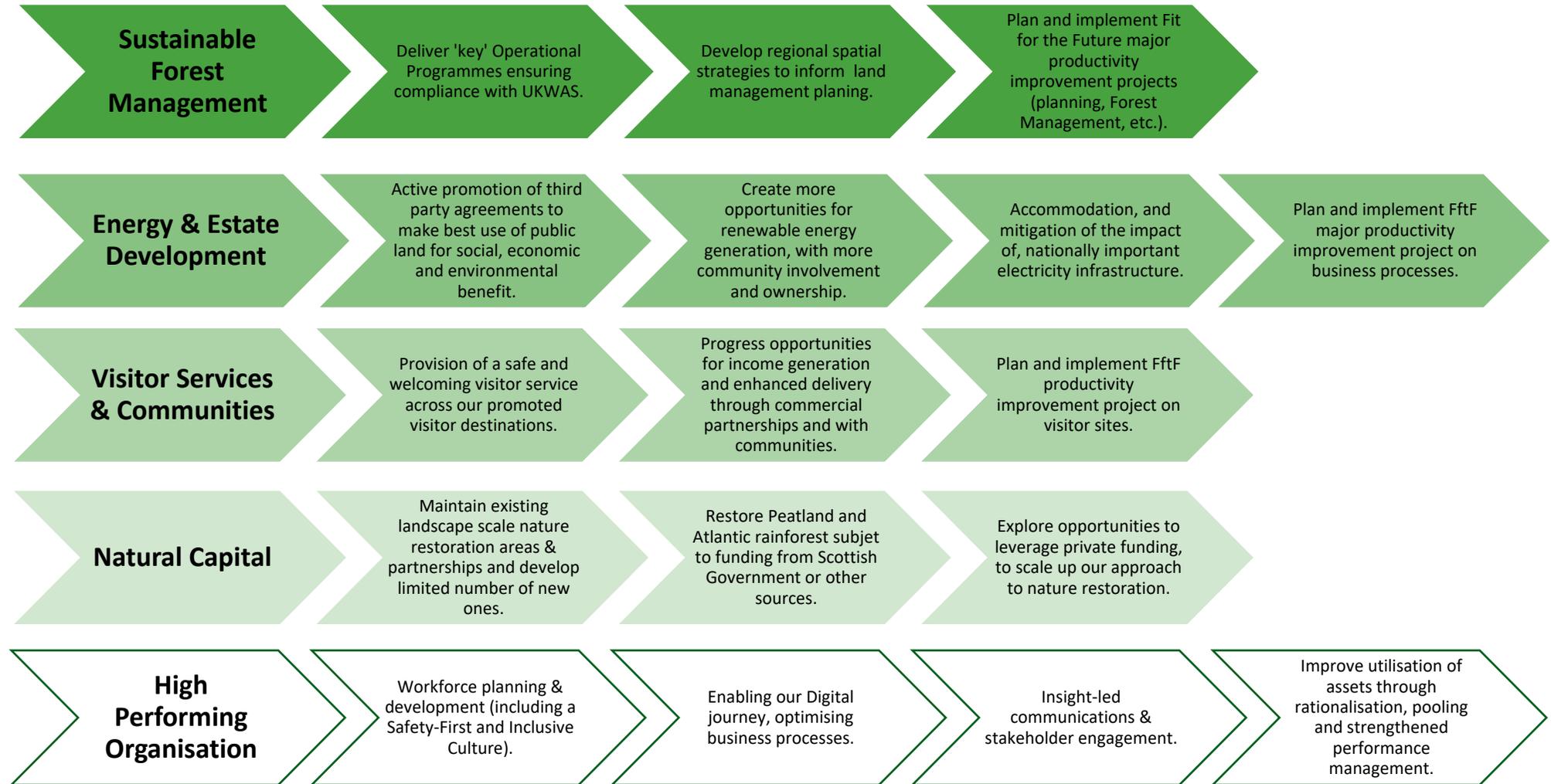
Working as One FLS is key to sustainability. Each FLS cost/value centre and all support functions are expected to play a role in enabling all value streams to be as beneficial and profitable as possible. Our approach to managing this will evolve during the period of the plan.



FLS Value Streams



Strategic Objectives by Value Stream:



2. About Us

FLS's **operating principles**, which apply to all our work, are that we:

- work **holistically**: integrating social, environmental, and economic objectives.
- plan for long-term **sustainability**, for the next generations of people and trees.
- work **collaboratively** and in **partnership**, engaging with communities, neighbours, stakeholders, and partners in the public, private and third sectors, to inform the choices we make.
- work in a **commercially astute** and **innovative** way, generating income to enable us to become financially sustainable, and to minimise our call on public funds.
- collaborate with suppliers and customers, developing **long-term relationships** to support their, and our, business development.
- **look after our people**, investing in their skills and talents, promoting a safety-first culture, improving our leadership and performance management, and fostering wellbeing and inclusion. We have a unique set of capabilities and deliver at scale.

FLS is organised under four Directorates: **Land Management & Regions**, **Commercial Development**, **Net Zero** and **Corporate Services**.

- **Land Management & Regions** is responsible for: national land management services including: Planning and Environment; Technical Services; and Timber Marketing and Sales. The Directorate is also accountable for operational delivery across the five regions.
- **Commercial Development** is responsible for creating added value from Scotland's forests and land through: property, estate, and asset management; hosting of renewable energy and national infrastructure; visitor services and recreation; community and commercial partnerships; and procurement of essential goods, works and services required by FLS and contract management.
- **Net Zero** is responsible for: buildings; fleet; digital technology; and carbon accounting.
- **Corporate Services** is responsible for: Finance; People Team & Organisational Development; Corporate and Business Planning; Portfolio/ Project Management Office; Change Management; Communications, Brand and Media; Corporate Governance and Assurance.

Full details of our organisational structure and governance (including roles, responsibilities) can be found on our website. These are reviewed and updated from time to time to stay relevant to the evolving needs of the organisation.

3. Actions, Programmes and Services

FLS intend to deliver an ambitious set of programmes and services to contribute to the delivery of the Corporate Plan over the course of the next three years. For each of our five value streams, the graphics below sets out our strategic objectives and key actions.

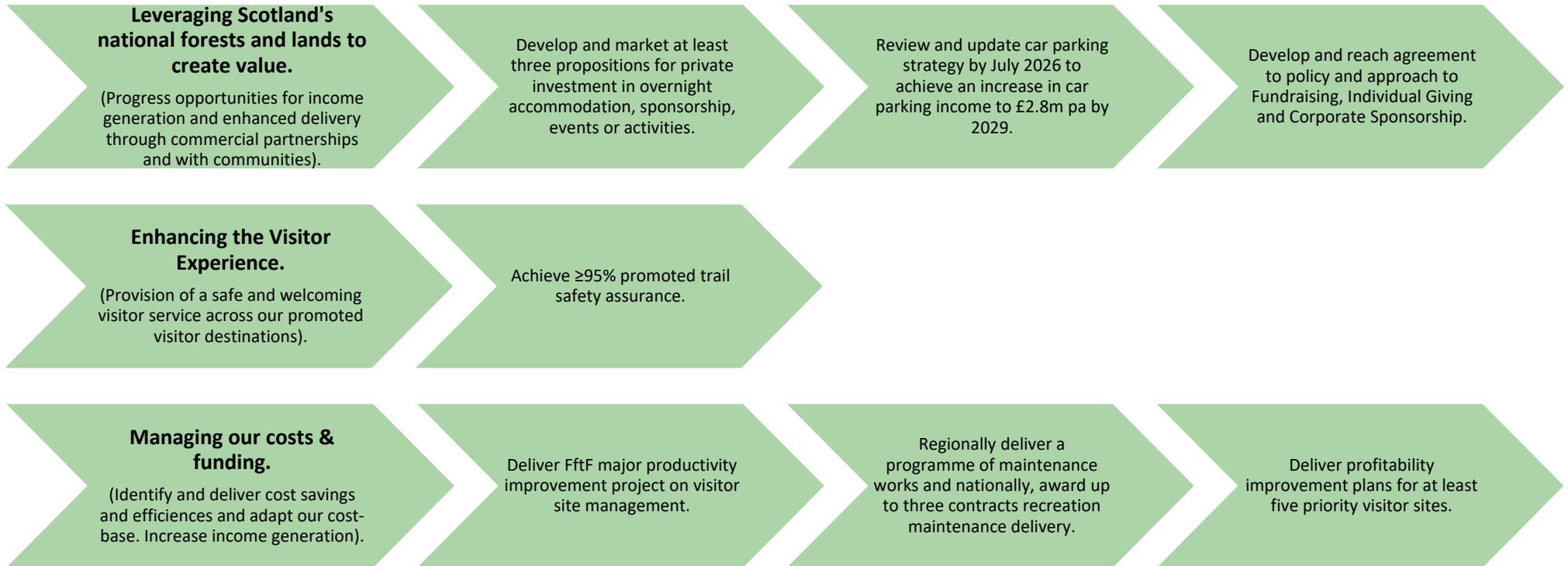
Value Stream – Sustainable Forest Management



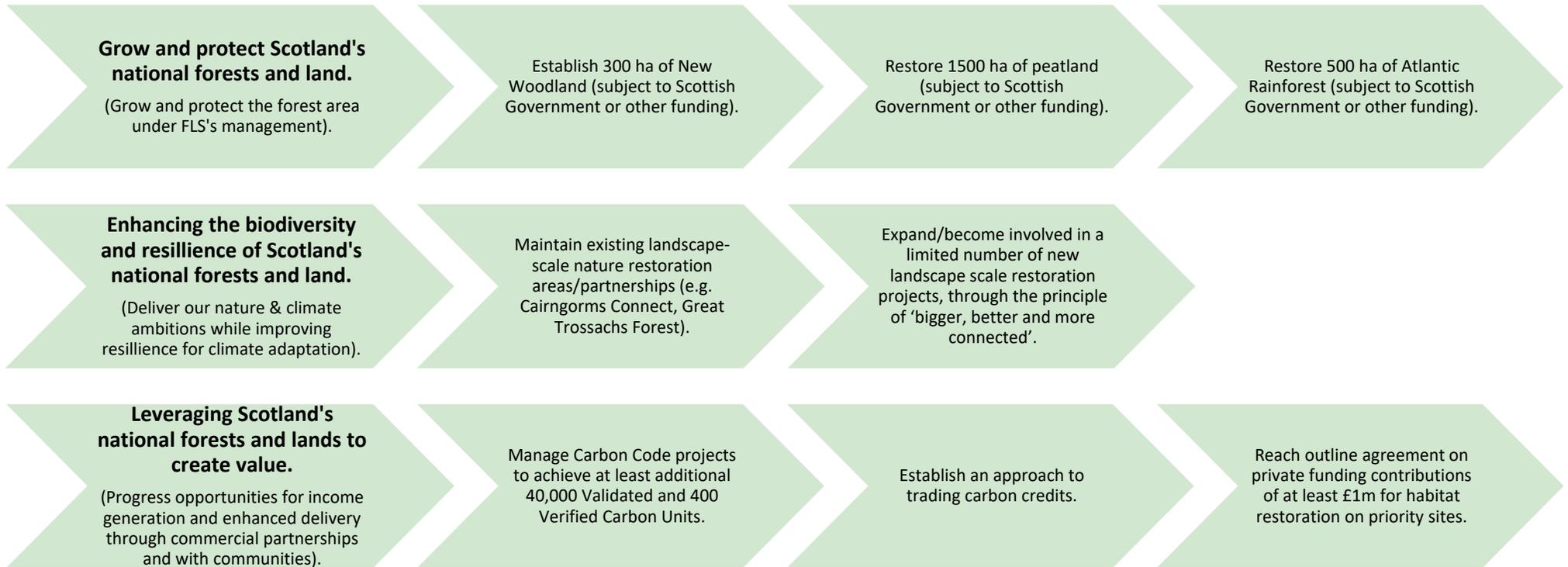
Value Stream – Energy & Estate Development



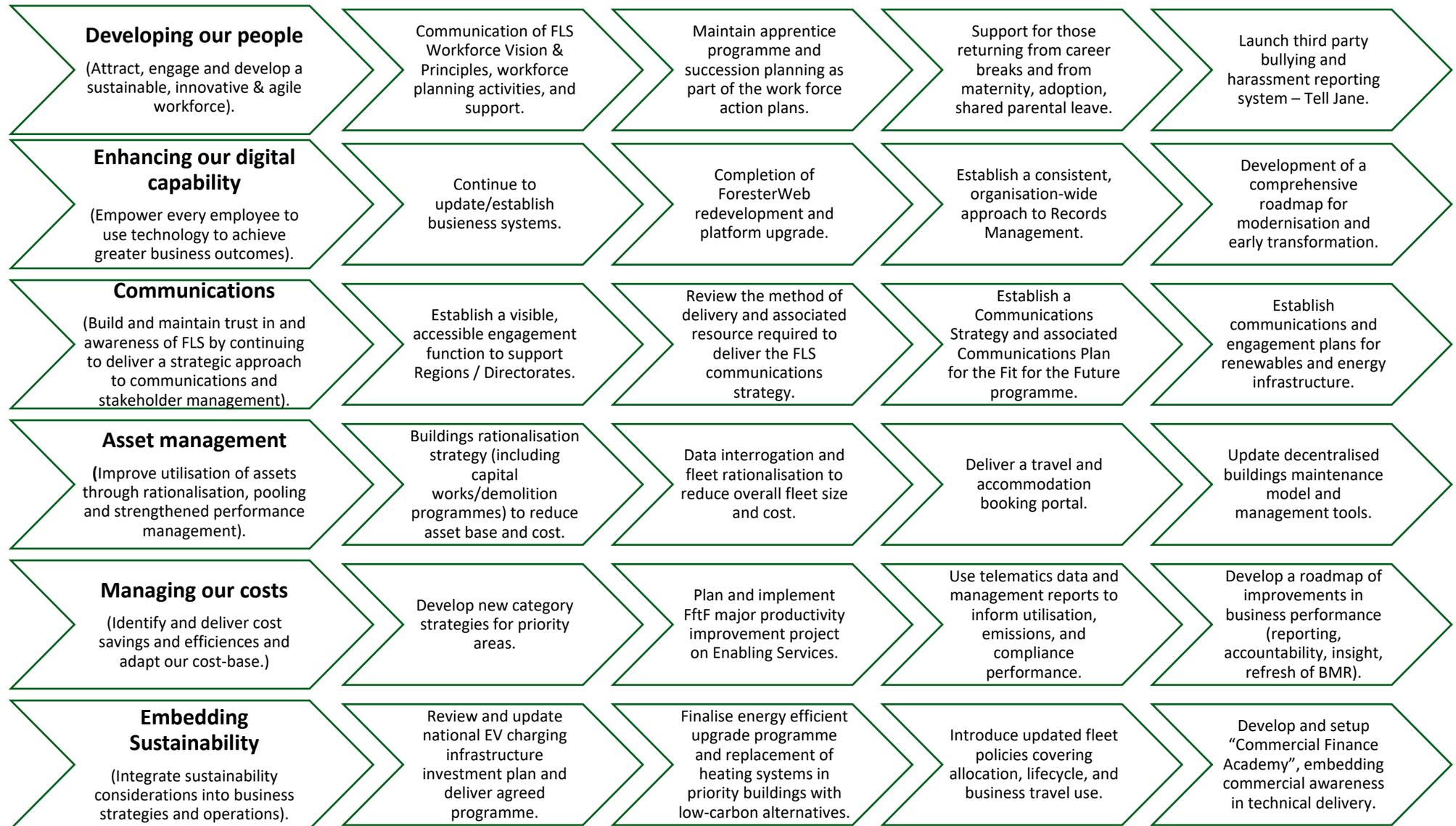
Value Stream – Visitor Services & Communities



Value Stream – Natural Capital



Value Stream – High Performing Organisation



4. Monitoring & Evaluation

To monitor and evaluate our achievement of outputs and milestones Forestry and Land Scotland has adopted the following Performance Dashboard:

Operational Performance			
Key Performance Indicator (KPI) Measure	FY 26/27	FY 27/28	FY 28/29
Harvesting Volumes	3.3 m m ³ obs ¹	3.3 m m ³ obs	3.4 m m ³ obs
Restocking Area	7,367 ha	7,963 ha	8,082 ha
Deer Cull	43.7 k	43.6 k	43.6 k
New Wind Energy Option Agreements	820 MW	80 MW	80 MW
New Estate Agreements	44	44	44

Stakeholder Satisfaction / Operational Performance			
Key Performance Indicator (KPI) Measure	FY 26/27	FY 27/28	FY 28/29
Visitor Site Rating	4.5 Google Rating	4.5 Google Rating	4.5 Google Rating
Community Projects	90	90	90
Woodland Created	300 ha (Gross)	200 ha (Gross)	200 ha (Gross)
Peatland Restored	1,500 ha	1,000 ha	1,000 ha
Rainforest Restored	500 ha	500 ha	500 ha

Compliance			
Key Performance Indicator (KPI) Measure	FY 26/27	FY 27/28	FY 28/29
High / Medium Internal Audit Actions Closed	100%	100%	100%
UKWAS ² Certification	Retain	Retain	Retain

¹ m³ obs (cubic metres over bark standing) – a volume measure of timber.

² UKWAS (The UK Woodland Assurance Standard) - independent certification standard for verifying sustainable woodland management in the UK that is used for both Forest Stewardship Council® (FSC®) and the Programme for the Endorsement of Forest Certification (PEFC) certification.

Asset Management			
Key Performance Indicator (KPI) Measure	FY 26/27	FY 27/28	FY 28/29
Re-establishment Backlog Programmed	1,440 ha	1,963 ha	2,082 ha
Designated Sites	94%	94%	94%
Vehicle Utilisation	48%	50%	55%

Health, Safety & Wellbeing			
Key Performance Indicator (KPI) Measure	FY 26/27	FY 27/28	FY 28/29
Near Miss / Incident Ratio	40%	40%	40%
Accident Investigation Level Set Within Time Limit	80%	80%	80%

People			
Key Performance Indicator (KPI) Measure	FY 26/27	FY 27/28	FY 28/29
People Survey Rating	65%	65%	65%
Staff Gender Balance	35% of staff being female	35% of staff being female	35% of staff being female
Mandatory Training Complete %	95%	95%	95%
Headcount (FTE's)	1046	1014	934

5. Finances

Getting to financial sustainability will require a **step change in how we do business in a more commercial and agile way**. Rather than eroding our reserves, we need to get to position of building reserves to create operational resilience needed to buffer cyclical downturns in timber and other income. This is a rolling plan which will be updated annually. Our financial forecasts will be monitored and updated as our Fit for the Future programme is driven forward.

Our forecast income and expenditure for 2026/27 is set out below.

FLS Budget FY 2026/27	£M
Commercial income	152
SG Funded Natural Capital	19
Total Income	171
Total Expenditure	186
Deficit	(14)
To be funded by:	
Annual Subsidy Limit (ASL)	18
Reserves	(3)
Total	14

