NHS Shetland

Meeting:	NHS Shetland Board Meeting
Meeting date:	23 September 2025
Agenda reference:	Board Paper 2025/26/32
Title:	NHS Shetland**'s** Ministerial Annual Review 2025 - Minister's Letter
Responsible Executive/Non-Executive:	Gary Robinson - Chair
Report Author:	Brian Chittick – Chief Executive

1. Purpose

This is presented to the Board/Committee for:

- Awareness - For Noting

This report relates to:

- Annual Operating Plan
- Government policy/directive
- Legal requirement
- NHS Board Strategy

This aligns to the following NHSScotland quality ambition(s):

- Safe
- Effective
- Person-centred

2. Report summary

2.1. Situation

On 1 September 2025, Maree Todd MSP wrote to the Chair of NHS Shetland summarising the Ministerial Review visit to Lerwick on 18 August 2025. The letter captures feedback from staff, clinicians, partners, patients/carers and the public, and sets out observations on finance, workforce, resilience, access and local strategy.

2.2. Background

The Annual Review programme comprised of:

- a joint session (Area Partnership Forum and local Professional Advisory Committees given the ACF Chair vacancy);
- a patients/carers meeting;
- a public session;
- a private session with the Chair and Chief Executive.

2.3. Assessment

Highlights / areas of strength:

- Constructive clinical and staff engagement across committees; clinicians actively shaping clinical governance, patient safety, workforce, service reform and sustainability (including Realistic Medicine).
- Strong APF relationships and practical innovations (e.g., remote working offers) aiding recruitment and retention and enabling staff who move off-island to continue working for NHS Shetland.
- Finance: Break-even delivered in 2024/25; continuing commitment to financial sustainability and recurring efficiencies.
- Workforce wellbeing and attendance: Best territorial Board performance on sickness absence in 2024/25 at 4.4% versus national 6.4%. Nurse agency spend decreasing with a shift to bank.
- Quality/access: Sustained delivery against the 31-day cancer standard; CAMHS at 100% within 18 weeks (Q4 2024/25); progress on MAT standards and alcohol/drugs access targets.

Areas to focus moving forward:

- Deliver recurring savings and manage cost pressures: temporary staffing, travel/accommodation, and prescribing; continued support from the Financial Delivery Unit.
- Recruitment and retention in key clinical roles (consultant vacancies), with housing and cost of living as barriers; ongoing work with the Council (e.g., empty homes initiative; mid-market rental stock).

- Resilience/winter: Embed learning from the 31 Mar–3 Apr critical incident at Gilbert Bain Hospital (peak occupancy 121%); maintain surge, escalation and elective protection arrangements.
- Unscheduled care & delayed discharge: Address persistent pressures, particularly care home capacity; continue governance, scrutiny and partner mitigations.
- Planned care recovery: Target longest waits; deploy national investment locally (~£422k plus £85k additional) across pressured specialties to reduce >52-week waits towards zero.
- Psychological Therapies: Improve performance (Q4 2024/25 at 59.7% within 18 weeks) and sustain progress to the 90% standard.
- Engagement priorities: Full APF involvement in GBH essential maintenance; respond to patient/carer feedback on joined-up care, accessible communications.
- Annual health checks for people with learning disabilities.

2.3.1. Quality / patient care

Patients and carers reported mostly positive experiences of high-quality local care. Improvement opportunities include joined-up systems for continuity, accessible communications tailored to needs, and recognition/support for carers. Digital options (e.g., Near Me) and appropriate local facilities (including supported housing) remain important to accessibility and sustainability. Commitment reaffirmed on annual health checks for people with learning disabilities.

2.3.2. Workforce

Wellbeing and resilience actions were commended; sickness absence performance (4.4%) was best among territorial Boards versus a 6.4% national average. Continued shift from agency to bank staffing is welcomed, with a sustained safe-staffing approach. Recruitment and retention remain challenging in some specialties; actions include housing solutions with the Council, remote working, and ‘home-grown’ talent pipelines with partners.

2.3.3. Financial

2024/25: Break-even achieved. 2025/26: initial £5.0m gross deficit plan reducing to breakeven after targeted savings; Month 3 YTD deficit £1.0m with confidence in year-end breakeven. Key pressures include temporary staffing, travel/accommodation, and prescribing. Financial Delivery Unit support continues.

2.3.4. Risk assessment/management

Some of the risk discussed during Annual Review:

- **Demand and surge risk** (winter respiratory illness; learning from Mar/Apr critical incident). Controls: embedded surge/escalation, staffing models, communications, and elective protection.
- **Patient Flow risk** (delayed discharge; care home capacity). Controls: Board-partner governance/scrutiny; focus on longest waits/avoidable delays.

- **Workforce risk** (vacancies, costs, wellbeing). Controls: recruitment campaigns, APF involvement, remote working, wellbeing programme.
- **Digital integration risk** (systems interoperability; paperless workflows). Control: prioritise paperless prescribing/digital signatures and targeted IT development.

2.3.5. Equality and Diversity, including health inequalities

Actions support the Public Sector Equality Duty and Fairer Scotland Duty via carer recognition, communications appropriate to individual needs, and delivery of annual health checks for people with learning disabilities; continued emphasis on equitable access for remote and rural populations.

2.3.6. Other impacts

National Drugs Mission: Strong local position on MAT standards and waiting time targets; maintain engagement with lived/living experience voices regarding sustainable funding concerns. Local strategy alignment: Continued delivery against the local strategic plan consistent with national frameworks; emphasis on innovation and meaningful public involvement.

2.3.7. Communication, involvement, engagement and consultation

Extensive engagement evidenced through APF/clinical committees, patients/carers session, public session, and private session with Chair/Chief Executive; ongoing actions include co-production with staff-side on GBH maintenance and sustained dialogue with patient and lived-experience groups.

2.3.8. Route to the meeting

This report has not bee considered anywhere else prior to presentation at Board Meeting.

2.4. Recommendation

- **Awareness - for noting**

Members are asked to note the Minister’s feedback, the identified strengths, and the focused priorities for the coming period, and to support continued delivery via established governance routes.

3. List of appendices

1. Minister’s Letter — Letter from Maree Todd MSP to Chair NHS Shetland - ANNUAL REVIEW 2025 - 010925.pdf (01 Sep 2025)

Minister for Drugs and Alcohol Policy and Sport
Maree Todd MSP
Ministear airson Poileasaidh Dhrogaichean is na Dibhe agus Spòrs
Maree Todd BPA

T: 0300 244 4000
E: MinisterforDAPS@gov.scot

Scottish Government
Riaghaltas na h-Alba
gov.scot

Gary Robinson
Chair
NHS Shetland

Via: carolyn.hand@nhs.scot

01 September 2025

Dear Gary,

NHS SHETLAND ANNUAL REVIEW: 18 AUGUST 2025

1. This letter summarises the main points discussed from the Board's Annual Review and associated meetings in Lerwick on 18 August. I was supported by Caroline Lamb, Director General of Health & Social Care and Chief Executive of NHS Scotland.

2. We would like to record our thanks to everyone who was involved in the preparations for the day, and also to those who attended the various meetings. We found it a highly informative day and hope everyone who participated also found it worthwhile.

Joint Meeting: Area Partnership Forum and local Professional Advisory Committees

3. With the agreement of the local attendees, NHS Shetland had requested this be a joint session. This is partly because, as a small island Board, there is a strong crossover between local membership of the respective groups. NHS Shetland also confirmed that they do not currently have a Chair of the local Area Clinical Forum (ACF), which had therefore not met in recent months. The Board has provided assurances that every effort is being made to encourage candidate clinicians to consider taking on the Chair role and to fully re-establish the ACF as soon as possible. Nonetheless, some of the clinicians that that attend local advisory committees that ordinarily populate the ACF were in attendance for this joint session and it was reassuring to hear that they felt they had been meaningfully involved in the Board's focus on effective clinical governance and patient safety. In addition, we were assured that local clinicians have played a significant role in terms of informing the Board's approach to other key areas, including workforce recruitment and retention, alongside staff wellbeing, performance management and improvement, service transformation and reform, and financial sustainability; not least through the effective pursuit of the *Realistic Medicine* programme.

4. We had very interesting discussions with the representatives from the various professional committees, including how important it is to embrace the opportunities to significantly improve efficiencies and patient care that will come from new digital ways of working, including paperless prescribing and digital signatures, alongside the need for more focused IT development and integration. We heard about the recruitment and retention challenges facing certain specialties, and the importance of new roles and a truly multi-disciplinary healthcare team in addressing the prevalent demand and sustainability challenges facing the NHS; the need to retain as many 'home grown', trained staff as possible, not least through effective partnerships with local educational providers, third sector organisations and others; whilst investing appropriately in early intervention, health improvement and in primary/community care settings, alongside acute services; and the need for consistent public messaging around accessing the right services, in the right place and at the right time. We were grateful to the local clinicians for taking time out of their busy schedules to share their views with us.

5. We were also pleased to meet with colleagues from the Area Partnership Forum (APF) and it was clear that there are strong local relationships. Indeed, the on-going commitment of local staff in the face of consistent service pressures will have been fundamental to a number of developments and improvements that have been delivered locally. We also acknowledged that very many pressures remain on staff throughout the NHS and with planning partners; and are very conscious of the cumulative impact on the health and social care workforce.

6. Once again, it was reassuring to hear that the APF continues to meaningfully inform and engage with the Board on the development of the local system strategies and associated workforce plans, alongside key work on staff wellbeing and dignity at work agenda. We were assured that the staff side had continued to be actively involved and engaged in a wide range of this work, including: supporting workforce recruitment and retention, such as peer support group; promotion of NHS Shetland as a good place to work, including offering remote working where appropriate, which has resulted in the Board being able to recruit and retain staff that would otherwise have been lost; and has meant that some staff who have had to move off the island are still able to work for NHS Shetland.

7. Clearly, embracing technology and different ways of working should continue to have a positive impact on recruitment and retention. While we note the wide range of positive work to recruit and retain staff, we heard that the cost of living and access to affordable housing is a barrier to recruitment. I raised this with the Board during the private session and understand that work is on-going with the council to address this; for example, by looking at an empty homes initiative. I also understand that the council has been building or acquiring mid-market rental housing which should be available at the end of the year.

8. We also noted some staff concern about the planned essential maintenance works at the Gilbert Bain Hospital. We agreed that the APF needs to be fully involved and aware of any implications for staff. To this end, we were pleased to note that staff-side and management have a strong relationship and that you felt comfortable in expressing concerns frankly, whilst respectfully; which is a positive sign of a mature and successful working partnership.

Patients/Carers' Meeting

9. We would like to extend our sincere thanks to the patients and carers who took the time to come and meet with us. We very much value the opportunity to meet with patients and firmly believe that listening and responding to their feedback is a vital part of the process of improving health services.

10. The patients and carers in attendance spoke about a wide range of experiences in relation to local services and the standard of care and support received. We were pleased to hear the majority of experiences had been positive and reflected high quality local care and treatment.

11. We greatly appreciated the openness and willingness of those present in sharing their experiences and noted the specific issues raised, including: the importance of appropriate, local facilities, including suitable housing for those who need support to live independently; systems to support patient care and access that are effectively joined up to ensure continuity of care; recognition of the crucial role that carers play and the need to continue to support them, as much as possible; the need to ensure that communications with patients and carers take place in a way which is appropriate to their needs; the importance of embracing new technologies and ways of working to ensure the NHS is as accessible and sustainable as possible; and appropriate access to medical cannabis on the NHS.

12. We also heard about concerns around access to annual health checks for people with learning disabilities. Offering annual health checks is crucial in supporting people with learning disabilities and all NHS Boards are expected to use the provided funding and implementation support to carry these out. I took the opportunity to raise this important matter with the Board during the private session and was assured that NHS Shetland is committed to ensuring that the necessary local support is in place. The Scottish Government will continue to work closely with NHS Shetland, and all other NHS Boards, to support this. We also heard from the Lived and Living Experience Recovery Network about the importance of receiving support and being listened to, including concerns about sustainable funding for drug and alcohol treatment. Diary commitments permitting, I intend to visit Shetland again to hear more about this important local work, which remains a public health priority.

13. We are also grateful for the attendance of local patient focused officials from the NHS Board: to provide support during the meeting and to follow-up any individual local treatment and care concern.

Annual Review: Public Session

14. The public session began with the Chair's presentation on the Board's key achievements and challenges, looking both back and forward; moving through the key themes of resilience, recovery and renewal, in line with national and local priorities. We then took questions from members of the public: both those that had been submitted in advance and a number from the floor. We are grateful to the Board and local Partnership teams for their efforts in this respect, and to the audience members for their attendance, enthusiasm and considered questions.

Annual Review: Private Session

15. We then moved into private session with the Board Chief Executive and Chair to discuss local performance in more detail.

Finance

16. It was confirmed that, in 2024-25, NHS Shetland achieved a break-even position and has been relatively stable at Stage 1 on the NHS Scotland Support & Intervention Framework. As part of the Board's initial 2025-26 plan, NHS Shetland anticipated a gross deficit of £5.0 million, reducing to breakeven after targeted savings. At month 3, the Board presented a year-to-date deficit position of £1.0 million. Nonetheless, NHS Shetland remains confident that the Board will achieve a break-even position by the end of the financial year and we welcomed NHS Shetland's ongoing commitment to financial sustainability, despite challenging circumstances. We agreed that delivery of recurring efficiencies will be crucial to this and future year budget challenges.

17. We noted that key ongoing pressures include: temporary staffing costs, alongside travel and accommodation, and prescribing costs. The Government's Financial Delivery Unit will continue to work with NHS Shetland to monitor the position and assist with longer term financial planning and improvement.

Workforce

18. We would want to, once again, formally record our deep appreciation to all local health and social care staff for their consistent dedication and commitment, under largely unrelenting pressures since March 2020; and to give them an assurance that we will continue to do all we can to support them.

19. As with a number of Boards, there has been a significant increase in agency costs over recent years and we were pleased to hear that there has been a recent decrease in the local nurse agency spend, with a corresponding increase in bank spend. We were assured of NHS Shetland's commitment to sustainably reducing workforce costs in a way that is consistent with safe staffing. As with other remote and rural areas, recruitment and retention of key clinical roles can be challenging and that is reflected in the local medical consultant vacancy rate; though we were pleased to note the local rate has slightly reduced since 2024 and to acknowledge the efforts of the Board and its planning partners to promote living and working in Shetland.

20. As recognised in our earlier meetings with the local clinicians and other staff members, we remain very conscious of the cumulative pressures on the health and social care workforce; recognising the range of actions NHS Shetland is taking in terms of the wellbeing and resilience of local staff, in order to promote personal resilience, help prevent mental health issues developing and to promote overall wellbeing in the workplace. Such measures will also be material in terms of the local staff recruitment and retention efforts. We concluded this section by commending the Board for returning the best performance of all territorial NHS Boards in terms of sickness absence, with Shetland's 2024/25 rate of 4.4% well ahead of the national average of 6.4%.

Resilience

21. Given a possible resurgence of seasonal flu and other respiratory illness, this winter is again likely to be highly challenging for the NHS. We also remain conscious that most NHS Boards, including NHS Shetland, have already been confronted with a sustained period of pressures on local services.

22. Indeed, the Board had declared a critical incident from 31 March to 3 April this year due to pressures at the Gilbert Bain Hospital; with contingency beds opening and occupancy peaking at 121%, requiring some non-essential elective care to be postponed to protect emergency capacity. You explained that the key factors were a sustained higher level of delayed discharges since the start of 2025 (affected latterly by a reduction in care home capacity), a flu outbreak experienced later than elsewhere in Scotland, alongside a significant number of high-acuity and complex presentations.

23. It was therefore reassuring to hear about the Board's ongoing commitment to working collectively with planning partners to effectively manage and respond to such challenges; ensuring the safe management of local demand and capacity, as far as possible. I understand that good practice and lessons learned from both the critical incident and previous winters have been embedded into local systems and processes; and that robust arrangements are in place underpinning the local approach to staffing, modelling, communications, service resilience, escalation and surge planning, whilst protecting elective capacity, as far as possible.

Unscheduled Care & Delayed Discharge

24. The Government will continue to work with all Boards, including NHS Shetland, to reduce pressure on hospitals and improve performance; not least via the national Urgent and Unscheduled Care Collaborative programme; offering alternatives to hospital and directing people to the most appropriate urgent care settings, such as with the *Hospital at Home* programme.

25. As noted above, whilst we recognise the significant combined efforts on the part of the Board and its planning partners, challenges persist with delayed discharges; not least in relation to care home capacity in Shetland. We were assured that the Board has robust governance and scrutiny arrangements in place to monitor and mitigate delays alongside its planning partners, as far as possible; and that making sustained progress with the longest waits and avoidable delays remain key priorities.

Planned Care Waiting Times

26. We recognise that the initial pandemic response, which necessitated the prioritisation of Covid, emergency and urgent care, meant that there has inevitably been a regrettable increase in non-Covid health and wellbeing harms, alongside a significant backlog of non-urgent, planned care.

27. Reducing long waits in the NHS is one of the biggest priorities for the First Minister and the Scottish Government. Our record investment in the NHS this year is allowing us to target specific areas that are experiencing long waits, reducing backlogs and getting people the appointments and treatments they need as quickly as possible. The Scottish Government is investing £110 million nationally this year to deliver more than 300,000 appointments and procedures, including: 195,000 imaging scans, 31,000 inpatient or day-case procedures, 88,000 new outpatient appointments and 4,100 new dermatology outpatient appointments. This means 213,000 more appointments are expected to be delivered this year across Scotland than in 2024/25 – exceeding the Programme for Government commitment of delivering 150,000 appointments by more than 60,000. A proportion of the funding will also support cancer activity and provide critical supporting services including pathology, diagnostic reporting and pre-assessment.

28. Whilst acknowledging the clinical need to prioritise the urgent and cancer caseload, we recognise that the Board has been targeting the longest waits; in line with the Operational Improvement Plan commitment to ensure that no-one is waiting longer than 52 weeks for the new outpatient appointment or inpatient/day case procedure by March 2026. NHS Shetland has receiving approximately £422,000 from the national funding noted above and you explained this investment is being directed towards local specialties with the greatest pressures, including dermatology, ENT, ophthalmology, orthopaedics and imaging. A further £85,000 was subsequently allocated to the Board from an additional £5.5 million national investment, which will be targeted locally at rheumatology, paediatrics and oral and maxillofacial surgery. This is expected to reduce waits over 52 weeks to zero or close to zero for these specialities.

29. NHS Shetland continues to work with the National Elective Co-ordination Unit to support further sustained improvement. At the strategic level, the Centre for Sustainable Delivery continues to work with NHS Boards to introduce new and innovative ways of delivering care that will create additional capacity for inpatient, day case and outpatients; building on the success of initiatives, such as the *Near Me* programme. We were assured by the Board's continuing commitment to sustained improvement in elective waiting times performance, which we will keep under close review.

Cancer Waiting Times

30. The management of cancer patients and vital cancer services remains a clinical priority and NHS Shetland is to be commended for its sustained performance against the 31-day national waiting standard. As with other NHS Boards, performance against the 62-day target has been more challenged, though we recognised that NHS Shetland are largely reliant on NHS Grampian for a number of regional specialist services. Nonetheless, you assured us that the Board remains fully committed to embedding the *Framework for Effective Cancer Management*, including engaging closely with teams out with the Board area; as part of carefully considering the appropriate profile of services to meet local need.

Mental Health

31. In terms of the Board's performance against the CAMHS waiting standard, we were pleased to note the local success in meeting and maintaining the standard, with 100% of local patients starting treatment within 18 weeks of referral in the quarter ending March 2025; and, of those waiting to start treatment in March 2025, none had been waiting longer than 52 weeks.

32. For Psychological Therapies patients, 59.7% started treatment within 18 weeks of referral in the quarter ending March 2025; a decrease from 62.9% in quarter ending December 2024. As in other Board areas, NHS Shetland is experiencing significantly increased overall demand for mental health services, as well as often higher acuity in cases. You confirmed that the Board has a focus on addressing the most urgent cases whilst reducing the longest waits by the start of 2026; further assuring us that NHS Shetland remains committed to achieving and sustaining the 90% national standards. The Government's Mental Health Performance Team will continue to keep in close contact with the Board to monitor progress and provide support.

National Drugs Mission

33. We recognise that the level of drug deaths across Scotland remains unacceptably high and are leading a National Mission to reduce deaths and save lives, supported by an additional £250 million of investment over five years. The harms caused by use of illicit drugs and excessive consumption of alcohol remain significant public health issues for NHS Shetland and its planning partners.

34. We are investing in services and approaches based on the evidence of what works. This includes working with every locality in Scotland to embed the Medication Assisted Treatment (MAT) Standards; to enable the consistent delivery of safe, accessible, high-quality drug treatment. As such, we were pleased to note the strong position with the local commitments for the MAT standards, and in relation to the targets for waiting times for access to alcohol and drug treatment services, whilst noting the concerns raised earlier in the day by the Lived and Living Experience Recovery Network.

Local Strategies

35. All Boards will need to learn from the experience of recent years and adapt; ensuring that the remarkable innovation and new ways of working which have been demonstrated underpin the local strategy for a sustainable future. We were assured that the Board remains committed to its local strategic delivery plan and were pleased to note the progress being made. Clearly, the scale of the challenge faced in effectively planning and delivering healthcare services to meet ever-increasing need is very significant. This makes it all the more important that the Board and its planning partners innovate and adapt; ensuring that local strategies are fully consistent with key national policies and standards, such as the Population Health Framework and Health and Social Care Service Renewal Framework; whilst continuing to meaningfully involve and engage local people at every stage, as this vital work progresses.

Conclusion

36. I hope that by the time of the Board's next Ministerial Review we will be free of some of the more extreme pressures of recent years and able to focus fully on local service renewal. I am, nonetheless, under no illusion that the NHS continues to face one of the most difficult periods in its history and remain grateful for your ongoing efforts to ensure resilience. We will continue to keep local activity under close review and to provide as much support as possible.

Yours sincerely,

Maree Todd MSP

Taigh Naomh Anndrais, Rathad Regent, Dùn Èideann EH1 3DG
St Andrew's House, Regent Road, Edinburgh EH1 3DG
www.gov.scot