

SHETLAND NHS BOARD

Minutes of the Finance and Performance Committee (FPC) meeting held virtually on Tuesday 2 December 2025 at 14:00

PRESENT

Mr. Gary Robinson (Chair)	Mrs. Kathy Hubbard
Mrs. Emma Macdonald	

IN ATTENDANCE

Mr. Colin Marsland, Director of Finance (Executive Lead)	Mr. Brian Chittick, Chief Executive
Mr. Karl Williamson, Integrated Joint Board (IJB) Chief Financial Officer	Ms. Jo Robinson, IJB Chief Officer
Professor Kathleen Carolan, Director of Nursing and Acute Services	Mrs. Lorraine Hall, Head of Human Resources and Support Services
Ms. Lucy Flaws, Head of Planning	Ms. Edna Mary Watson, Chief Nurse Corporate
Mr. David Wagstaff, Head of Estates, Facilities, and Medical Physics	Mr. Michael Peterson, IT Manager
Ms. Bibiana Wojtczak, Senior Project Manager, Digital	Ms. Dina Strati, Corporate Records Manager
Mr. Paul Buchanan, NHS National Services Scotland (NSS) Board member	

1. Apologies for absence

Apologies were received from Business Continuity (BC) and Resilience Officer Mr. James McConnachie and FPC admin support Mrs. Erin Seif.

Head of Information Governance (IG), Freedom of Information (Fol) Lead, and Data Protection Officer Mr. Sam Collier-Sewell was not present.

FPC Chair Mr. Gary Robinson welcomed NHS NSS Board member Mr. Paul Buchanan, noting he had been invited to attend this meeting as a participant in the Aspiring Chairs programme.

2. Declarations of interest

There were no declarations of interest.

3. Minutes of 7 October 2025 meeting

The minutes of the 7 October 2025 meeting were approved by members and relevant substitute members by email following this meeting, as they were not included in the papers.

4. Matters arising

There were no matters arising.

5. Action Tracker

The only open action tracker item was covered under item 24 of this meeting.

Standing Items

6. Strategic Risk Report

Chief Nurse Corporate Ms. Edna Mary Watson presented the Strategic Risk Report highlighting a decrease in the IT-failure risk SR17, reflecting new mitigations; two IG-training risks and two organisational documentation risks out of date and under review; developments related to the workforce risk SR08, including a new short-life working group on how to attract substantive consultants; three new risks, relating to the climate emergency, the structural integrity of the Gilbert Bain Hospital (GBH), and the ageing NHS estate; and an upcoming externally-facilitated risk-appetite session for all Board members to review all strategic risks. FPC members welcomed the risk-appetite session and the development of the estates risks. The FPC noted the Strategic Risk Report.

7. Waiting Times Report

Director of Nursing and Acute Services Professor Kathleen Carolan presented the Waiting Times Report highlighting a new substantive audiologist, providing a hybrid service, from 2026; backlog challenges in oral surgery; support sought through the National Elective Coordination Unit for the rheumatology service; and non-recurrent funding being used to enhance community-led urgent care services. Prof. Carolan also referred to the recent planning shift from Board-level discussions with Scottish Government (SG) to sub-national groups, noting the impact of this change to NHS Shetland is not yet clear, particularly on communicating island nuance.

In response to a member's question, Ms. Robinson shared the Mental Health team report feeling supported and developments including a new psychologist working with a data analyst from Health Improvement Scotland and group-work initiatives have eased some pressure.

On a member's question regarding the "Waiting Well" initiative, Head of Planning Ms. Lucy Flaws noted a national approach for waiting patients around NHS Inform resources, as well as two upcoming local tests of change: a community appointment day to support health behaviour change in patients awaiting orthopaedic surgery and link them to physio resources to optimise surgical outcomes; and ensuring people presenting to Primary Care with mental health and Attention Deficit Hyperactivity Disorder concerns are directed to the right resources while awaiting next steps in care.

Turning to a member's concern about the tight timeline to prepare a 2026–27 Planned Care plan when SG guidance will not come until early 2026, Prof. Carolan suggested the more pressing concern was whether the plan will be assessed in the light of remote and rural context following the recent move to a sub-national population-level approach.

The FPC noted the Waiting Times Report.

8. Financial Monitoring Report

Director of Finance Mr. Colin Marsland presented the Financial Monitoring Report noting NHS Shetland was £1.7m overspent at the end of September 2025.

Members acknowledged NHS Shetland's ongoing efforts to achieve the recurring savings target set by SG.

The FPC noted the Financial Monitoring Report.

9. Quarter Two review letter from Scottish Government

Mr. Marsland presented the Quarter Two review letter from SG sharing there was little change from the content of the equivalent Quarter One letter.

The FPC noted the Quarter Two review letter from SG.

10. Finance and Sustainability Group update

Integrated Joint Board (IJB) Chief Financial Officer Mr. Karl Williamson presented the Finance and Sustainability Group (FSG) update, highlighting a revised FSG Terms of Reference included for FPC review. Mr. Williamson described its standing agenda: a savings monitor database of all NHS Shetland change projects; staff-submitted ideas in a dedicated mailbox; a new standard operating procedure to address audit recommendations; Executive Management Team (EMT) commissions; and reviewing the Board vacancy committee process.

One member noted positive feedback from Estates staff on savings-related transport changes, suggesting good change-management and likely buy-in from staff for future savings projects.

IJB Chief Officer Ms. Jo Robinson flagged the challenge of keeping up with new developments within services while also achieving savings and maintaining financial sustainability.

Members and attendees discussed the high cost of air travel, and Mr. Williamson will consult with NHS Orkney on their approach to the issue.

The FPC noted the FSG update and approved its revised Terms of Reference.

11. Performance Report

Head of Planning Ms. Lucy Flaws presented the Performance Report, flagging newly included performance indicators around Allied Health Professions, such as waits for musculoskeletal services and cardiovascular long-term conditions, in response to requests for more Primary Care information. While such information is hard to obtain nationally, this data is local and quality-checked and should be reliable, evidencing prevention work in supporting those living with long-term conditions to manage them without requiring emergency or out-of-hours care.

Ms. Flaws also highlighted challenges around compliance with FoI targets, largely due to managers covering multiple service areas facing a high volume of requests. Mr. Marsland noted Mr. Collier-Sewell is in communication with the Information Commissioner's Office regarding NHS Shetland's non-compliance with the target of 50% of Fols answered on time.

The FPC noted the Performance Report.

12. Digital Health update

Chief Executive Mr. Brian Chittick presented the Digital Health update, highlighting learning implemented following an external-party review of the Digital Strategy, including strengthening the Digital Initiation Group as a starting-point for project work; reviewing the Digital Governance Group's (DGG) terms of reference and membership to ensure robust scrutiny and assurance; and commissioning Adaptive Digital to support digital enablement, literacy, and engagement across the organisation through leadership sessions and group and individual coaching, with a focus on applying Artificial Intelligence organisation-wide. Mr. Chittick also touched on the near-complete migration from Windows 10 to 11, well ahead of other Boards.

Turning to the annual Network and Information Systems (NIS) audit, Mr. Chittick explained NHS Shetland's score improved to 75% with positive feedback on audit-engagement, cybersecurity performance, and resources available to sustain security. IT Manager Michael Peterson expanded on Mr. Chittick's summary, noting though SG are now replacing NIS audits with a continuous assessment model, the 75% score aligns with other Boards and reflects ongoing work against evolving threats including ransomware, supply chain management, and protection of medical-device operating systems against cyberattacks.

Following discussion between members and attendees, Mr. Chittick will consult EMT on whether it and FPC should review a retrospective business case for Adaptive Digital.

ACTION: Mr. Brian Chittick

The FPC noted the Digital Health update.

13.FPC Business Plan 2025–26

Mr. Marsland presented the 2025–26 FPC Business Plan for review and approval, highlighting the sole change of moving the FPC Terms of Reference review to this meeting instead of next.

FPC Chair Mr. Gary Robinson explained delayed items should also be reported by those responsible for them to allow the necessary updates to the FPC business plan.

The FPC approved the FPC Business Plan 2025–26.

14.Information Governance update

Mr. Marsland presented the IG update in the absence of Mr. Collier-Sewell.

Members and attendees noted some ambiguity in the information presented, particularly new target dates for high-priority work-packages where deadlines were missed. Mr. Marsland shared the new deadline for completing the IG policy would be 31 March 2026, and noted the Information Governance Group regularly reviews the actions presented in detail.

The FPC noted the IG update.

15.Capital Programme update report

Head of Estates, Facilities, and Medical Physics Mr. David Wagstaff presented the Capital Programme 2025–26 update highlighting several near-complete major investment projects including the Montfield roof-replacement and hospital medical gases, as well as good year-one progress on the five-year fire strategy programme. Mr. Wagstaff also noted projects beginning in the final quarter, including adaptations for a GBH low-stimulus room, increased morgue capacity, major works on the Fair Isle house ahead of the new nurse's arrival in February, and a structural-steel temporary wrap scheduled for installation around the GBH in the New Year.

Mr. Chittick flagged an emerging capital investment risk arising from the new sub-national planning framework, noting NHS Shetland is seeking to clarify the decision-making process, governance, and equity assurance, in order to implement appropriate risk-mitigation.

The FPC noted the Capital Programme 2025–26 update.

16.Environment and sustainability update

Mr. Wagstaff presented the Environment and Sustainability update flagging the Environment and Sustainability Group has been revamped, with new membership and focus, as the Climate Emergency and Sustainability Group with Director of Public Health Dr. Susan Laidlaw as the Executive Lead; its terms of reference will come to FPC for approval in March 2026.

Mr. Wagstaff also shared the Climate Change Risk Assessment and Adaptation plan will be refreshed in early 2026; a new draft Climate Emergency and Sustainability Policy is moving through the necessary governance processes; NHS Shetland is working with SG on potential projects to secure additional capital funding for decarbonisation and energy reduction and with Heriot-Watt University to research decarbonising patient and staff travel; a new strategic risk notes the likely missing of targets to reduce fossil fuels and achieve net zero, but an action plan will be prepared; national reporting is back on track; and NHS Shetland has applied for free trees from the Shetland Amenity Trust to support biodiversity and reduce grass-cutting.

The FPC noted the Environment and Sustainability update.

Ad-hoc Reports

17.NHS Shetland Business Continuity and Essential Investment Infrastructure Plans

Mr. Wagstaff presented the BC and Essential Investment Infrastructure Plan noting two new maintenance items: external blockwork, and Montfield accommodation block structural issues.

The FPC approved the NHS Shetland BC and Essential Investment Infrastructure Plan.

18. NHS Shetland Public Bodies Climate Change Duties Report 2024–2025

Mr. Wagstaff presented the NHS Shetland Public Bodies Climate Change Duties Report 2024–25 explaining improved local data had shown a 48% carbon footprint reduction from the previous year, largely from reduced emissions from an electrified fleet, applying local rather than national figures to the District Heating Scheme, and a big reduction in off-island transport.

Mr. Wagstaff noted relatively small emissions will make it hard to secure additional funding.

The FPC approved the NHS Shetland Public Bodies Climate Change Duties Report 2024–25.

19. Records Management Policy

Corporate Records Manager Ms. Dina Strati presented the Records Management Policy, reviewed by the Information Governance Group, noting the policy now applies consistently across NHS Shetland, contains up-to-date legal references and compliance standards, and includes clear and improved guidance on digital records, retention, governance, and training.

The FPC approved the Records Management Policy.

20. Business continuity mid-year review on annual work plan

Mr. McConnachie was unable to attend the meeting to present the Business Continuity mid-year review on the annual work plan, and FPC noted the review and plan were not submitted.

Mr. Marsland will seek this paper following the meeting for circulation by email.

21. Financial Plan 2026–27 planning principles

Mr. Marsland presented the Financial Plan 2026–27 planning principles, noting the impact of the pending SG budget statement remains unknown, but a continued 3% efficiency-savings target and 2% uplift in baseline funding, to align with the deflation target rate, are anticipated.

Mr. Marsland explained a sub-group of the Corporate Finance Network facilitates planning consistency across Boards, noting the three island Boards face additional travel-related costs.

On pay awards Mr. Marsland noted the 3.75% uplift assumption and its funding are uncertain.

The FPC agreed the 2026–27 Financial Plan planning principles.

22. Annual Delivery Plan 2026–27 planning principles

Ms. Flaws presented an update on the Annual Delivery plan 2026–27 planning principles explaining SG has yet to issue guidance but indications suggest a strategic update in accord with the Service Renewal Framework with which NHS Shetland is already well-aligned.

The FPC noted the update on the Annual Delivery plan 2026–27 planning principles

23. Winter Plan

Ms. Flaws presented a draft of the Winter Plan sharing it has been reworked this year to increase engagement and to help teams which may not be directly involved when pressures arise to think through, with manager support, how they can still contribute.

Ms. Flaws also highlighted planning and collaboration with teams off on public holidays and weekends to flex activity before and after to maintain business as usual on “in-between” days.

Mr. Chittick highlighted recent, ongoing discussions among Health Board Chief Executives around new approaches to prepare systems for anticipated busy periods.

The FPC noted the draft Winter Plan.

24. Update on proposed Health Intelligence Group

Ms. Flaws presented an update on the Health Intelligence Group—proposed alongside other changes to digital governance in 2023 but never established—confirming its suggested remit sits reasonably within existing groups and recommending the Group be formally dissolved.

Ms. Flaws outlined health intelligence oversight elsewhere, including the addition of notes on data returns and quality checks within the regular Performance Reports; upcoming work between the Information Services and IT teams and the DGG on clinical system management; and the establishing of a Population Health Group that will include a health intelligence remit.

The FPC approved dissolving the proposed but unestablished Health Intelligence Group.

25. Update to FPC Terms of Reference

Mr. Marsland presented the updated FPC Terms of Reference, noting the change relates to the composition of the committee and provides for the Chair to nominate a temporary substitute member where quorum will otherwise not be achieved.

Mr. Marsland also noted NHS Shetland lacks an Information Governance Champion, normally an FPC member role, and any volunteer could put their name forward to the Chair.

The FPC approved the updated FPC Terms of Reference.

Information and noting

26. Digital meeting minutes

a. Digital Governance Group (DGG)

The FPC noted the approved minutes of the September DGG meeting were not yet available.

b. Information Governance Group (IGG)

The FPC noted the approved minutes of the October IGG meeting were not yet available.

c. Health Intelligence Group

This group was approved for formation in 2023 but never established due to staffing and structural changes; it will be removed from this section going forward, per minute item 24.

27. Environmental and Sustainability Group (ESG) minutes

The FPC noted the minutes of the 5 March 2025 ESG meeting.

28. Capital and Asset Management Group (CAMG) minutes

The FPC noted the approved minutes of the September CAMG meeting were not yet available.

AOCB

29. AOCB

There was no other competent business.

Date of next meeting: Tuesday 3 March 2026 at 14:00, via Microsoft Teams