

# **SHETLAND NHS BOARD**

## **Minutes of the Finance and Performance Committee (FPC) meeting held virtually on Tuesday 3 March 2026 at 14:00**

### **PRESENT**

Mr. Gary Robinson, Chair	Mrs. Emma Macdonald
Mrs. Kathy Hubbard	

### **IN ATTENDANCE**

Mr. Colin Marsland, Director of Finance and FPC Executive Lead	Mr. Brian Chittick, Chief Executive
Mr. Karl Williamson, IJB Chief Financial Officer	Ms. Jo Robinson, IJB Chief Officer
Professor Kathleen Carolan, Director of Nursing and Acute 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. Sam Collier-Sewell, Head of Information Governance (IG), Freedom of Information (Fol) Lead, and Data Protection Officer (DPO)	Mr. James McConnachie, Business Continuity and Resilience Officer
Mr. Michael Peterson, IT Manager	Mrs. Erin Seif, FPC admin support

#### **1. Apologies for absence**

Apologies were received from Senior Project Manager, Digital Ms. Bibiana Wojtczak, and Director of Human Resources and Support Services Mrs. Lorraine Hall.

#### **2. Declarations of interest**

There were no declarations of interest.

#### **3. Minutes of 2 December 2025 FPC meeting**

The FPC approved the minutes of its 2 December 2025 meeting.

#### **4. Matters arising**

There were no matters arising.

#### **5. Action Tracker**

[31] – Digital Health update

Chief Executive Mr. Brian Chittick advised the Executive Management Team has approved Phase One of the Business Case, or the discovery phase, for a “Digital Mindset and Leadership Programme” on 4 February 2026.

## Standing Items

### 6. Waiting Times Report

Director of Nursing and Acute Services Professor Kathleen Carolan presented the Waiting Times Report highlighting better-than-predicted activity in 2025–26; taking action on risks around fragile sub-service specialties supporting long-terms conditions and in clinical physiology; and changed planning around planned-care, particularly orthopaedic pathways, due to new sub-national work and the imminent Scottish Government (SG) election.

Prof. Carolan also flagged how well the Emergency Department (ED) managed demand through the winter due to effective whole-system working.

In response to a member's question regarding a Mental Health Service Level Agreement (SLA) with NHS Orkney IJB Chief Officer Ms. Jo Robinson explained that SLA ended as planned following maternity-leave cover, but further SLAs are being constructively explored.

The FPC noted the Waiting Times Report.

### 7. Financial Monitoring Report

Director of Finance Mr. Colin Marsland presented the Financial Monitoring Report flagging NHS Shetland is £1.2m overspent at month ten, with an unplanned increase in Agenda for Change staff costs and a less-than-planned reduction in agency-staff use, and will not achieve the 3% efficiency-savings target set by SG, in common with most Scottish Health Boards.

However Mr. Marsland shared NHS Shetland will achieve the savings targets it set at the beginning of the year, though non-recurrently, and the year-end forecast remains breakeven.

In response to a member's questions on the 3% SG non-recurrent savings target Mr. Chittick noted NHS Shetland has the lowest forecast performance against it across Scottish Health Boards at 0.49%, versus an average 1.93%. In contrast NHS Shetland ranks third, at 77%, against its overall-savings target, which Mr. Marsland noted arose from recruitment-slippage.

To a member's query Mr. Marsland advised NHS Shetland has not yet sold its St. Olaf Street property but has submitted a change-of-use planning application which should ease a sale.

The FPC noted the Financial Monitoring Report.

### 8. Finance and Sustainability Group (FSG) update

IJB Chief Financial Officer Mr. Karl Williamson presented the FSG update emphasising "option A" described in the accompanying paper: retaining the FSG with a refined remit focused on "horizon one" activity, including in-year efficiencies, financial grip, monitoring savings and work around the 15-box grid, and working complementarily to the newly-established Strategic Change Oversight Group (SCOG), which will focus on medium to long-term change.

Members and attendees agreed FSG and SCOG must remain cognisant of the roles of departments, services, and particularly the IJB in planning and should function accordingly.

The FPC noted the FSG update.

### 9. Performance Report

Head of Planning Ms. Lucy Flaws presented the Performance Report noting NHS Shetland has managed the winter period well despite significant pressures with delayed discharges in unscheduled care broadly stable, and consistent, if below-target, ED performance.

Ms. Flaws highlighted low FoI compliance has triggered an intervention by the Information Commissioner's Office, as well as ongoing struggles with the Psychological Therapies waiting-times standard: despite greater team stability, a demand versus capacity mismatch persists.

Mr. Chittick flagged potentially reviewing the end-to-end Psychological Therapies process, including referral and self-referral patterns, to continue improving performance.

Members and attendees discussed how increased use of frailty scores could influence models of care, alongside work from the Frailty Delivery Board and Healthcare Improvement Scotland.

Ms. Flaws, Mr. Chittick, and Prof. Carolan affirmed ongoing learning is key to a whole-system approach for urgent-care flow, including determining Hospital at Home capacity locally.

The FPC noted the Performance Report.

## **10. Digital Health update**

Mr. Chittick presented the Digital Health update noting it includes assurance NHS Shetland has engaged early with external auditors to ensure they have a clear picture of the digital landscape ahead of year-end activity, as they had advised in previous audit reports.

Members noted increased FPC assurance around digital across recent meetings.

Mr. Chittick and Mr. Peterson described the new process to assess and ensure each Health Board's cyber-security position, which replaces the former annual Network and Information Systems audit, and confirmed all requirements so far have been completed and there has been excellent engagement from senior and executive management.

The FPC noted the Digital Health update.

## **11. FPC Business Plan 2025–26**

Mr. Marsland presented the FPC business plan 2025–26.

The FPC approved the completed FPC business plan 2025–26.

## **12. Draft FPC Business Plan 2026–27**

Mr. Marsland presented the FPC business plan 2026–27 noting efforts to balance committee and attendee workloads across the year and reminding members they can request seminars in-year to address information gaps or go deeper on a particular topic.

In response to a member's query on the newly established SCOG, Mr. Marsland confirmed FPC admin support Mrs. Seif will add approval of its Terms of Reference, as well as regular updates from the group, to the business plan.

**ACTION: Mrs. Erin Seif**

The FPC approved the FPC business plan 2026–27.

## **13. Strategic Risk Report**

Chief Nurse Corporate Ms. Edna Mary Watson presented the Strategic Risk Report outlining a fairly stable risk-position in quarter three with little movement and no risks trending upwards.

FPC members agreed Prof. Carolan should draft a specific risk on how a lift failure could lead to full GBH evacuation: this will then be linked to the strategic ageing-estate risk.

**ACTION: Professor Kathleen Carolan**

FPC members and attendees noted SG's recent confirmation no new hospital is in prospect.

The FPC noted the Strategic Risk Report.

## **14. Information Governance update**

Head of IG, FoI Lead, and DPO Mr. Sam Collier-Sewell presented the IG update highlighting the significant and growing risk around the review of outstanding Data Subject Access Requests (DSAR)—partly caused by the sudden extended absence of the sole reviewer as

well as the doubling of large individual requests in the last two years—and actions underway to address it, including short-term cover by another suitable clinician and possible outsourcing.

Mr. Chittick noted the risks to be weighed—the financial, ethical, and legal implications of outsourcing DSAR review versus failure to comply with legislation on compliance with FoI deadlines—and shared the Information Commissioner will visit soon due to FoI performance.

Members and attendees agreed the lone reviewer “single of point of failure” must not recur.

Mr. Collier-Sewell clarified records requested for legal processes are released without review.

The FPC noted the Information Governance update.

## **15. Information Governance policies**

Mr. Collier-Sewell presented the IG policies noting the total overhaul of the overarching policy and describing a policy-management software-system currently under implementation to ensure each policy has a defined owner, review-cycle, and readily visible status.

The FPC approved the Information Governance policies.

## **16. Capital Programme update report**

Head of Estates, Facilities, and Medical Physics Mr. David Wagstaff presented the Capital Programme update report describing a successful 2025–26 overall: Montfield Board Headquarters has a new roof; work continues at the GBH on expanding mortuary capacity, improving the low stimulus room, and temporary waterproofing and structural strapping on the whole building; the fire-stopping programme is on track in year five; and around £6m additional capital funding to the normal formula allocation covered medical and non-medical equipment, digital infrastructure, and additional accommodation, which will reduce pressure in 2026–27.

Mr. Wagstaff also flagged revised Terms of Reference for the “Whole System Infrastructure Plan and GBH Site Development Plan and Structural Repairs Programme Board” for approval.

The FPC thanked Mr. Wagstaff and the Estates team for all their work in 2025–26, and approved the above terms of reference.

## **17. Environment and Sustainability update**

Mr. Wagstaff presented the Environment and Sustainability update, which Mrs. Seif will adjust to “Climate Emergency and Sustainability update” throughout the 2026–27 FPC business plan.

**ACTION: Mrs. Erin Seif**

Mr. Wagstaff explained he and Business Continuity and Resilience Officer Mr. James McConnachie will review the Climate Change Adaptation Plan; a new Climate Emergency and Sustainability Policy will come to FPC in May 2026; fleet electrification is almost complete; boiler operating-hours and kerosene use have been reduced; several inches of insulation were included with the new Montfield Board HQ roof, improving the building’s warmth; NHS Shetland is trialling several small decarbonisation and energy reduction projects and will submit proposals to SG for dedicated capital funding if they prove successful; recycling rates are near the limit of island-constraints; green theatre initiatives are expanding to endoscopy and renal services; and a substantive waste-management officer is now in post.

Mr. Marsland and Mr. Wagstaff noted NHS Shetland will develop its overdue Climate Change Strategy in 2026–27 with Director of Public Health Dr. Susan Laidlaw as Executive Lead.

The FPC noted the contents of the Environment and Sustainability update.

### **a. Climate Emergency and Sustainability Group revised Terms of Reference**

The FPC approved the Climate Emergency and Sustainability Group Terms of Reference.

## **18. Climate Emergency and Sustainability Annual Report 2024–25**

Mr. Wagstaff presented the Climate Emergency and Sustainability Annual Report 2024–25—completing NHS Shetland’s “catch-up” process on these reports—explaining improved local data had shown a significant 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 for patients and staff.

Mr. Wagstaff noted current work to improve data capture and set targets for waste reduction.

The FPC approved the Climate Emergency and Sustainability Annual Report 2024–25.

## **Ad-hoc Reports**

### **19. Draft Financial Plan for 2026–27**

Mr. Marsland presented the draft financial plan for 2026–27 flagging the included quarter three SG review letter which indicates it is content with NHS Shetland’s forecast break-even position, but emphasises the need to deliver greater recurrent efficiency savings.

Turning to the paper’s proposal, Mr. Marsland explained £3.3m of parity funding would cover the underlying efficiency gap while £0.5m would cover the SCOG-managed investment fund.

The FPC approved the draft financial plan for 2026–27.

### **20. Draft Annual Delivery Plan for 2026–27**

Ms. Flaws presented the draft annual delivery plan 2026–27 noting it covers the second year of full delivery against the Strategic Delivery Plan 2024–29 and represents less prescriptive planning, offering greater scope for a locally-driven plan aligned with national frameworks.

On key national priorities Ms. Flaws highlighted elective work; improving flow and unscheduled-care performance; mental health, neurodevelopmental pathways, and learning disability; digital work; and population health work. Ms. Flaws explained existing efforts cover all required points but must be recorded and reported more explicitly and with greater clarity.

Members expressed assurance work can be clarified to fit expectations rather than distorted.

Mr. Chittick and Prof. Carolan noted potential tension between national and sub-national planning, including around NHS Shetland services reliant on non-recurring SG funding, and Ms. Flaws agreed it would be wise to capture this concern in the “risk” section of the ADP.

The FPC noted the draft annual delivery plan for 2026–27.

### **21. FPC Annual Governance Performance Report**

Mr. Marsland presented the 2025–26 FPC Annual Governance Performance Report: it incorporates members’ feedback recognising good progress in bringing the internal audit programme up-to-date, but ongoing concerns around cyber security as a strategic risk.

Mr. Marsland noted the report flags no significant issues to the Chief Executive.

The FPC approved its Annual Governance Performance Report.

### **22. FPC Certificate of Assurance**

Mr. Marsland presented the FPC Certificate of Assurance 2025–26, recommending based on the committee’s Annual Report at item 21 there are no significant issues to report.

The FPC approved the FPC Certificate of Assurance with no significant issues to report.

## **Information and noting**

### **23. Digital meeting minutes**

#### **a. Digital Governance Group (DGG)**

The FPC noted the approved minutes of the 2 September 2025 DGG meeting are not yet available.

#### **b. Information Governance Group (IGG)**

The FPC noted the approved minutes of the 14 October and 9 December 2025 IGG meetings.

### **24. Climate Emergency and Sustainability Group (CESG) minutes**

The FPC noted the minutes of the 10 November 2025 CESG meeting.

### **25. Capital and Asset Management Group (CAMG) minutes**

The FPC noted the approved minutes of the 10 September and 17 November 2025 CAMG meetings.

## **AOCB**

### **26. AOCB**

There was no other competent business.

**Date of next meeting: Thursday 28 May 2026 at 14:00, via Microsoft Teams**