NHS Circular:
PCS(SDIA)2026/1

The Scottish Government
Health Workforce
Culture, Pay and Partnership Division

Scottish Government
Riaghaltas na h-Alba
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Dear Colleague

SCOTTISH DISTANT ISLANDS ALLOWANCE

Summary

1. Further to PCS(AFC)2026/1 which indicated that the Inflation Guarantee contained in the 2025-26 and 2026-27 Agenda for Change pay settlement had been triggered for 2025-26, necessitating an adjustment in pay rates and related premiums and allowances from a 4.25% uplift to a 4.4% uplift, this circular notifies the service of the relevant adjustments to Scottish Distant Islands Allowance rates, effective from 1 April 2025 and 1 April 2026.

2. The new rates are as follows:

	Original Rate 1 April 2025 (Per-Annum)	Adjusted Rate 1 April 2025 (Per-Annum)
Shetland	£2,482	£2,485
Orkney	£1,654	£1,657
Western Isles Tiree, Jura, Islay, Coll and Colonsay	£1,406	£1,408

	Original Rate 1 April 2026 (Per-Annum)	Adjusted Rate 1 April 2026 (Per-Annum)
Shetland	£2,575	£2,578
Orkney	£1,716	£1,719
Western Isles Tiree, Jura, Islay, Coll and Colonsay	£1,459	£1,461

23 January 2026

Addresses

For action

Chief Executives, NHS Boards and Special Health Boards and NHS National Services Scotland (Common Services Agency)
Directors of Finance, NHS Boards and Special Health Boards and NHS National Services Scotland (Common Services Agency)
Directors of Human Resources, NHS Boards and Special Health Boards and NHS National Services Scotland (Common Services Agency)

For information

Members, Scottish Partnership Forum
Members, Scottish Terms and Conditions Committee
Members, Scottish Workforce and Governance Group

Enquiries to:

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3. Employers should make the necessary adjustments and pay any arrears which are necessary.

4. This allowance is non-superannuable but taxable and should be paid with salaries and wages. It remains payable during periods of sick leave but shall not be taken into account for overtime or other enhancements of pay.

Cabinet Secretary Approval

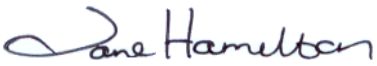
5. This agreement has been approved by Scottish Ministers under Regulation 2 and 3 of the National Health Service (Remuneration and Conditions of Service) (Scotland) Regulations 1991 (S.I. 1991 No.537). A copy of the formal approval is attached.

Action

6. NHS Boards are asked to increase the payments they make to eligible staff in line with rates set out in this circular.

7. This circular can be found online at: www.publications.scot.nhs.uk

Yours sincerely



JANE HAMILTON
Deputy Director
Health Workforce: Culture, Pay and Partnership Division

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NATIONAL HEALTH SERVICE
APPROVAL OF REMUNERATION AND CONDITIONS OF SERVICE

In accordance with regulations 2 and 3 of the National Health Service (Remuneration and Conditions of Service) (Scotland) Regulations 1991 (S.I. 1991/537) the remuneration and conditions of service set out in the attached Scottish Government Health Workforce Directorate circular of 23 January 2026 – PCS(SDIA)2026/1 – in respect of the Scottish Distant Islands Allowance are hereby approved for the purposes of the said Regulations.

Jane Hamilton

JANE HAMILTON
Deputy Director
Health Workforce: Culture, Pay and Partnership Division
23 January 2026