



Nottingham and Nottinghamshire

Sir John Robinson House
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18 March 2024

Letter sent via email

Paul Robinson
Chief Executive
Sherwood Forest Hospitals NHS Foundation Trust

Dear Paul

RE: NHS Oversight Framework 2023-24 – Quarter 3 Segmentation

Thank you very much to you and your teams for your continued leadership at Sherwood Forest Hospitals. I am writing to confirm the Quarter 3 2023-24 segmentation position for your organisation and to set out the process and timescales for the 2023-24 Quarter 4 segmentation assessment.

Quarter 3 Segmentation Review Outcome- Review Undertaken December 2023

Following the ICB peer review process undertaken at the end of December 2023, the proposed segmentation rating for NHS Provider organisations was reviewed and approved by Midlands Regional Support Group at its meeting on the 22nd February 2024, and notified to the ICB on the 7th March 2024. It was agreed that for Quarter 3 2023-24 Sherwood Forest NHS Foundation Trust should remain in segment 2 of the NHS Oversight Framework.

This rating is based on the quantitative and qualitative assessments of the 5 National Themes and one local priority contained within the NHS Oversight Framework. While the Sherwood Forest position will remain at Segment 2 for quarter 3, there are rising concerns which will need to be addressed to prevent a movement into Segment 3 for future quarters, these are in relation to having:

1. a financial plan which is not balanced and/or there is a material actual or forecast deficit (this is a trigger for NOF 3 segment)
2. deterioration in performance or sustained very poor (bottom decile) performance against one or more areas (this is also a trigger for NOF 3)

Quality of Care, access and outcomes – The Trust continues to perform well against the Oversight Framework assessment metrics, with a significant amount of performance continuing to be in the upper quartile nationally and is not a significant outlier for any areas of performance. However there are deteriorating positions against trajectories across a number of areas, including cancer 62 day backlogs, 52, 65 and 78 week waits and diagnostic waits (in the lowest NOF quartile) especially in relation to ECHO provision. In addition there are increasing difficulties across the urgent care performance, in part to increased demand, MSFT and LLOS

are remaining at high levels, and there are increasing difficulties with the UEC targets of 4 and 12 hour waits. While ambulance handover delays continue to perform relatively well, these are also experiencing pressures at a higher than previously seen. Any specific areas of concern are addressed through improvement plans, for example diagnostics and long lengths of stay/MSFT, and actions are taken to improve areas of risk, such as reducing surgical capacity to support flow into and through the Emergency Department. In addition, despite internal pressures the Trust maintains support for the wider system and frequently supports through mutual aid and agreed diverts.

The PSIRF policy and plan are in place and agreed, with ongoing divisional development of strengthening the PSIRF actions and understanding. An increase in the number of falls resulting in low harm and increases in catheter associated UTIs have been noted.

The options appraisal and decision regarding the opening hours of Newark UTC continues to identify next steps and future fit of the service.

Preventing ill-health and reducing inequalities – The Trust has continued to focus on elective restoration by targeting individuals of higher risk and supporting them the ‘wait well’. Recent input into the ICS Health Inequalities and Prevention Oversight Group has reduced from the Trust which impacts upon the opportunity to input into, learn from and undertake system approaches to addressing inequalities, and equity of access.

Finance and Use of Resources – The Trust underlying structural financial deficit position is the key driver for the level 2 NHS Oversight Framework segmentation rating.

- The Trust submitted a breakeven plan for 2023-24 which included £27.5m (5.6%) efficiency requirement. There were plans to improve the underlying deficit from £58.3m (2022-23 exit) to £41.2m (2023-24 exit). It was acknowledged that this would be a significant challenge to achieve.
- At month 8, the Trust reported an £3m adverse variance position reporting a deficit of £12.4m. The main driver was reported as being UEC stretch capacity, cost of capital funding shortfall and ERF miss against stretch. Efficiency targets exceeded plans at month 8, however was mainly due to non-recurrent benefits. Agency spend also reported over planned levels at £11.6m, which was a £0.2m adverse position against plan.
- As part of H2 reset, recovery plans were developed which led to £8.5in year deficit forecast. Discussions to improve the position have been ongoing during quarter 4. We would ask that you continue to work both internally and with the system to deliver against the in-year plans submitted, and to plan for medium term financial sustainability, to support your improvement in your NHS OF Segmentation position.

People – Workforce availability remains a key challenge across the Trust, however workforce turnover was within trust target levels at 7.5% at month 8 and remained in the top quartile for August 2023. The Trust has made progress with reducing reliance on agency and bank staff, both performing below planned levels for month 8. The Trust performed well across the 2022 Staff Survey, with many areas reporting in the top quartile national. The only exception to this position being the proportion of staff in senior leadership roles who are from a BME background, however this is reporting year on year improvement, and a full programme of work is in place.

Annual report on Medical Education highlighted challenges in completing appraisals and availability of clinic space for training. Surveys have indicated reduced satisfaction with training and potential identification of bullying and harassment concerns.

Leadership and capability – There has been good engagement from across the Trust for development of the system, and active engagement in system transformation programmes, as well as taking lead roles in financial recovery groups, such as the System Agency Group. Engagement across health inequalities and people work programmes has reduced in recent months. There are no material concerns or support needs identified for the trust system or governance.

Local Strategic Priorities – The Trust has continued to support the wider system at times of urgent care pressures as well as providing support to progress with recovery of elective services through providing on-going mutual aid and active management of its elective programme, despite significant continual pressures within the trust.

Segment 2 Exit Criteria

The ICB team will work closely with you to review the support needs for the Trust to address the triggers for current segmentation and rising areas of concern and continue to support progress against the exit criteria during 2023-24.

To progress from Segment 2 to Segment 1 the Trust will need to undertake the following actions (exit criteria):

1. Address the underlying and in year deficit of the Trust, working across the system, to ensure a clear plan is in place with evidence of progress being made
2. Continue to progress elective recovery through increasing productivity, ensuring achievement of the 65-week reduction to zero by March 2024, and 62 day backlog reductions back to planned levels.
3. Continue to provide active contribution to the overall system financial sustainability, quality improvements and outcomes.
4. To be a key contributor to the wider system as an anchor institution.
5. Address areas of rising risk across urgent care

Quarter 4 2023-24 Segmentation Review Process

As set out in the NHS Oversight Framework, Integrated Care Boards (ICB) will continue to lead the oversight of their NHS provider organisations with NHS England maintaining statutory accountability for NHS provider organisations.

Whilst the 2023-24 segmentation metrics have been notified to us, the National Oversight Framework has not yet been fully published, therefore the 2022-23 framework will continue to be used for the Quarter 4 segmentation review. The ICB will continue to facilitate a review each quarter, in line with national operating model expectations. The current process is for an ICB Desktop review to be undertaken which is supported by the performance against the NHS Oversight Metrics and Chief Executive to Chief Executive discussions held, which are then discussed through an ICB Review Panel to determine the proposed segmentation and ensure consistency of assessment across the system providers. A review by 'exception' will be undertaken by the ICB of provider organisation's segmentation and will need to be completed with recommendations for changes being submitted to NHS England by the **8th April 2024 for Quarter 4.**

We will continue to discuss the arrangements under the NHS Oversight Framework with you, as we further develop our system operating framework. In the meantime, should you wish to discuss this further please contact Stuart Poynor, Director of Finance and Performance, s.poynor@nhs.net in the first instance.

May I take this opportunity to again thank you and your team for the on-going contribution you make to the local system, the segmentation rating is recognition of the significant focus which the trust continues to place on supporting staff, patients and the wider system.

With kind regards

Yours sincerely

A. Sullivan

Amanda Sullivan
Chief Executive
NHS Nottingham and Nottinghamshire ICB

cc. Julie Grant, Director of Strategic Transformation, NHSE Midlands