



Sherwood Forest Hospitals NHS Foundation Trust

Developmental Well Led Governance Review

January 2025





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24 January 2025

Dear Sally

[Sherwood Forest Hospitals NHS Foundation Trust – Well-Led Governance Review final report](#)

We have pleasure in enclosing a copy of our final report in accordance with your instructions dated 11 September 2024. This document (the Report) has been prepared by Grant Thornton for Sherwood Forest Hospitals NHS Foundation Trust in connection with the developmental Well-Led Governance review (the **Purpose**).

We stress that the Report is confidential and prepared for the Addressee only. We agree that an Addressee may disclose our Report to its professional advisers in relation to the Purpose, or as required by law or regulation, the rules or order of a stock exchange, court or supervisory, regulatory, governmental or judicial authority without our prior written consent but in each case strictly on the basis that prior to disclosure you inform such parties that (i) disclosure by them is not permitted without our prior written consent, and (ii) to the fullest extent permitted by law we accept no responsibility or liability to them or to any person other than the Addressee.

The Report should not be used, reproduced or circulated for any other purpose, in whole or in part, without our prior written consent, such consent will only be given after full consideration of the circumstances at the time. These requirements do not apply to any information, which is, or becomes, publicly available or is shown to have been made so available (otherwise than through a breach of a confidentiality obligation).

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Addressee for our work, our Report and other communications, or for any opinions we have formed. We do not accept any responsibility for any loss or damages arising out of the use of the Report by the Addressee(s) for any purpose other than in relation to the Purpose.

The data used in the provision of our services to you and incorporated into the Report has been provided by third parties. We have not verified the accuracy or completeness of any such data. There may therefore be errors in such data which could impact on the content of the Report. No warranty or representation as to the accuracy or completeness of any such data or of the content of the Report relating to such data is given nor can any responsibility be accepted for any loss arising therefrom.



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Period of our fieldwork

Our fieldwork was performed in the period between 23 September 2024 and 13 November 2024. We have not performed any fieldwork since 13 November 2024 and, in agreement with the addressees of this Report, our Report may not take into account matters that have arisen since then. If you have any concerns in this regard, please do not hesitate to let us know.

Scope of work and limitations

Our work focused on the areas set out in our scope of work. Our assessment of the affairs of the Trust does not constitute an audit in accordance with Auditing Standards and no verification work has been carried out by us; consequently we do not express an opinion on the figures included in the Report.

The scope of our work has been limited both in terms of the areas of the business and operations which we have assessed and the extent to which we have assessed them. There may be matters, other than those noted in the Report, which might be relevant in the context of the Purpose and which a wider scope assessment might uncover.

Forms of report

For your convenience, the Report may have been made available to you in electronic as well as hard copy format, multiple copies and versions of the Report may therefore exist in different media and in the case of any discrepancy the final signed hard copy should be regarded as definitive.

General

The Report is issued on the understanding that the management of the Trust have drawn our attention to all matters, financial or otherwise, of which they are aware which may have an impact on our Report up to the date of signature of this Report. Events and circumstances occurring after the date of our Report will, in due course, render our Report out of date and, accordingly, we will not accept a duty of care nor assume a responsibility for decisions and actions which are based upon such an out of date Report. Additionally, we have no responsibility to update this Report for events and circumstances occurring after this date.

Notwithstanding the scope of this engagement, responsibility for management decisions will remain solely with the directors of the Trust and not Grant Thornton. The directors should perform a credible review of the recommendations and options in order to determine which to implement following our advice.

Contacts

If there are any matters upon which you require clarification or further information please contact Peter Saunders on 07967 9 14925.

Grant Thornton UK LLP

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Introduction

Boards are responsible for all aspects of performance and governance of the organisation. The role of the Board is to set strategy, lead the organisation, oversee operations, and to be accountable to stakeholders in an open and effective manner.

The Francis report led to major changes in the regulatory regime. It has also resulted in even closer working relationships between the bodies responsible for regulation and oversight of Foundation Trusts, particularly around the sharing of information and intelligence.

It is in this spirit regulators committed to developing an aligned framework for making judgements about how well led NHS providers are.

The Well-Led framework for governance reviews considers 8 key lines of enquiry (KLOE):

1. Is there the leadership capacity and capability to deliver high quality, sustainable care?
2. Is there a clear vision and credible strategy to deliver high quality, sustainable care to people, and robust plans to deliver?
3. Is there a culture of high quality, sustainable care?
4. Are there clear responsibilities, roles and systems of accountability to support good governance and management?
5. Are there clear and effective processes for managing risks, issues and performance?
6. Is appropriate and accurate information being effectively processed, challenged and acted on?
7. Are the people who use services, the public, staff and external partners engaged and involved to support high quality, sustainable services?
8. Are there robust systems and processes for learning, continuous improvement and innovation?

Sherwood Forest Hospitals NHS Foundation Trust (SFH) provides healthcare across the community to 500,000 people in Mansfield, Ashfield, Newark, Sherwood and parts of Derbyshire and Lincolnshire. The Trust has over 6,000 employees across three hospitals – King's Mill, Newark and Mansfield Community, and has well established relationships with partners in health and social care through the Mid Nottinghamshire Integrated Care Partnership. The Trust is a member of the Nottingham and Nottinghamshire Integrated Care System (ICS).

In May 2020, the Trust was rated as Good overall following its Care Quality Commission (CQC) inspection. King's Mill Hospital, where 90% of services are based, was rated Outstanding by the CQC. Newark Hospital and Mansfield Community Hospital were both rated Good.

This review was commissioned in line with NHSEI guidance that all NHS Trusts should undertake a review of its governance arrangements every 3-5 years. The Trust's previous developmental Well-Led review was undertaken in 2021/22.

This Well-Led review is an important assessment for the Trust. It provides the opportunity for the Trust to fully understand the strengths and weaknesses of current governance arrangements and implement recommended development plans and actions at an appropriate pace. It is also required to advise NHSEI of any material governance concerns that have arisen from the review and the action plan in response to these concerns.

Our approach

This report sets out the findings from our independent review of leadership and governance arrangements at the Trust against NHSEI’s Well-Led Framework (June 2017). **We emphasise that our review was limited to the scope outlined in the Framework, and did not assess whether clinical services provided by the Trust are safe, effective, caring or responsive.**

For each of the 8 Well-Led framework key questions, we have assessed the Trust and assigned a rating using the NHSEI four-point scoring methodology detailed below:

| Rating | Definition | Evidence |
|-------------|---|--|
| GREEN | Meets or exceeds expectations. | Many elements of good practice and there are no major omissions. |
| AMBER/GREEN | Partially meets expectations but confident in management’s capacity to deliver ‘Green’ performance within a reasonable timeframe. | Some elements of good practice, has no major omissions. Robust action plans to address perceived shortfalls with proven track record of delivery. |
| AMBER/RED | Partially meets expectations, but with some concerns on capacity to deliver within a reasonable timeframe. | Some elements of good practice, has no major omissions. Action plans to address perceived short falls are in an early stage of development with limited evidence of track record of delivery. |
| RED | Does not meet expectations. | Major omissions in quality governance identified. Significant volume of action plans required and concerns on management capacity to deliver. |

It is important to note that the CQC have updated the Well-Led framework under its Single Assessment Framework (SAF) in April 2024. As part of the set up of the review, we mapped the revised SAF with the NHSEI developmental guidance to ensure areas were aligned and could be used to support any assessment CQC may undertake using the SAF. We agreed with the Trust that the review would not cover the environmental sustainability area of the SAF as this does not directly map to the current developmental framework.

We undertook our work between 23 September 2024 and 13 November 2024.

Our approach to delivering the scope of the review was limited to:

- Conducting a desktop review of key supporting evidence;
- Conducting 60-to-90-minute non-attributable, structured interviews with the Trust Executive Team, NEDs and divisional leaders;
- Observing private and public Trust Board meetings, as well as a range of Committee and Divisional governance meetings;
- Interviewing external stakeholders, including ICS leaders; and
- Delivering a Board development session on key development areas, held on 13 November 2024.

We have only raised issues and recommendations where these have been confirmed through multiple sources and triangulated with evidence.

A full list of interviews held is included in Appendix A, and a list of meetings observed is included in Appendix B.

We would like to thank all of the individuals at the Trust who have supported the completion of this review.

Summary findings

Overall conclusion

Sherwood Forest Hospitals NHS Foundation Trust is a well-led Trust. Compared to the last developmental review completed in 2021/22, the Trust has maintained strong assessments in the majority of the areas covered by the Well-led KLOEs and has delivered on most of the actions agreed as part of that previous review. The Trust has strong governance processes which contain many elements of good practice. Our review did not identify any significant development areas and for those development areas we did identify, the Trust were aware of them and already in the process of discussing and implementing actions to address them.

Given contextual changes and challenges outlined below, it is a testament to the Trust's strong processes and leadership that it has been able to maintain the assessments when many other trusts will have struggled with their impact. The development areas identified are largely as a consequence of these changes.

Context

There are some important contextual points which have impacted on the assessments compared to the previous review:

- **Transitional period for leadership** – there have been significant changes to the Board, both Executive and Non-Executive, with many acting up arrangements, including the Chair and Chief Executive. There are also some recognised gaps in skills and experience with the Board. This is likely to continue in the short-term with posts currently advertised for Non-Executives and Executive roles.

- **Challenges within the wider system** – partners in the Nottingham and Nottinghamshire ICS have had a number of high-profile challenges on quality, operational and financial performance of services.
- **Financial pressures and scrutiny** – increasing financial challenges at the Trust and the wider system mean they are currently under the NHS E Financial Investigation and Intervention regime and receiving support to improve financial performance.

Good practice

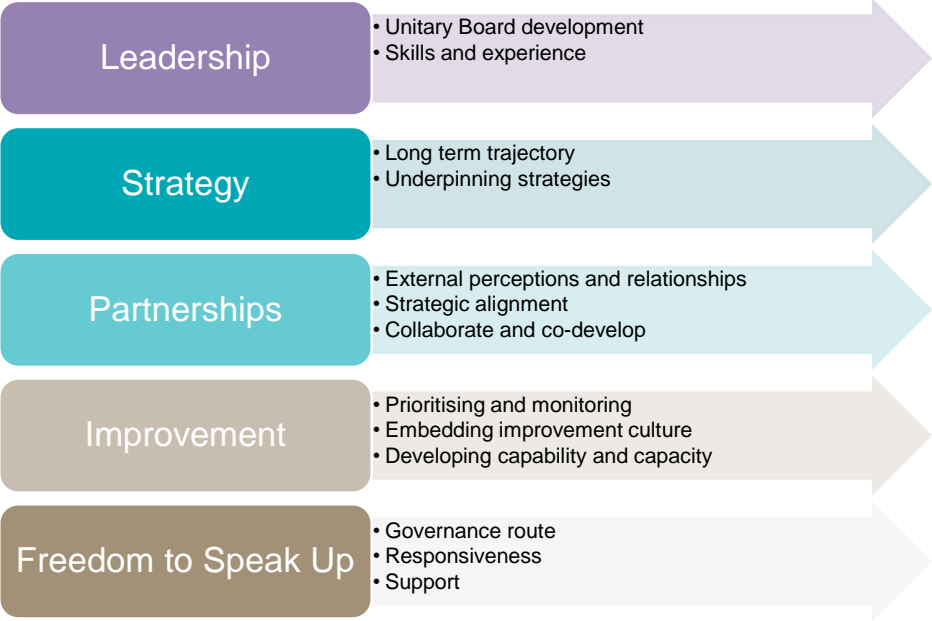
The review identified the continuation and operation of many good practice areas across the framework including:

- ✓ **Trusted, supportive and open leadership style**
- ✓ **Succession planning evident and delivering in leadership roles**
- ✓ **Development and mentoring programmes for all staff levels**
- ✓ **Strong and deep affinity across the organisation to its CARE values**
- ✓ **Effective divisional performance management**
- ✓ **Board strategically focussed**
- ✓ **Warm and welcoming culture**
- ✓ **Risk recognition and management processes embedded.**

Summary

Key development areas

Key development areas, which align directly to the relevant CQC SAF updated well-led areas, cover:



Next steps

Following a development planning workshop with the Board we have co-developed plans on all key areas and prioritised actions and recommendations based on these discussions alongside other lower priority areas identified during the review.

Summary: KLOE ratings

The table to the right summarises our assessment of the Trust’s performance against the 8 developmental Well-Led KLOEs. Our summary conclusions against each KLOE are presented on the following pages, highlighting key areas of development.

The table also shows the ratings from the previous Well-Led review undertaken in 2021/22, with the 2024 review showing a consistent rating for 7 of the 8 KLOEs, with only KLOE 7 (Engagement) deteriorating.

The far-right column shows how the revised CQC Single Assessment Framework (SAF) aligns to the developmental Well-Led KLOEs, with those in red being identified as the key areas of development during our assessment.

We have not undertaken any work in relation to the environmental sustainability CQC criteria as agreed with the Trust.

| NHS Well-Led framework | | | | | CQC SAF |
|------------------------|------------------------------|-------------|-------------|-------|--|
| # | KLOE | 2022 rating | 2024 rating | Trend | CQC Well Led category |
| 1 | Leadership | AMBER/GREEN | AMBER/GREEN | ↔ | Capable, compassionate and inclusive leaders |
| 2 | Vision and Strategy | AMBER/GREEN | AMBER/GREEN | ↔ | Shared direction and culture Freedom to speak up Workforce equality, diversity and inclusion |
| 3 | Culture | AMBER/GREEN | AMBER/GREEN | ↔ | |
| 4 | Governance and management | GREEN | GREEN | ↔ | Governance, management and sustainability |
| 5 | Risk management | GREEN | GREEN | ↔ | |
| 6 | Information and data quality | AMBER/GREEN | AMBER/GREEN | ↔ | |
| 7 | Engagement | GREEN | AMBER/GREEN | ↓ | Partnerships and communities |
| 8 | Improvement and innovation | AMBER/RED | AMBER/RED | ↔ | Learning, improvement and innovation |

Environmental sustainability

KLOE 1: Leadership

AMBER/GREEN

Overview

The Board is in a transitional phase, having experienced significant change over the last 12 months with a number of 'acting' posts in place, including the Chair and Chief Executive. During our review we found:

- Despite the relative inexperience of the leadership team, both individually and collectively, **staff had a high level of confidence and trust** in them and the leadership team has **continued to provide stability and continuity during this period of change**. This is testament to the effective succession planning that the Trust has invested in to support emerging talent within the Trust, which has successfully delivered stability following key Board changes. Further transition is imminent, as the Trust seeks to make a number of substantive appointments at Executive and Non-Executive level.
- **Strong divisional leadership with effective development programmes in place.**
- Board members and senior divisional leaders were consistent in their understanding of the issues and priorities for the quality and sustainability of care.
- Leaders demonstrated an acute awareness of issues that fell within their remits during committees and meetings, however, information sharing outside of committees amongst NEDs could be strengthened to improve their holistic understanding of the Trust.
- **Leaders were visible throughout the organisation**, with executives having an open-door policy. We heard this was more variable amongst the NEDs due to competing demands on their limited time.
- Staff viewed the leadership as compassionate (NHS Staff Survey).
- The skills and experience of the Chair and the NED group are evident, and this is reflected in **the respectful but robust challenge and support observed during Committee and Board meetings.**

Areas for development

Unitary Board development

- The Chair and CEO should design a structured Board development plan to include actions and activities that support effective onboarding and integration of the new NEDs and other directors. The plan should include protected time to invest in "team development" and softer skills to ensure the Trust maintains a unitary Board.
- The Chair and NEDs should agree the schedule of regular NED group catch-ups, given the context of new NED member appointments over the next few months.

Skills and experience

- There remains recognised gaps at Board level covering the areas of improvement, transformation and research. The Trust is recruiting to a Director of Improvement and Change and NED recruitment is planned. The Chair and CEO should consider how experience and skills gaps can be closed as part of the ongoing Executive and NED recruitment process and as part of the board development programme.

KLOE 2: Vision and Strategy

AMBER/GREEN

Overview

During 2024/25 the Trust developed its 2024-2029 Strategy: Improving Lives, which set out the overarching vision and strategy of the Trust.

- In line with good practice **the Trust engaged extensively in developing the strategy**, with 6,000 staff at workshops and events and 14,000 Trust members, governors and partners. NEDs, Executive and Divisional Leaders felt able to provide challenge.
- NEDs observed that the strategy is grounded, realistic and deliverable, but is not as ambitious as they would like. However, we acknowledge that developing long term strategic direction is difficult in the context of the current transient leadership arrangements, operational and financial challenges and the lack of an agreed direction across the wider system.
- **The Board demonstrated a strong strategic focus**, with a clear emphasis on patient care, however, the Trust must ensure sufficient headspace is created for long term strategic planning and sufficient capacity for delivery.
- The Trust is committed to working with partners, however, there is a lack of strategic coherence across the system. The Trust should work with partners in the system (and beyond) to define their respective longer-term role.

A number of underpinning strategies support the overarching strategy, some of which are still under development, and in particular, a clear strategy for financial sustainability.

- Without underpinning strategies, it can be difficult to translate strategies into delivery and actions for staff - although 77.17% of NHS Staff Survey (2023) respondents indicated that their team has shared objectives.
- Divisional leaders noted that individual specialisms undertake work on their priorities over the next 3-5 years, however, there is a risk that this is done in silo without an overarching divisional strategy to ensure alignment within and across divisions. As underpinning/divisional strategies are developed, the Trust should ensure that delivery is monitored, with clear accountability for delivery.

Areas for development

Long term trajectory

- The Trust should develop a longer-term, strategic view of its role in the system, supporting the development of its population health and the supporting pillars of the NHS 10-year plan. This should be aligned to its partnership plans and strategy to understand what it can achieve as a Trust and what will be more effective in working with others.

Underpinning strategies

- Supporting underpinning/aligned divisional strategies need to be further developed to deliver the Trust's current and longer-term trajectory. In particular, the Trust should further develop a longer-term financial sustainability strategy which builds on the work being undertaken under the NHS E Investigation and Intervention regime.

KLOE 3: Culture

AMBER/GREEN

Overview

The Trust has a **strong culture**, which is warm and welcoming. It is centred around people, aiming to deliver the best for patients and staff alike. During 2023 the Trust refreshed and relaunched their CARE values which further demonstrates its ongoing commitment to them. Throughout our interviews and from our observations of the meetings and Committees we attended, it was evident that these values underpin the culture of the Trust and are at the centre of the Trust's behaviours and expectations. Those we spoke to were proud to work for the Trust. They felt well-supported and valued.

The Trust's 2023 **NHS Staff Survey** results, which achieved a 62% response rate, are testament to the Trust's positive culture. SFH was named best nationally in the NHS Staff Survey for:

- ✓ Staff morale (rated 6.52 out of 10 by Trust staff)
- ✓ Engagement, which is based on a number of factors around motivation, involvement and advocacy for the Trust's work (7.32 out of 10)
- ✓ Staff feeling able to access the right learning and development opportunities when they need them, with 70.1% of staff agreeing.
- ✓ Teams having freedom in how to do their work (66.2%)
- ✓ Staff feeling that their work is valued by the organisation (40.7%).

Freedom to Speak Up (FTSU) is well-established within the Trust with a full time Guardian in place and an increasing number of concerns being raised, supported by 70% of NHS Staff Survey respondents who felt safe to speak up about anything that concerns them.

Areas for development - Freedom to Speak Up (FTSU)

Governance route

- The FTSU Guardian provides assurance to a number of Committees, however, the FTSU agenda lacks a forum for focussed discussion, as well as identification and investigation of organisational-wide issues. It is recommended that the Trust establishes a focussed forum for the FTSU agenda and that a clear governance route to the Board is established.

Responsiveness

- Whilst the majority of people feel secure raising concerns, less people are confident that concerns will be addressed. The Trust should seek to increase confidence in their ability to respond to concerns effectively.

Support

- The FTSU agenda is well supported at Board level, however, CQC guidance notes the responsibility of leaders to investigate concerns and share learning across the organisation. This requires buy-in and engagement across the organisation. We note this is variable, particularly at divisional level. It is recommended that divisional leaders form part of the FTSU forum noted above.
- Individuals must be appropriately supported to ensure they are able to resolve concerns when raised. It is recommended that development needs are identified, and training is provided to support any gaps in expertise. Consideration should also be given to the frequency of such training.

KLOE 4: Governance and management

GREEN

Overview

The Trust has **robust and effective governance structures and processes** in place:

- Staff were **clear on their roles and accountabilities**, and we observed a **good understanding of the delineation between Executive and Non-Executive Director roles**.
- The Board and its Committees have up-to-date and appropriate terms of reference (ToR) (approved in 2024) and those we observed operated in line with the ToR. Each Committee also undertook a self-assessment of its effectiveness during 2024. This is good practice and should continue to be undertaken on a regular basis.
- The Board Committee membership is designed to allow cross-membership of Executive Directors and NEDs which enables consideration of the impact of decisions on adjacent portfolios. NEDs are also able to sit in any Committee meetings, and we have noted examples of them doing so to gain a better understanding of important matters.

There are clear reporting and escalation routes:

- **Quadrant reporting is now fully embedded** across all Board Committees and the Council of Governors' meetings, which enables items to be recommended for consideration by other Committees.
- Bi-monthly Divisional Performance Review (DPR) meetings are held with all five Divisions, they are clearly structured and delivered effectively. Quadrant reports feed through the governance structure, with a combined quadrant report covering all divisional DPR meetings presented to TMT.
- The Boards and Committee meetings we attended were effective and in line with the terms of reference.

Areas for development

Duplication of information

- We identified some duplication of information and reporting across committees meaning some areas/information was seen multiple times rather than relying on clear responsibilities of Committees and sharing via cross-membership and quadrant reporting.

Embed, clarify and strengthen financial governance

- Financial governance and reporting arrangements below committee level have been updated in 2024/25 and there was a lack of clarity over the sustainability and embeddedness of arrangements, including reporting arrangements into the Improvement Cabinet and Finance Committee.

Operational performance

- The Trust has moved to quarterly IPR reports at Board level. While this enables Board meetings to operate strategically, key operational performance measures are not shared routinely with the Board.

KLOE 5: Risk management

GREEN

Overview

The Trust has **well established Risk Management processes** in place.

- The Board Assurance Framework (BAF) is well managed and maintained. It has eight principal risks (PR) and each of these are assigned to a Lead Director and to a Lead Committee, allowing the Board to maintain effective oversight of strategic risks through a regular process of formal review. Each paper presented to a Board Committee is accompanied by a cover paper which highlights the items linkage to principal risks.
- We observed a sound understanding of the Trust's key risks with all those interviewed, as well as a disciplined approach to managing those risks at Board Committees.
- All five clinical Divisional leaders demonstrated a good understanding of their risks and the way issues are raised, documented and escalated as appropriate.
- Risks were effectively managed in DPR meetings. Where further action was required, accountability and timelines were clear, with appropriate support offered from leadership.

The Nottingham and Nottinghamshire system is in the NHS England 'Investigation and Intervention' process with a focus on finding ways to rapidly improve financial performance. Many interviewees commented on the stringent focus on financial challenges facing the Trust and the system. Leadership are aware that this needs to be balanced with quality to ensure patient outcomes are not compromised.

- Quality Impact Assessments (QIA) are required for new initiatives; however, we heard that these are not universally completed. Going forwards it will be imperative that QIAs are completed so decision makers are fully informed and able to make decisions which are balanced.

Area for development

- Quality Impact Assessments must be mandated and universally applied as initiatives are developed to address the current Trust and system financial challenges.

KLOE 6: Information and data quality

AMBER/GREEN

Overview

Performance and quality information and reports form a significant part of Board and Committee standing agendas.

- **Good coverage of quality and sustainability** was presented across the meetings we observed.
- **Staff feel well supported in terms of the information they receive.** Information we reviewed was of high quality, up to date and presented in a way that was easy to read with good narrative to support any anomalies or areas off target.
- Divisions reported their activity and performance in reports (generated from the same templates) during our attendance at their Performance Reviews and reporting styles appear to be well established.
- Executives reported being updated daily on operational matters which allow them to respond quickly to changing/emerging events.
- Board members were positive about the presentation of data at Board and Board Committees. Information is well presented and complete.

The Trust's Integrated Performance Reports (IPR) provides a ward-to-board reporting and monitoring structure.

- Routine reports are issued on a monthly basis from a single data source to ensure consistency of reporting and interpretation. Relevant metrics are presented at Board Committees.
- The IPR report is comprehensive, covering all portfolios in one report, and highlights areas of exception at the beginning with good narrative to support and explain the metrics.

Areas for development

Improvements to IPR

- It is good practice for Trusts to implement a performance indicator assessment process. A number of Trusts prepare Data Quality Assurance Indicators or Kite Marks to support members' review and assessment of performance indicator information reported in integrated performance reports. At present, the Trust does not have a data quality kitemark system in place although we note this was recommended in its last Well Led review. Internal Audit has also made a recent recommendation in this area. The Trust should consider the use of such a system to inform users of any data quality risks attached to the data that might impact decision making.
- The Trust could make more use of peer and national benchmarking information within the IPR to provide wider and additional context on the Trust performance against KPIs.

KLOE 7: Engagement

AMBER/GREEN

Overview

The Trust engages effectively with its staff. In the 2023 NHS Staff Survey, it achieved a response rate of 62% and the best results nationally for staff engagement and morale.

An example of the Trust engaging extensively was in developing their 2024-2029 Strategy: Improving Lives. This included 6,000 staff at workshops and events, 14,000 Trust members, 400 volunteers, and engagement with system partners.

The Trust is viewed as an **active participant of the Nottingham and Nottinghamshire Integrated Care System**. Executive Directors and other senior leaders interviewed were able to articulate their roles in the ICS and their engagement with other stakeholders locally.

SFH contributed to the Joint Forward Plan (JFP), a 5-year delivery plan created by partners in the ICS which ensures progress is made towards the ICS Strategy. SFH's strategy responds to all of the principles and aims within the JFP - whilst retaining the requirements that meet their local population's health needs and their vision of outstanding care, provided by compassionate people, enabling healthier lives.

There was **evidence of wider partnership working**, in particular with academic and research establishments such as West Nottinghamshire College, and local authorities. Operational and clinical leaders have also had initial discussions with organisations outside of the immediate system and sector on joint working.

The Trust has established a Partnership and Communities Committee recognising the importance to plan and monitor activities.

Areas for development

External perceptions & relationships

- We know from our conversations with external parties that there is a perception that the Trust has stepped back from collaborating with system partners. This may be as a result of transition and changes at Board level and the financial challenges at the Trust and the wider system. The Trust should recognise this perception and push its participation in system working, particularly at PLACE level.

Strategic alignment

- Further work needs to be done at system level to ensure the Trust's plans and future direction align with the ICB and system strategy and lead on development where appropriate.

Collaboration and co-develop

- We heard that the current financial climate has given rise to a more 'contractual' and performance management relationship with the ICB, with a focus on individual financial matters rather than working collaboratively. The Intervention and Investigation financial regime is providing the basis for development of system plans.

KLOE 8: Improvement and innovation

AMBER/RED

Overview

SFH recognises the need to adopt a robust, well-embedded and systematic continuous quality improvement approach to service delivery at all levels of the organisation.

- Whilst there is considerable improvement activity at the Trust through the established Improvement Faculty such as Continuous Improvement, Pathways to Excellence, Advancing Quality programme, clinical research and clinical audit, **activities are fragmented and there is not a Trust-wide approach and strategy or consistent approach to improvement.**
- The Trust has recently undertaken an NHS IMPACT (Improving Patient Care Together) Self-Assessment, which was presented to the Board in August 2024. The assessment indicated that while **there are examples of improvements happening across the Trust, they tend to be local and not shared more widely.**
- The Trust uses benchmarking data where possible to review its services, and we observed some use of this in reports. The Trust works jointly with a number of other providers in some specialties, and this is mutually beneficial to take stock of systems and processes used to deliver care.
- Annual Staff Excellence Awards celebrate outstanding performance from colleagues and teams across the Trust. Improvement Awards are given to staff to recognise their contributions to the Trust's improvement journey.

Areas for development

Prioritise and monitor

- Given the current operating environment and the continued focus on the Trust's financial position (through the the Investigation and Intervention regime), it has been difficult for individuals at the Trust to have headspace for other improvement work. We have heard consistently throughout interviews that there is a currently a focus on financial improvement across the Trust and there is a need to invest sufficient time and resources to develop and prioritise achievement of longer-term improvements.

Embedding improvement culture

- Improvement is still seen as being separate from day-to-day activities, rather than being integrated with it. The Trust must look to embed improvement as part of the Trust's everyday culture. There is a lack of shared understanding of what is meant by improvement and its role in supporting transformation.

Developing capability and capacity

- The Trust recognises a need to develop/broaden the skill set to enable improvement. Currently, there is not a structured training or capability building approach for improvement skills. Training is ad hoc and focused on small central teams.

Recommendations

The following pages set out the recommendations arising from our review. Our recommendations reflect the current status and maturity of Trust arrangements, the development session we had with the Board on 13 November 2024 as well as good and best practice we have observed elsewhere.

| Ref. | Development Area | Recommendation | Priority |
|--|---------------------------|--|----------|
| KLOE 1: Is there the leadership capacity and capability to deliver high quality, sustainable care? | | | |
| R1.1 | Unitary Board development | We recommend the Chair and CEO should design a structured Board development plan to include actions and activities that support effective onboarding and integration of the new NEDs and other Directors. The plan should include protected time to invest in “team development” and softer skills to strengthen unitary Board working, particularly given the planned Board changes over the next few months. | Medium |
| R.1.2 | Unitary Board development | The Chair and NEDs should agree a schedule of regular NED group catch-ups. | Low |
| R1.3 | Skills and experience | The Chair and CEO should consider how experience and skills gaps can be closed as part of the ongoing Executive and NED recruitment process and as part of the planning of the Board development programme. | Medium |
| KLOE 2: Is there a clear vision and a credible strategy to deliver high quality, sustainable care to people, and robust plans to deliver? | | | |
| R2.1 | Long term trajectory | The Trust should develop a longer-term, strategic view of its role in the system, supporting the development of its population health and the supporting pillars of the NHS 10-year plan. This should be aligned to its partnership plans and strategy to understand what it can achieve as a Trust and what will be more effective in working with others. | High |
| R2.2 | Underpinning strategies | The Trust should further develop its supporting underpinning/aligned divisional strategies to deliver the Trust’s current and long-term trajectory. In particular, the Trust needs to develop a longer-term financial sustainability strategy which builds on the work being undertaken under the Investigation and Intervention regime. | High |

Recommendations

| Ref. | Development Area | Recommendation | Priority |
|--|---|--|----------|
| KLOE 3: Is there a culture of high quality, sustainable care? | | | |
| R3.1 | Freedom to Speak Up (FTSU) - Governance | <p>The FTSU Guardian provides assurance to a number of Committees, however, the FTSU agenda lacks a forum for focussed discussion, as well as identification and investigation of organisational-wide issues. We recommend that the Trust:</p> <ul style="list-style-type: none"> • Reviews and streamlines the governance route to Board, ensuring accountability at Committee level is clearly set out. • Establishes a focussed forum for the FTSU agenda (for example a FTSU sub-cabinet) and consider representation from divisional leads to strengthen divisional oversight and buy-in. • Consider the introduction of a time limited period for the role of the FTSU Champions, with options to extend if both parties agree. | Medium |
| R3.2 | Freedom to Speak Up (FTSU) – Responsiveness | <p>The Trust should seek to improve confidence in the FTSU process by:</p> <ul style="list-style-type: none"> • Reviewing concerns raised to understand trends and activity, and use this information to redesign and promote pathways, reinforced by clear support for managers to enable resolution. • Establishing a FTSU triage system to determine how concerns of varying nature will be dealt with, including setting an expected response and resolution timeframe. This should be communicated to staff so there is a mutual understanding. | Medium |
| R3.3 | Freedom to Speak Up (FTSU) – Support | <p>The Trust should seek to improve the sharing of learning as part of the FTSU process by:</p> <ul style="list-style-type: none"> • Developing a clear FTSU communications plan, to include promotion of the FTSU process, the sharing of success stories and promote other existing escalation routes. • Review and identify training requirements for Trust managers to empower and support managers to resolve concerns raised by their staff. | Medium |

Recommendations

| Ref. | Development Area | Recommendation | Priority |
|---|-------------------------------------|--|----------|
| KLOE 4: Are there clear responsibilities, roles and systems of accountability to support good governance and management? | | | |
| R4.1 | Duplication of information | We recommend the Trust reviews the reporting of information to Board and Committees to reduce the amount of duplicate reporting. | Low |
| R4.2 | Financial Governance | We recommend the financial governance and reporting arrangements below Board Committee level are reviewed to ensure that the arrangements are sustainable and there is clarity regarding reporting into the Improvement Cabinet and Finance Committee. | High |
| R4.3 | Operational Performance | The Trust should review and agree how appropriately detailed information on Trust performance/issues is shared with NEDs between Committee meetings, to ensure NEDs are kept up to date in a timely manner. | Low |
| KLOE 5: Are there clear and effective processes for managing risks, issues and performance? | | | |
| R5.1 | Quality impact assessments | We recommend that the Trust ensures Quality Impact Assessments are mandated and universally applied and completed alongside the development of initiatives to address the current Trust and system financial challenges. | Medium |
| KLOE 6: Is appropriate and accurate information being effectively processed, challenged and acted on? | | | |
| R6.1 | Integrated Performance Report (IPR) | <p>The Trust should consider strengthening the IPR to include:</p> <ul style="list-style-type: none"> A data quality kite mark system to inform users of any data quality risks attached to the data that might impact decision making. Use of peer and national benchmarking information within the IPR to provide wider and additional context on the Trust's performance. | Medium |

Recommendations

| Ref. | Development Area | Recommendation | Priority |
|--|--|---|----------|
| KLOE 7: Are the people who use services, the public, staff and external partners engaged and involved to support high quality sustainable services? | | | |
| R7.1 | External perceptions and relationships | We recommend the Trust continues to proactively push being an active player in the system. In particular, this should include further strengthening system working and approach with the ICB on financial improvement. We recommend the Trust take clear leadership responsibilities on key areas of system development plans and at PLACE level. | High |
| R7.2 | Strategic alignment | We recommend the Trust fully engages with the ICB on the development of strategic plans and underpinning strategies. | High |
| R7.3 | Collaboration | We recommend the Trust work jointly with partners (system and wider) to co-develop and deliver plans and strategies which support the delivery of agreed long term plans. The Partnerships and Communities Committee should monitor actions and ensure strategic alignment. | Medium |
| KLOE 8: Are there robust systems and processes for learning, continuous improvement and innovation? | | | |
| R8.1 | Prioritise and monitor | We recommend the Trust establish buy-in and support from the Board on the Trust improvement strategy and approach. This would include agreeing key improvement priorities and what can be achieved by when, and setting out key terms and definitions (e.g. improvement – quality, operational and financial, transformation, multi-year etc) | Medium |
| R8.2 | Developing capability and capacity | We recommend the Trust review how it can ringfence clinical and operational staff time to ensure improvement work is given more priority and focus. | High |

Recommendations

| Ref. | Development Area | Recommendation | Priority |
|--|-------------------------------|---|----------|
| KLOE 8: Are there robust systems and processes for learning, continuous improvement and innovation? | | | |
| R8.3 | Embedding Improvement Culture | The Trust should consider how all senior leaders at the Trust can input into the Trust improvement programme and activities, to drive and support delivery and send a message that improvement work is a responsibility of all leaders. | Medium |
| R8.4 | Embedding Improvement Culture | The Trust should develop a clear and detailed plan to share learning from improvement projects and agree the approach to widely communicate improvement activities. | Medium |
| R8.5 | Embedding Improvement Culture | We recommend the Trust revisit and reset governance processes and groups for developing and monitoring improvement work across the Trust. This would include consideration of the role of the Financial Improvement Cabinet/Improvement Cabinet and Quality and Safety Committee. | High |

Appendix A - Interviewees

Interviewees

| Category | Interviewees |
|-----------------------------|--|
| Trust Board members | <ul style="list-style-type: none"> • Graham Ward (Acting Trust Chair and Chair of Finance Committee) • Barbara Brady (NED Chair of Partnership Committee, and Vice Chair) • Steve Banks (NED Chair of People Committee) • Manjeet Gill (NED Chair of Audit and Assurance Committee) • Aly Rashid (NED Chair of Quality Committee) • Andrew Rose-Britton (NED Chair of the Charitable Funds Committee) • Neil McDonald (NED, Maternity Champion) • Dave Selwyn (Acting CEO) • Phil Bolton (Chief Nurse) • Rachel Eddie (Chief Operating Officer) • Richard Mills (Chief Finance Officer) • Simon Roe (Acting Medical Director) • Rob Simcox (Director of People) • Sally Brook Shanahan (Director of Corporate Affairs) • Claire Hinchley (Acting Director of Strategy and Partnerships) |
| Other internal stakeholders | <ul style="list-style-type: none"> • Steven Jenkins (Divisional General Manager – UEC) • Joanne Wright (Divisional General Manager – Medicine) • Jo Fort (Divisional General Manager - Surgery) • Matthew Warrilow (Divisional General Manager - Women and Children) • Adam Littler (Divisional General Manager (CTSO)) • Kerry Bosworth (FTSU Guardian) • Mark Bolton (Associate Director of Operational Performance) |
| External stakeholders | <ul style="list-style-type: none"> • Tim Guyler (NUH Assistant Chief Executive and Director of Integration) • Claire Page (Internal Audit 360 Assurance) • Richard Walton (External Audit KPMG) • Liz Barrett (SFH Lead Governor) • Amanda Sullivan (Nottingham and Nottinghamshire ICB Chief Executive) • Marcus Pratt (Nottingham and Nottinghamshire ICB Interim Director of Finance) |

Appendix B – Meeting observations

Meeting observations

| Category | Meeting |
|-----------------------------------|---|
| Trust Board and Board Committees | <ul style="list-style-type: none">Trust BoardAudit and Assurance CommitteeFinance CommitteePeople CommitteePartnership and Communities Committee |
| Executive and Divisional meetings | <ul style="list-style-type: none">Women's and Children Performance Review MeetingMedicine Performance Review MeetingSurgery Performance Review MeetingUEC Performance Review MeetingCSTO Performance Review Meeting |

