



Nottingham and Nottinghamshire

Sir John Robinson House
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15 August 2023

Letter sent via email

Paul Robinson
Chief Executive
Sherwood Forest Hospitals NHS FT

Dear Paul

Re: NHS Oversight Framework 2023-24 – Quarter 1 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 1 2023-24 position for your organisation and to set out the process and timescales for the 2023-24 Quarter 2 segmentation assessment.

Quarter 1 Segmentation Review Outcome - Review Undertaken June 2023

Following the ICB peer review process undertaken at the end of June 2023, the proposed segmentation for NHS Provider organisations was approved by the Midlands Regional Support Group at its meeting on the 27 July 2023, and notified to the ICB on the 8 August 2023. It was agreed that for Quarter 1 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, and continues to be driven by:

Quality of care, access and outcomes – The Trust performs 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. Any specific areas of concern are addressed through improvement plans, for example diagnostics and long lengths of stay/MSFT. The Maternity Services CQC report published in February 2023 reported that the services remained ‘good’ and good progress is noted towards the implementation of PSIRF.

Preventing ill-health and reducing inequalities – The Trust has a clear focus on recovery considering potential inequity and inequalities in waits, identifying opportunities to target local population needs. The Trust have actively engaged in the system analyst health inequalities forums and data management approach.

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 2, the Trust reported an £1m adverse variance position against a planned deficit position of £2.9m. The main driver was reported as being UEC stretch capacity and impacts from Industrial Action. Efficiency targets were met at month 2, although this was due to non-recurrent benefits. Agency spend also reported over planned levels at £2.9m, which was a £0.3m adverse position against plan. We would ask that you continue to work both internally and with the system to deliver against the plans submitted, to support your improvement in your NHS OF Segmentation position.

People – Workforce availability remains a key challenge across the Trust, however workforce loss was within trust target levels at 6.5% for March and was in the top quartile for February 2023. 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.

Leadership and capability – There has been good engagement from across the Trust for development of the system, and active engagement in system transformation programmes. 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 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 segmentation and 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 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.

Quarter 2 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 published and metrics have not as yet been populated for review, therefore the 2022-23 framework will continue to be used for the Quarter 2 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 **6 October 2023 for Quarter 2**.

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



Amanda Sullivan
Chief Executive
NHS Nottingham and Nottinghamshire ICB

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