



## Nottingham and Nottinghamshire

Sir John Robinson House  
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21<sup>st</sup> August 2024

### Letter sent via email

David Selwyn  
Acting Chief Executive  
Sherwood Forest Hospitals NHS Foundation Trust

Dear David

### RE: NHS Oversight Framework 2024-25 – 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 4 2023-24 segmentation position for your organisation and to set out the process and timescales for the 2024-25 Quarter 1 segmentation assessment.

### Quarter 4 Segmentation Review Outcome- Review Undertaken March 2024

Following the ICB peer review process undertaken June 2024, the proposed segmentation rating for NHS Provider organisations was reviewed and approved by Midlands Regional Support Group (RSG) at its meeting on the 25<sup>th</sup> July 2024, and notified to the ICB on the 5<sup>th</sup> August 2024. It was agreed that for Quarter 1 2024-25 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 1, 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 the only area reporting in the lowest quartile relating to diagnostic performance, mainly in relation to ECHO, which has been an area of difficulty now for some time. There have been some improvements across a number of areas with the Trust reporting zero 104 and 78 week breaches in June. 65 week and 52 weeks remain on plan

against the improvement trajectory. Cancer backlogs delivered better than plan in May 2024 and the Trust continually delivers against the FDS.

There are increasing difficulties across the urgent care performance, in part to increased demand, MSFT and LLOS were remaining at high levels, and there were increasing difficulties with the UEC targets of 4 and 12 hour waits, with the 4-hour position reporting below the recovery plan levels expected. While ambulance handover delays continue to perform relatively well, these were also experiencing pressures at a higher than previously seen. The overcrowding within the Emergency Department remains a reported risk at Kings Mill Hospital.

Despite continuing 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 a PSIRF oversight group having commenced to review themes, trends and duty of candour processes.

Responses to two paediatric Regulation 28 prevention of future death reports were due to be shared on the 28<sup>th</sup> May 2024. The improvement work required is being supported through the Emergency Department Improvement Plan.

**Preventing ill-health and reducing inequalities** – The Trust's Clinical Strategy has a clear focus on health inequalities, and it will be good to see this presented at the ICS Health Inequalities Oversight Group to highlight the opportunities identified. The Trust has continued to focus on elective restoration by targeting individuals of higher risk and supporting them to 'wait well'. There is ongoing commitment to smoking cessation with a positive evaluation of maternity services and direct impact on Smoking at the Time of Delivery. The Trust's regular attendance at the ICS Health Inequalities Oversight Group has provided welcome insight into the Group.

**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 and is the main area of concern for a potential trigger to level 3.

- The Trust closed 2023/24 with a £14m deficit, which was £14m adverse variance against the break-even plan. Efficiency targets were £1.8m adverse to plan and were mainly non-recurrent delivery, leading to £14.4m recurrent adverse position. Agency spend also reported over planned levels at £16.6m, which was a £3.6m adverse position against plan.
- 2024/25 financial plans were submitted with a £14m deficit. This position included a 5% efficiency requirement. Initial draft plans were submitted which presented a £14.7m deficit position for 2024-25. At the time of the June 2024 ICB review, there were no plans for financial sustainability in the medium term. 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 and prevent deterioration to NOF 3 and to respond to the ICB Financial Undertakings in place for all system partners.

**People** – The Trust submitted a realistic workforce plan for 2024-25 and reported positively against the April plan position.

- Substantive –18.7WTE (0.36%) below plan
- Bank –45.6 WTE (9.75%) below plan
- Agency –10.9 WTE (10.22%) below plan
- Turnover is at 8.1% against a Target of 8.5%

- Sickness at 4.25% against a target of 4.1%

The Trust remained in the top quartile for February 2024 for staff leaver rates.

The Trust continued to perform well across the 2023 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.

**Leadership and capability** – There has been active engagement in system transformation programmes, as well as increasing roles in collaborative working with participation in specialist groups such as fall and tissue viability. Engagement across health inequalities, people and place work programmes has reduced in recent months. There are no material concerns or support needs identified for the trust system or governance at Q1, as the trust has strengthened quality and governance roles.

The Trust has needed to make various interim arrangements at senior levels supported by a relatively new executive team, this will need clarity and focus to ensure pace and delivery against the competing in year challenges.

**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 system support to NUH and 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.

The ICB has also received enforcement undertakings in relation to the financial position which requires the ICB and system NHS Partner organisations to develop a single financial recovery plan, which delivers a return to breakeven by no later than 31<sup>st</sup> March 2026.

To progress from Segment 2 and not move to Segment 3 the Trust will need to undertake the following actions (exit criteria):

1. Address the underlying and in year deficit of the Trust, providing a plan to return to financial balance by March 2026, 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 sustained eradication of 78 weeks, achievement of the 65-week and 52-week reductions in 2024, maintain 62-day backlog reductions and deliver improvements for the diagnostic 6ww, especially with regard to the ECHO waits.
3. Address areas of rising risk across urgent care, including delivery of the 4-hour and 12-hour position
4. Continue to provide active contribution to the overall system financial sustainability, quality improvements and outcomes.
5. To be a key contributor to the wider system as an anchor institution.

### **Quarter 2 2024-25 Segmentation Review Process**

As a new oversight framework is expected to be implemented in the autumn, NHSE are pausing the proactive segmentation review process for quarter 2 and do not require a formal submission

from the ICB. However, the ICB will continue to undertake an internal ICB review and assessment with providers for quarter 2, as a way of monitoring progress against the segmentation drivers to support the ICB in fulfilling its current responsibility as set out in the NHS Oversight Framework, for Integrated Care Boards (ICB) to have local oversight of their NHS provider organisations with NHS England maintaining statutory accountability for NHS provider organisations.

The ICB will discuss any exceptional changes in circumstance with any provider, with NHS England lead.

We will continue to discuss the arrangements under the emerging 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 myself or Sarah Bray, Associate Director of Performance and Assurance, ([sarah.bray6@nhs.net](mailto:sarah.bray6@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